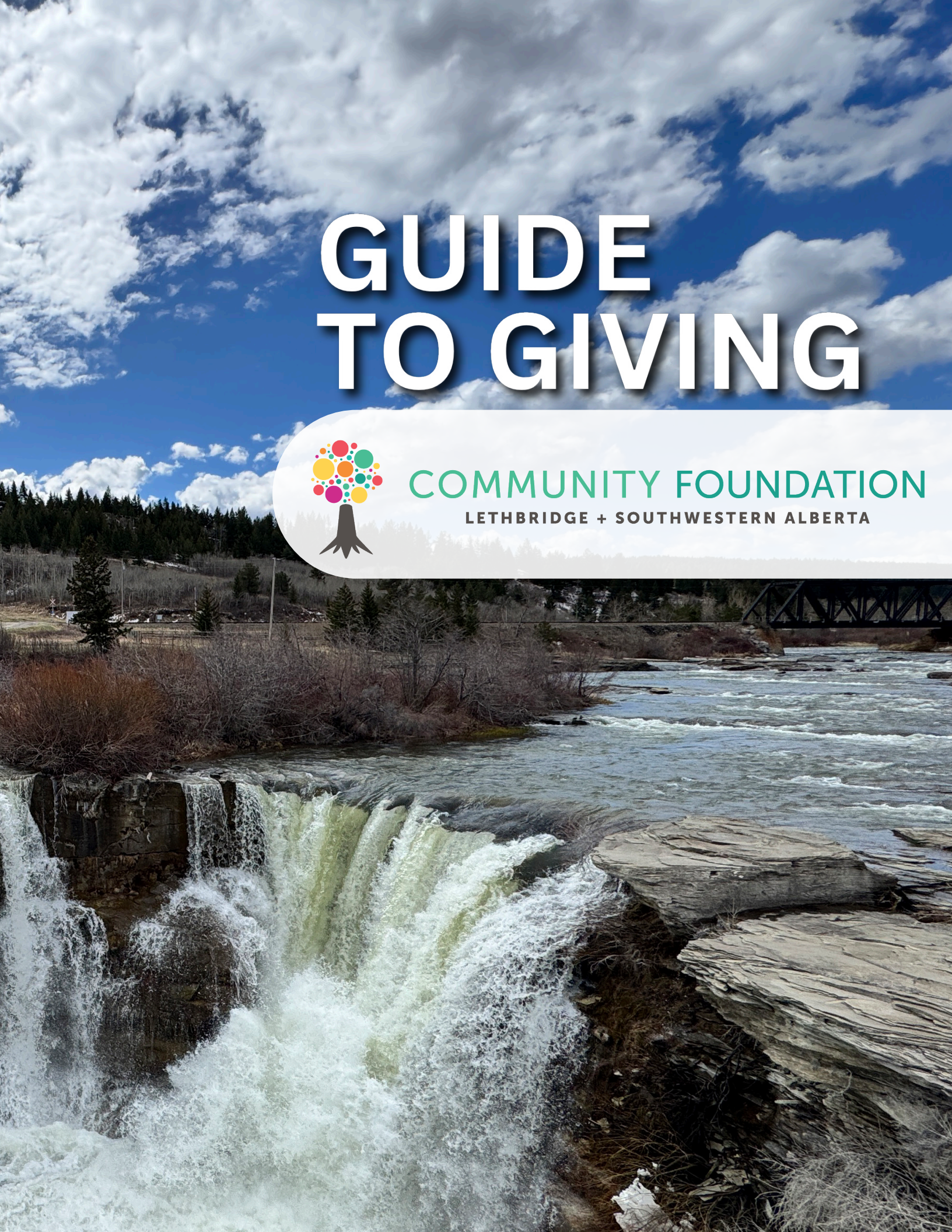


GUIDE TO GIVING

COMMUNITY FOUNDATION

LETHBRIDGE + SOUTHWESTERN ALBERTA

WHY GIVE?

YOUR REASON FOR GIVING IS AS UNIQUE AS YOU ARE.

Some people choose to give because they feel a sense of gratitude for the success they have enjoyed in life. Others give to help build a better, healthier community.

Some people choose to give as a way to commemorate the life of a loved one. Others want to support a charity or a cause they care about, such as museums, libraries, education, or social programs.

Donors to the Community Foundation of Lethbridge and Southwestern Alberta (the “Community Foundation”) choose to give to establish a legacy, a gift that lasts and will continue to give beyond their lifetime.

As you think about supporting the community through the Community Foundation, consider the following questions:

1. Do you care deeply about your community?
2. Do you give to more than one charitable cause?
3. Are you interested in creating a personal or family legacy?
4. Do you want to make a difference in the community but aren’t sure where or how to start?
5. Are you considering establishing a private foundation, but are concerned about cost and administration complexity?
6. Would you like to stay involved in the use of your gift?
7. Are you interested in teaching your children about giving back?
8. Do you want to receive a tax benefit?
9. Do you place a priority on the sound financial management of your gifts?
10. Do you need a charitable giving plan that reflects your wishes, life’s changes, and, if needed, can be private and anonymous?

If you answered yes to any of these questions, give us a call and we will help you achieve your charitable goals. We’re happy to provide you with more information, answer any questions you may have, and tailor a giving strategy that works for you.

WHY CHOOSE THE COMMUNITY FOUNDATION?

Since 1966, the Community Foundation has successfully helped donors fulfill their charitable goals. By working together, you get the benefit of an experienced partner committed to helping you realize your charitable goals.

Flexible Ways to Give

We are here to help you achieve your specific goals, and we offer a variety of choices for gift giving. We can help you establish a fund that works for you, and you can decide how involved you want to be with the granting process from your fund. (See page nine for options on ways to make your gift.)

Community Knowledge

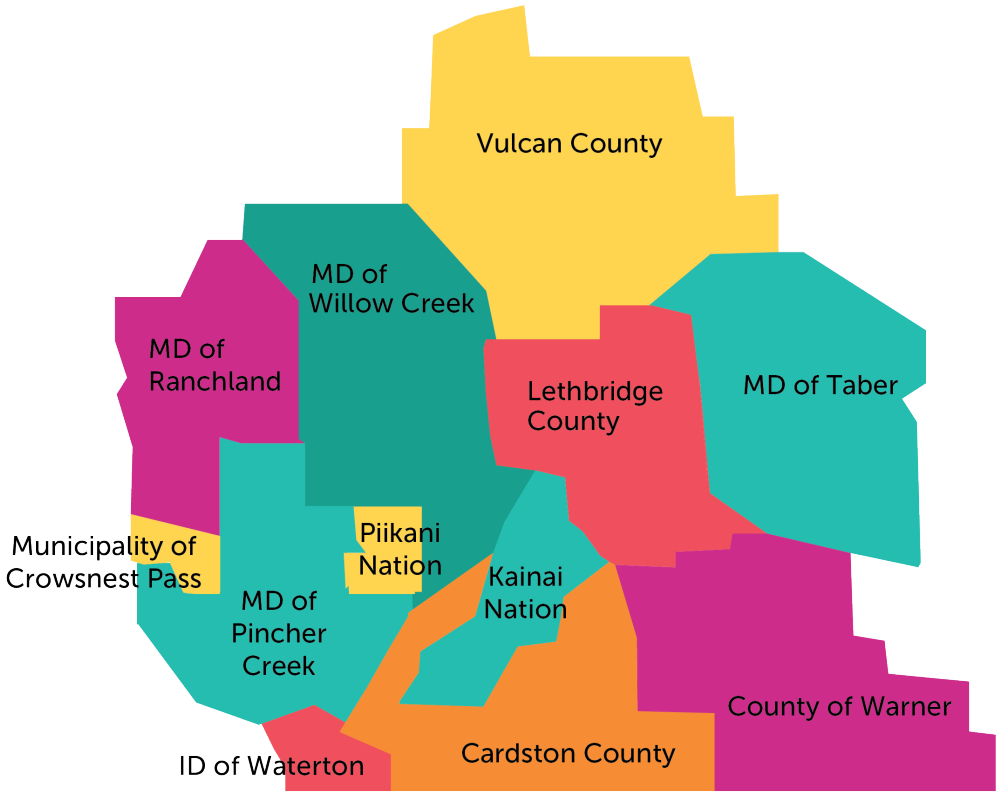
We work closely with the community of Southwestern Alberta, which makes us knowledgeable about the areas of need in our region and about the charities working to address those needs. We can connect you with charities that support the causes closest to your heart.

Stewardship

We have over 60 years of experience as a responsible fund steward. Your gift will become part of our professionally managed investment portfolio, no matter how much you choose to give. Our portfolio is monitored by a committee of volunteers with expertise in the world of finance. They work closely with our Investment Manager and our Board of Directors to ensure we maximize our returns while minimizing our risk.

Accountable

We are a registered charity with the Canada Revenue Agency (CRA). As such, we file a return (T3010) annually with the CRA and share our financial statements on our website. We keep our operating costs to a minimum so that your gift supports the community, not our administration. As a CRA charity, we will issue tax receipts for your gifts.



Established by an Act of the Legislative Assembly of Alberta in 1966, the Community Foundation proudly serves all of Southwestern Alberta.

Giving is easier and more affordable than you may think!

HOW TO GET STARTED

At the Community Foundation, we work with each of our donors to develop a giving strategy that meets their charitable goals. We have a number of flexible options for consideration, including: when you want to make a gift – now or in the future; how involved you want to be with granting decisions from your fund and; whether or not you want to support a specific charity, a specific area of interest, or allocate your gift towards the current needs of the community.

FUND OPTIONS

Community Priorities Fund

You establish a fund, but you allocate the donation to the Community Priorities Fund. This fund is made of the gifts made by numerous donors who want to support the current needs of the community, and they let the Community Foundation choose what those needs may be through its granting programs. This fund accepts applications from the charitable sector twice a year, once in the spring and once in the fall. A volunteer committee of representatives from across Southwestern Alberta reviews the applications and makes funding recommendations to our Board of Directors.

Donor Advised Fund

You "advise" the Community Foundation which charity or charities you want your fund to support annually. We will provide you with an annual Fund Report each spring that details activity on your fund (much like a bank statement) and tells you how much is available to grant from your fund each year. We do not process grants from your fund until you "advise" us which charity or charities you want to support. This fund option allows you to stay flexible to the needs of the day but still be involved with your fund. It's also a great way to teach your children or grandchildren about giving back to community. You can name your fund and you will receive copies of the letters that accompany the grants your fund generates.

Donor Designated Fund

You choose which charity or charities you want to support when you establish your fund. Based on your wishes, the Community Foundation will automatically grant to the charity or charities you selected. The grants will be awarded annually each spring and will coincide with your annual Fund Report. You can name your fund and you will receive copies of the letters that accompany the annual grant your fund generates.

Field of Interest Fund

You choose an area of interest that you want to support when you establish your fund – an area can be anything that you feel passionate about supporting, such as a specific age group, a geographical location, or an issue that you feel is important. When the Community Foundation's Grants Committee reviews grant applications, appropriate candidates are selected to match specified fields. You can name your fund and you will receive notification of the charities your fund supported with your annual Fund Report each spring.

Scholarship Fund

You choose which school or post-secondary institution you want to support through an annual scholarship. You can also indicate additional criteria, such as what type of merit you wish to see in the scholarship recipient. You can name your fund and you will receive copies of the letters that accompany the annual scholarship grant your fund generates.

FUND OPTIONS CONTINUED...

Charity Support Fund

An individual can choose to establish a Charity Support Fund through their Donor Designated Fund, but a charity can also establish their own Charity Support Fund. A Charity Support Fund is a "Designated Endowment Fund" that is restricted, or "designated," to a specific registered charity. The annual grant these funds generate is a permanent source of income for the charities they support.

A charity that establishes a fund with us creates sustainability for their organization. We will issue tax receipts made directly to the Community Foundation for all Charity Support Funds, which removes the administrative burden from charities, allowing them to focus on their day-to-day operations.

Charities that choose to establish their own fund are encouraged to let their donors know about the fund so they can consider it as another option for supporting the charity. For example, donors may want to consider leaving a gift in their Will to support the fund.

Colin Weir,
Alberta Birds of
Prey Foundation

"We cannot overstate our gratitude towards the visionary family who started an endowment fund for our organization. Their commitment not only sustains our current operations but also fortifies our future, allowing us to dream bigger and reach further."

Community Support Fund

A Community Support Fund is a form of a "Field of Interest Fund" that is restricted to a geographical region, such as a town or a municipality. A Community Support Fund is a permanent source of annual income that helps charities and organizations working within the community for which the fund was established. Anyone can start a fund for their community, and anyone can support a Community Support Fund. In fact, we encourage it. The more donors a fund has, the more the fund can do in the community. Our existing Community Support Funds are currently allocated through our Community Priorities Fund, but we're happy to discuss options with you.

The Benefits of Annual Giving

Donors often ask whether it is better to give during their lifetime or through their estate. The answer to that question is specific to each individual donor, but here are some of the advantages of giving during your lifetime:

1) You can see the impact your gift makes in the community;
2) You can make cheque presentations for your grants, if you wish;
3) You can hear firsthand from the grant recipients how much your gift means to them; and
4) You can enjoy the tax benefits from your gifts during your lifetime.

If you are able to give during your lifetime, you can also leave a gift in your Will to support your fund, and your estate will receive the tax receipt. While you won't be here to see the impact of your gift, you can be assured that it will have tremendous impact. Forever.

WHY CHOOSE AN ENDOWMENT FUND?

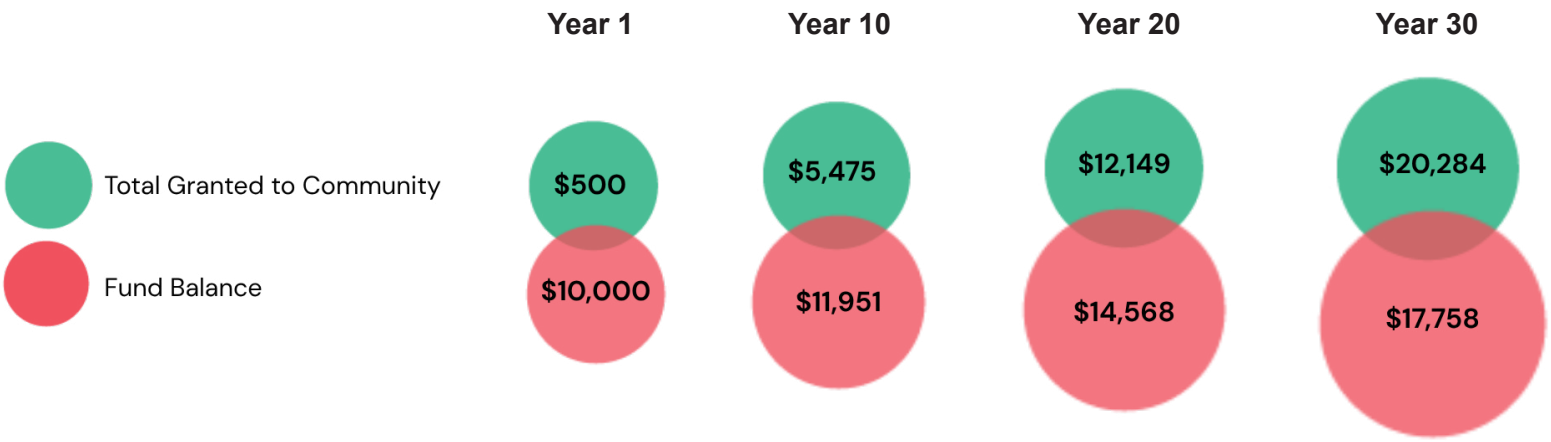
An Endowment is a Lasting Gift

Before making the decision to give through an endowment fund, it is important to understand how it works. Gifts from donors become part of our professionally managed investment portfolio, our endowment fund. Each gift is a seed that we plant, steward, and grow. The gifts remain invested - forever - while the income the endowment fund earns annually is awarded in the form of grants across Southwestern Alberta. This means that your gift will continue to give back to the community year after year, decade after decade, helping build your legacy while supporting the causes that you care most about, forever.

THE POWER OF AN ENDOWMENT FUND

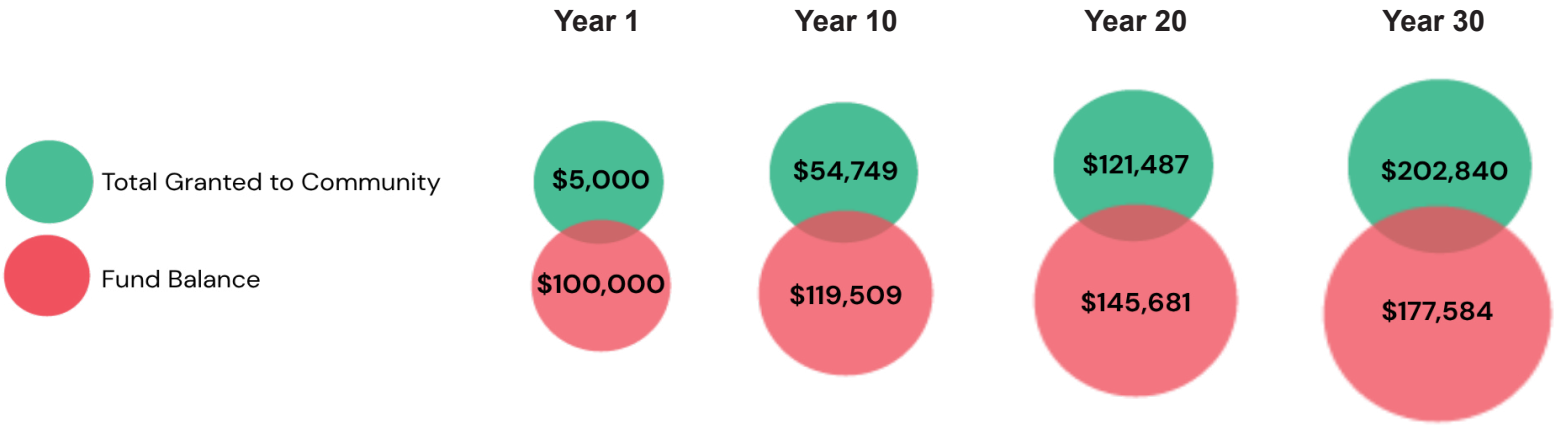
As the endowment fund grows, so does our ability to support the community.

Projected Growth of a $10,000 Endowment Fund



All projections based an assumption of annual market returns of 8%, 1% cost recovery, and 5% grant rate.

Projected Growth of a $100,000 Endowment Fund



Bernadine Boulet,
Fundholder & Donor

"Coming to the Community Foundation allows you to know that you're being taken care of. The people genuinely care for you."

WORDS FOR WILLS

Thank you for considering a legacy gift to the Community Foundation. The information below is intended to help you explore your charitable giving options and provide sample wording for your Will. We recommend consulting with your lawyer when preparing or updating your Will to include a legacy gift. Should you have any questions about including the Community Foundation in your Will, please do not hesitate to get in touch!

Unrestricted Gifts

An unrestricted gift provides the greatest flexibility and ultimately supports Southwestern Alberta's entire social sector. It allows our Board of Directors to apply your gift to emerging priorities and community needs, ensuring your generosity remains relevant and always helps address the most pressing needs of the day.

Suggested wording:

"To give the sum of $____ (or ____% of the residue of my estate) to the Community Foundation of Lethbridge and Southwestern Alberta, charitable registration #119018349 RR0001, to be used for such objects and purposes as the Board of Directors shall from time to time determine."

Field of Interest Gift

A Field of Interest gift allows you to direct your bequest to support a particular area, group, or issue that matters to you. A few examples include animals, youth, seniors, the arts, and geographical areas.

Suggested wording:

To give the sum of $____ (or ____% of the residue of my estate) to the Community Foundation of Lethbridge and Southwestern Alberta, charitable registration #119018349 RR0001, to establish an endowment fund to be known as the [choose a name for your fund], which shall be used to support [chose your field of interest].

Designated Gift

A Designated gift allows you to direct your bequest to support specific charitable organizations near and dear to you.

Suggested wording:

To give the sum of $____ (or ____% of the residue of my estate) to the Community Foundation of Lethbridge and Southwestern Alberta, charitable registration #119018349 RR0001, to establish an endowment fund to be known as the [choose a name for your fund] (the "Fund"), which shall be distributed annually to support the following charitable organizations: [list designated charity or charities, and their charitable registration number].

Designated Gift to Existing Fund

A gift to an existing fund allows you to support an existing fund previously established at the Community Foundation.

Suggested wording:

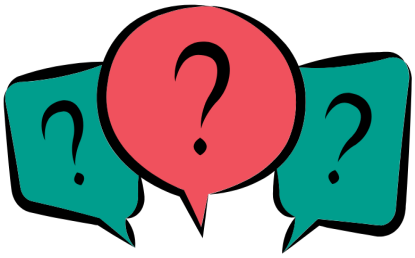
To give the sum of $____ (or ____% of the residue of my estate) to the Community Foundation of Lethbridge and Southwestern Alberta, charitable registration #119018349 RR0001, to be added to the [insert fund name] at the Community Foundation of Lethbridge and Southwestern Alberta.

Gen Hofman,
Donor & Board Member

"We wanted to show our kids that you don't need to be 50 or 60 or wealthy to give. We're comfortable, but you can also give back if you are comfortable."

Nadine Granson
CPA, CA, CEA - Principal

Avail CHARTERED PROFESSIONAL ACCOUNTANTS



ASK AN EXPERT

QUESTIONS ABOUT ESTATE PLANNING? WE KNOW WHO CAN HELP!

What are the benefits of leaving a gift to a charitable organization?
If the donations are in the Will, they give a lot more tax planning advantages. They can be used on final tax returns, prior personal tax returns, and we can also carry them forward to the estate returns. If we do not have the donation in the Will, we might lose the ability to use them on personal tax returns. They can still be used on estate returns but that's not usually where the bulk of the taxes are going to be triggered.

What are some strategies to consider when deciding how to donate to a charity through a Will?
You can always leave cash but there are other options. You could explore leaving a gift of publicly traded shares. The CRA gives great tax breaks on those because within those publicly trades shares, there may be an inherent capital gain that will trigger tax on our death. What the CRA allows us to do is reduce that amount of capitals gains tax, sometimes it can be zero depending on the type of share you're donating, and you'll also get a tax credit. So you get a bit of a double dip to help reduce estate taxes.

How easy is it to leave a charitable gift in your Will?
It's quite easy but there are a few things that we need to worry about in order to get the tax deductibility from that charitable donation to your estate. It has to be set up specifically in the Will, to include the legal name of the charity receiving the bequest, as well as its CRA-registered charity number. Without this the CRA may deny the deduction that we're looking for to reduce estate taxes.

How can you offset taxes to an estate through a charitable gift?
The most taxes will be triggered on your final tax return when you pass away. When there is a surviving spouse, the CRA allows a tax deferred roll over to that spouse. When there is no surviving spouse, we have what is called a "deemed disposition at death," which means all the assets you own that have inherent tax within it will trigger the taxes. Things like RRSPs, RIFs, and investment accounts will trigger a large amount of tax. Charitable donations are a great way to reduce those taxes. Donation tax credits produce a large amount of tax credit. Up to 50 per cent of the donation will come back as a tax credit to help reduce the estate bill.

HOW TO GROW YOUR FUND

The Community Foundation is a registered charity with the Canada Revenue Agency, which means your gift is eligible for a tax receipt.

Make Your Gift Today

Cash, Cheque, or Credit Card

If you wish to make a donation of cash, please stop by our office rather than send it in the mail – we're open Monday to Friday from 8:30 a.m. to 4:00 p.m., and are always happy to see our donors. You can choose to mail or hand deliver cheques. We can also process a donation through your credit card, including over the phone. Your gift will be allocated to your chosen fund and we will issue you a tax receipt.

Electronic Fund Transer (EFT)

You can donate through an EFT by using the email address cdavidson@cflsa.ca through your online bank account. Your gift will be allocated to your chosen fund and we will issue you a tax receipt. Please be sure to send an email with your contact information to the same email account so that we know where to send your tax receipt.

Online Gifts

You can donate to any of our funds, including our Community Priorities Fund, through the CanadaHelps link on our website: www.cflsa.ca. Your official tax receipt will be issued from CanadaHelps.

Publicly Listed Securities

One of the most cost-effective ways to make a gift to your community is the donation of public securities. Whether you give securities now or in the future through your Will, your gift is eligible for a tax receipt. When publicly listed securities are donated to the Community Foundation, the tax on the capital gains is eliminated. We can facilitate the transaction at no cost to you through our investment firm.

Future Gifts

Bequests

Donors can designate a specific gift or a portion of their estate to the Community Foundation. If you wish to restrict your gift to a particular purpose, your Will should include this direction (see "Words for Wills" on page seven). Your estate will receive a tax receipt.

Life Insurance

Life insurance is an affordable option that will allow you to make an extraordinary gift to your community. You can transfer an existing policy to the Community Foundation or you can purchase a new policy naming the Community Foundation as the irrevocable beneficiary. These options have different tax benefits that we can discuss with you.

Retirement Plan

You can designate the Community Foundation as a beneficiary of your Registered Retirement Savings Plan (RRSP), Registered Retirement Income Fund (RRIF), or Tax Free Savings Account (TFSA). Your gift qualifies you for an official tax receipt. By donating your RRSP or RRIF, you will offset the tax that would otherwise be payable on these assets by your estate.

ABOUT THE COMMUNITY FOUNDATION

OUR MISSION:

To inspire charitable giving and steward funds to build a vibrant Southwestern Alberta.

OUR VISION:

Helping Southwestern Alberta communities thrive through generosity

OUR VALUES:

COMMUNITY
We are rooted in Southwestern Alberta and guided by the belief that lasting impact begins locally. We listen, collaborate, and invest where our efforts strengthen community life.

INTEGRITY
We honour the trust placed in us through transparent decision-making, ethical leadership, and accountability to the people and places we serve.

INCLUSIVENESS
We strive for equity and belonging – ensuring that diverse voices, perspectives, and communities shape our work and benefit from it.

GENEROSITY
We celebrate the spirit of giving and help donors create lasting impact. We honour the intentions of those who give, ensuring their generosity benefits Southwestern Alberta for generations to come.

STEWARDSHIP
We responsibly manage the resources entrusted to us, investing them wisely to create enduring community benefit today and for the future.

Thank you to our friends at the Victoria Foundation for their support.

COMMUNITY FOUNDATION

LETHBRIDGE + SOUTHWESTERN ALBERTA

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Charitable Business #119018349 RR 0001

Helping Southwestern Alberta communities *thrive* through generosity.