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Frequently Asked Questions for Financial Advisors

What is the Middletown Community Foundation?

Founded in 1976, the Middletown Community Foundation is the community's permanent endowment, enabling donors from all walks of life to improve the communities they care about through current and future charitable giving. We serve as the trusted charitable advisor to individuals, families, and businesses that want to help others through effective and efficient charitable giving.

What is a community foundation?

A community foundation is a collection of funds established by a wide range of donors. Each fund is a reflection of the charitable interests of the donor(s). Community foundations make grants to nonprofit organizations from these funds to support the work of those charitable organizations in accordance with the donor's wishes and intent. There are more than 800 community foundations across the United States.

Who typically works with the Middletown Community Foundation?

The Foundation works with a wide variety of individuals, families, businesses and nonprofit organizations. Our donors include retirees, business owners, teachers, executives, attorneys, and medical professionals, to name a few. We work with donors who live in the communities within our service area whose roots are in our communities.

Does my client have to support the Middletown Community Foundation with their contribution?

Your client can give to the causes he or she cares about by partnering with the Middletown Community Foundation. By creating a unique charitable fund, donors are able to make a grant to any nonprofit 501 (c)(3) charitable organizations located within our service area, within the State of Ohio or across the nation.

How is the community foundation different from the commercial gift funds like Fidelity?

MCF offers a wider variety of charitable funds and more giving options than commercial gift funds. MCF has a local, professional staff that can provide personalized service and assistance in the areas of giving, grantmaking, and local needs. Scholarships are a very popular option for donors that are not provided through commercial gift funds.

What is the advantage of a community foundation over a private foundation?

Establishing a fund at the Middletown Community Foundation is simpler and less expensive than establishing a private foundation. There is no start-up cost and donors may remain anonymous. In addition, the ongoing administrative of a private foundation is usually more costly and time consuming than having a fund at MCF, which handles all administrative details like annual tax filings.

How do I get my clients started?

Contact us at 513-424-7369 to speak to the Executive Director. They can review the assets for gifting and the fund types that best suit your clients' charitable interests and financial situation. A client may establish a named fund with a gift of \$10,000 or more.

How will the Foundation invest the assets of a charitable fund?

As stewards of the community's endowment, donor's charitable legacies, and community investments, it is our responsibility to carefully manage these resources. Middletown Community Foundation's long-term investment objective is to preserve the real value of its permanent funds. The investment portfolio is globally diversified across multiple markets. This model offers long-term growth potential with reduced volatility. MCF's Finance and Investment Committee oversees the Foundation's investment portfolio and reviews its performance quarterly.

What are the Foundation's fees?

The Foundation's administrative fees depend on the fund type and size. The Foundation's investment agent also charges fees that vary with the investment firm and the specific investment vehicles used by the investment agent.

How can the Foundation fit into my client's estate plans?

The Foundation will work closely with you and your clients to help facilitate planned gifts of all types (including bequests, trusts, charitable trusts, qualified retirement plans, life insurance policies, etc.) through your client's estate plans. This work may include the development of a letter of intent from the clients to the Foundation detailing how your clients would like the Foundation to use their planned gift when the Foundation receives the gift in the future.

Does the Foundation serve as trustee of charitable trusts?

No. The Foundation recommends that donors appoint a qualified bank or trust company or a qualified individual as trustee. Of course, the Foundation welcomes the opportunity to serve as the remainder beneficiary of a charitable remainder trust or the lead beneficiary of a charitable lead trust. We would be delighted to work with you and your clients to develop a letter of intent as to how such planned gifts will be used.

Why should I give to the Middletown Community Foundation rather than directly to the charitable organizations I want to support?

The Middletown Community Foundation has a unique role and distinct advantage over other charitable choices because of its permanence, flexibility, stewardship role, public accountability, and knowledge of and focus on serving the needs of our local communities. The Foundation has a long history of honoring the intent of its donors. Donors may be assured that our professional staff and dedicated board of community leaders are committed to honor donor intent and ensure that the donor's wishes are fulfilled long into the future. In addition, your clients may establish one named fund to support several charitable organizations through a current or planned gift and have the peace of mind that their intent is honored in perpetuity.