



COMMUNITY FOUNDATION BOULDER COUNTY

INSPIRING IDEAS. IGNITING ACTION.®

Dear Professional Advisors,

Happy fall!

As the leaves change colors, our thoughts turn to year-end. This month's newsletter shares a lot of information to help you with your clients' needs at year-end. Please also know that, as always, we are here to support and serve as your charitable partner.

As many of you have learned, after almost six years of incredible service to the Foundation, Caroline Landry made the decision to leave her position as Philanthropic Officer last month. Caroline and her husband, as new empty-nesters, are using the opportunity to travel. We look forward to seeing Caroline in and around Boulder in the future. Please join me in my gratitude to her for her many years of service. We will be hiring for her position in the new year. In the meantime, we are thrilled that Helen Gemmill, a long-time friend to the foundation and a terrific philanthropic professional will be lending her time and talent to the Philanthropic Services team in a part-time capacity through the end of the year. [Learn more about Helen >](#)



We are all available to support you at any time. Please feel free to reach out to any of us on the team (listed below).

Warmly,
Lynda

Trends that inform what your clients are thinking even if they aren't saying it

Hot off the press, the **2021 Bank of America Study of Philanthropy: Charitable Giving by Affluent Households** confirms that wealthy families are as committed as ever to the nonprofit sector and community causes. Of the 1,626 households surveyed with annual income of at least \$200,000 or a net worth of at least \$1 million (not counting a primary residence), 88% gave to at least one charity in 2020. Indeed, average giving by this demographic grew to \$43,195 from \$29,269--a 48% increase--between 2017 and 2020.



The motivations and preferences behind that giving are also changing. Here's how:

1. For the first time, affluent donors care as much about supporting the issues (44%) as they care about supporting the nonprofit organizations themselves (45%). In the past, most affluent donors have put far more weight on the organization when considering charitable giving options.
2. The issues themselves are shifting, too. For example, more than 20% of affluent households supported social and racial justice causes, and impact investing nearly doubled, during the period covered by the study.
3. Diverse donors and younger donors are beginning to prefer structured giving vehicles, such as donor-advised funds, over direct giving to operating charities.
4. Affluent volunteers give twice as much as affluent people who don't volunteer.
5. Affluent philanthropists are becoming more vocal about the challenges they face when

making charitable giving decisions, notably:

- Figuring out what causes they care about and where to make donations to support those causes (40%)
- Figuring out a charitable giving budget and how much they can afford to give (32%)
- Figuring out how to measure the results of their giving to be sure it's making a difference(24%)

What most affluent households are *not* worried about, however, according to the study, are potential changes to the income tax rules. Indeed, 78% say their giving levels would stay the same or even increase if they could not deduct contributions.

Pending legislation that could impact charitable giving strategies

Even with a government shutdown averted (at least for now), there are still plenty of legislative loose ends that we'll help you keep an eye on. Changes could directly or indirectly impact your clients' overall charitable and estate plans.

Here's what we're tracking:

- [General economic concerns if the debt ceiling is not raised](#)
- [Implications of the infrastructure bill on the nonprofit sector as a whole](#)
- [Specific tax changes that could occur under the Build Back Better plan](#)
- [Potential expansion of charitable deduction opportunities for non-itemizers](#)

If and when these or other legislative actions edge closer to becoming laws that could impact your clients' charitable planning priorities, we'll provide an update.

Regardless of what happens with the legislative agenda, we're encouraged that the role of community foundations has become increasingly important in supporting your clients' desires to improve the quality of life in the communities they love. (On that note, you might enjoy this inside baseball [book excerpt](#) as much as we did!)

Recent IRS actions illuminating charitable tax planning pitfalls

It requires a keen eye to spot unintended negative consequences of a well-meaning client's charitable giving strategies! This fall, we suggest you take note of three cautionary tales:

1. Clients can **no longer** "hide" with confidence behind a so-called blocker LLC to avoid sticky self-dealing rules when a note is transferred to a private foundation as part of a tax-savvy charitable estate planning structure.
2. Although rarely imposed, intermediate sanctions on excess benefits are **real thing** if a disqualified person attempts to use influential muscle to access financial resources.
3. Conservation easements--especially those of the syndicated variety--continue to land on the **hot seat**.

This newsletter is provided for informational purposes only. It is not intended as legal, accounting, or financial planning advice.

30 Years of Community Foundation Boulder County



Over the last 30 years our communities have donated more than \$100M to help us be better stewards of the inspiring work happening in Boulder County. [Watch this video message about the work we've done together >](#)

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Meet your Community Foundation team

We're pleased to work with professional advisors around Boulder County to ensure your clients receive stellar service and a personalized approach to actualizing their philanthropic goals and related tax savings. With our practice of working in partnership, knowledge of local issues and the philanthropic landscape, and commitment to impact, we're your best resource for donor-advised funds and planned

giving. Please contact us to learn how we can assist you and your clients now and into next year.

Members of our Philanthropic Services Team (pictured below, l-r):

- Peggy Driscoll, Philanthropic Services Officer
- Hellen Gemmill, Interim Philanthropic Officer
- Lynda Ricketson, Vice President of Philanthropic Services
- Sara Carrasco-Wyant, Philanthropic Services Associate
- Matt Zwiebel, Director, Pledge 1% Colorado

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Statement of Affirmation

Community Foundation Boulder County is committed to being a community catalyst for good, alongside donors and partners like you. We believe our community is stronger when all people - women and men, children, older adults, immigrants, people of color, LGBTQ+ individuals, those with varying abilities and from all faiths - are respected, welcomed, and invited to share their assets and contributions in community building.

We stand with others, in Boulder County and beyond, who courageously strive to build more inclusive communities rather than walls of division. We remain wholeheartedly committed to social justice for our most marginalized and vulnerable people and for the care of threatened environments. We believe in the power of art and music to improve our lives and community. Now, more than ever, we seek opportunities for local action and invite you to join us in our [ongoing leadership work](#) that includes grantmaking, outreach, and advocacy. We accomplish more together than we do alone.

Donating to your Community Foundation makes a local impact. Get inspired. Donate here.