



Ohio Farm Bureau Foundation

# Guide to Giving



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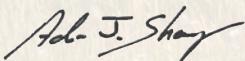
**A**t the Ohio Farm Bureau Foundation we take strength from our past and use it toward new and lasting change for the citizens of our state. In the future, we can play an even larger role in solving the challenges facing Ohio by preparing the next generation of leaders, funding innovation in our communities, and ensuring a healthy environment.

There is no escaping the importance of agriculture to our state and in the lives of every Ohioan. No where is this more apparent than when you sit down to a meal, reach for an apple, or enjoy a glass of Ohio wine. Less apparent are the ways that agriculture drives innovation and economic development. Food and agriculture account for more than 10 percent of our state's economy and employ 1 in 7 Ohioans.

We believe that when people work together to find solutions we can generate prosperity in ways our founding farmers never imagined. Whether it's creating an environment for businesses to succeed, creating constructive dialogue about food production or establishing great companies like Nationwide, good things happen when people work together.

As an organization we must challenge ourselves to chart an ambitious course forward—one that builds on the strengths of our community and directs new investments toward the areas where we can have the greatest impact.

I invite you to read about our plan for a **Strong Foundation** in the following pages and then join us in this transformative endeavor.



Adam J. Sharp  
*Executive Vice President*  
*Ohio Farm Bureau Federation*





Agriculture is our wisest pursuit, because it will in the end contribute most to real wealth, good morals, and happiness.

~ THOMAS JEFFERSON

EVERY GIFT HELPS OHIO FARM BUREAU FOUNDATION do something that might not otherwise be possible, from supporting student scholarships, to funding innovation in communities, to driving economic growth.

With an anticipated goal of \$15 million, the Foundation's campaign is the most ambitious effort in our history. This unprecedented level of support will prepare us for the future in four vital ways:

#### **1 Investing in tomorrow's leaders**

Training the next generation of agriculture producers, scientists, and business and community leaders is a key priority facing our state.

The campaign will expand our endowment to provide increased support for scholarships and professional development opportunities allowing individuals to advance their knowledge, share ideas and improve people's lives.

#### **2 Driving economic impact**

Capturing opportunities that build prosperity, create jobs and enhance the quality of life for Ohioans by funding projects that spur economic growth in local communities.

#### **3 Environmental stewardship and conservation**

Funding sensible solutions that contribute to a healthier, cleaner and more sustainable Ohio by focusing on increased care for land and water.

#### **4 Purpose in action**

The Foundation's campaign seeks to increase annual gifts, providing flexible, immediately available funds, in support of Foundation-wide priorities.

# Giving in support of values

Making a gift can be a deeply personal and inherently rewarding experience, especially when you know that your generosity is having the impact that you desire. Our campaign, **Strong Foundation**, seeks to unite hundreds of families, individuals and industry partners in the shared goal of building a stronger Ohio.

Providing you with choices, while ensuring your gift represents your values and interests, is very important to us. Your contribution of any size can be directed to one of the Foundation's initiatives or used to establish a fund focused on things that matter to you most. Either way, you'll be joining others across the state who share your desire in supporting local programs, funding scholarships and driving economic development.

## TIME FRAME FOR MAKING YOUR GIFT

Gifts to the Foundation may be made outright in a single transaction, pledged over a period of time or planned as part of your estate provisions.

### PLEDGES

- Allow you to promise a gift and make payments over time.
- Enable you to give more generously than otherwise possible through a single transaction.
- Permit a choice of payment methods, cash, securities, credit card or other types of assets.
- May be paid over a period of up to five years in annual, quarterly or monthly installments with payments to begin at your convenience.

### ESTABLISHING A FUND

There are two types of funds that can be established with your gift. The most appropriate fund depends upon your philanthropic goals. Funds may be named for you or someone you wish to honor.

*Current Use Funds*, which are fully expended over a short period of time with an emphasis on immediate impact.

*Endowed Funds*, which last in perpetuity and have a long-term impact. Donors may contribute to the Foundation endowment with a gift of any amount or establish a named endowment fund with gifts starting at \$25,000.

# Endowments

When you make an endowed gift you create a permanent legacy of support for OFB Foundation. Created in your lifetime or bequeathed in your will, endowments provide support to fund a specific purpose in perpetuity. Each year a percentage of the annual income is distributed to support the specific purpose you care most about. In this way, your funds can grow and provide support for years to come.

## FUNDING GUIDELINES

- Unrestricted gifts of any amount may be added to the OFB Foundation endowment. These funds will be used in support of Foundation-wide priorities—everything from scholarships to community action grants.
- \$25,000 or more will establish a named endowment fund restricted to a specific purpose, such as graduate fellowships.



\*estimates based on 8% ROI, 3.75 grant making and 1.25% administrative fees

## THREE THINGS TO KNOW ABOUT THE ENDOWMENT

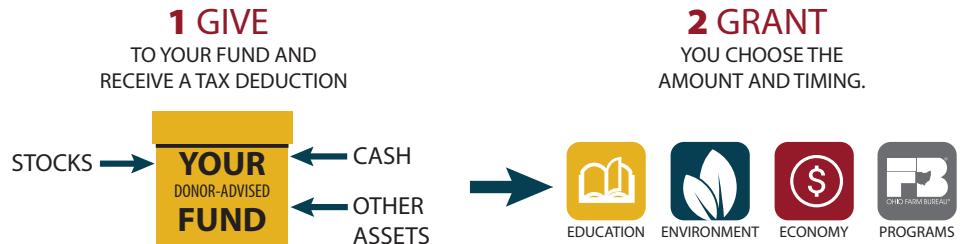
1. The endowment is made up of gifts that are invested to earn annual income and gains through investments in stocks, bonds and other assets categories.
2. Endowment funds are invested on a pooled basis, in which all funds are grouped together in a shared investment strategy.
3. In addition to scholarships, endowed funds can be created for any lasting purpose. County Farm Bureaus are encouraged to create funds to benefit their county programs.

### DONOR ADVISED FUNDS

Make a gift and stay in the driver's seat. Donor-advised funds provide an immediate tax benefit while leaving you with advisory privileges to direct how funds are distributed. Your funds grow tax-free and can be granted to support the Foundation's mission. (Minimum investment of \$5,000).

#### *How it works*

When a Donor Advised Fund is established, donors transfer funds to OFB Foundation while retaining certain advisory privileges. All funds distributed must be used for qualified purposes in support of agriculture education, economic development or the environment.



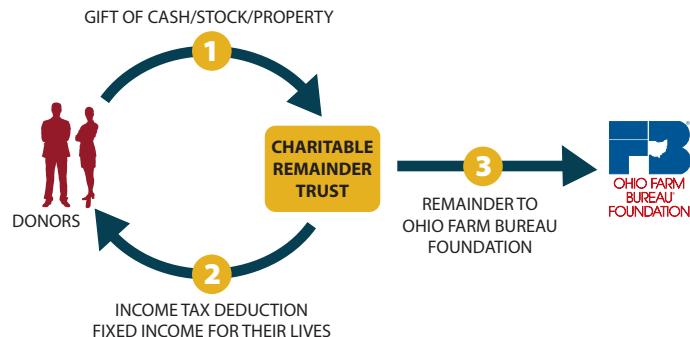
# Gifts that produce lifetime income

## CHARITABLE REMAINDER TRUSTS

Support OFB Foundation and take advantage of tax benefits while providing yourself or a loved one with guaranteed income for life. Charitable remainder trusts pay beneficiaries an annual amount for life or a fixed term of up to 20 years. Assets placed in a charitable trust produce payments that can be a specific amount (annuity trust) or a fixed percentage (unitrust). When the trust ends, the remaining principal goes to fund the Foundation programs you designate.

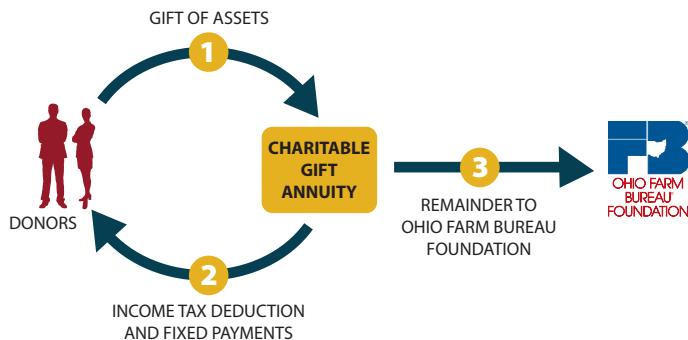
### More to know

- Your principal is invested for a total return and grows tax free.
- Life income beneficiaries can be the donor, family members or others.



## CHARITABLE GIFT ANNUITIES

Gift annuities provide you and/or your loved one with a lifetime of fixed payments. Payment amounts are based on several factors including the size of the gift, your age and when you would like payments to begin. Many donors defer receiving payments for several years allowing them to claim larger charitable deductions and greater annuity benefits.



### More to know

- Gift annuities provide substantial tax advantages—allowing you to receive a tax deduction at the time your initial gift is made, and in the future a portion of your payment may be nontaxable.
- Annuities can be funded with gifts of cash, securities or even real estate proceeds.

# Funding your giving

## CASH GIFTS

Cash is the easiest gift to make and can go straight to work supporting the programs that are most important to you. Your cash gift can be made by check or credit card and be supplemented by employer matching gift programs or any of the other techniques described in this guide.

## GIFTS OF SECURITIES

You can make your charitable dollars go farther by gifting stocks and bonds directly to OFB Foundation. Donating securities directly rather than selling the assets and then donating the cash proceeds can provide substantial tax advantages for you while increasing the funds available for your charitable purpose.

## GIFTS OF REAL PROPERTY

Almost half of personal wealth in the United States comes from real estate. A gift of real estate may allow you to give generously while achieving significant income tax benefits. (Types of real property: home, vacation property, vacant land, farmland, ranch or commercial property.)

*Real estate gifts require more planning than other gifts. The OFB Foundation must evaluate legal and financial issues before making a decision to accept a gift of real estate.*

## AUTOMOTIVE AND EQUIPMENT DONATIONS

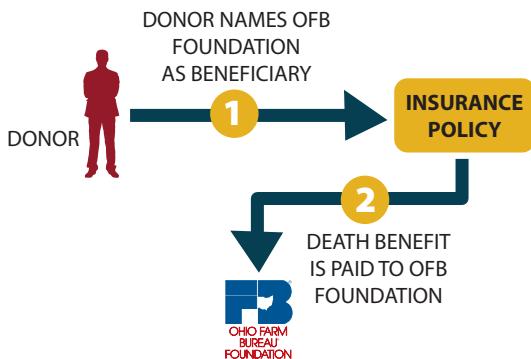
You can donate any vehicle, boat, motorcycle, RV or equipment—in any condition—and designate the proceeds to the programs you care most about. Automotive and equipment donations are quick, easy and tax deductible.



## LIFE INSURANCE

Life insurance can be an excellent tool for charitable giving. It allows donors to make substantial donations at relatively little cost.

Many donors establish life insurance policies as a tool for making gifts larger than they might otherwise be able to afford. Others choose to gift their existing policies because they no longer need the financial protection their policies provide. Either way, your gift of life insurance will have a significant impact on the communities and programs you care most about.



## HOW TO MAKE A GIFT OF LIFE INSURANCE

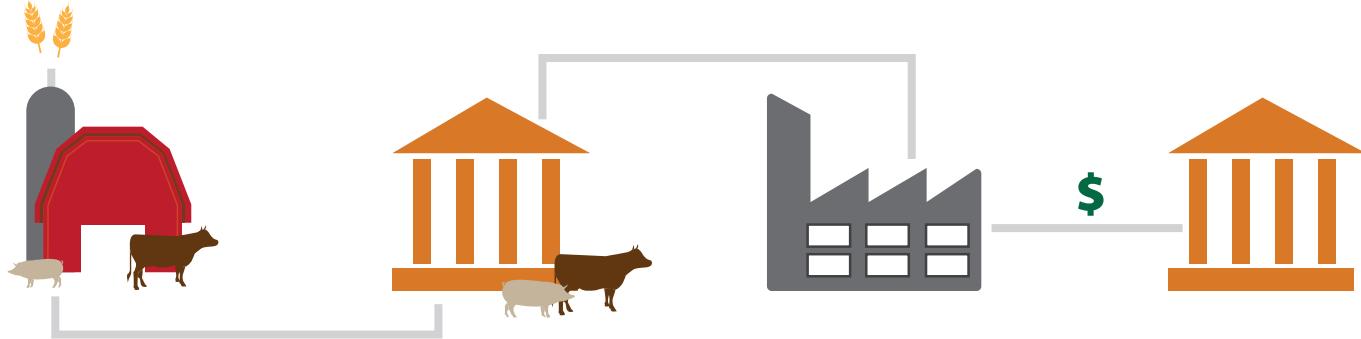
The simplest way to make a gift of your life insurance policy is to designate the OFB Foundation as a beneficiary. This way you can gift the entire policy to the OFB Foundation or just a percentage.

## GIFTS OF CROPS OR LIVESTOCK

Gifts of grain or livestock are a unique and underutilized way to make a charitable gift. Using what you grow to make a gift to OFB Foundation can be a wonderful way to invest in the future.

Gifting grain or livestock directly, rather than selling first and making a gift from the proceeds, may provide a more significant tax savings. Contributing directly to the Foundation allows you to avoid the sale of the commodity / livestock as income, while the production costs may still be deductible.

*Please consult with foundation staff and your tax professional for advice prior to making a gift of grain commodities or livestock.*



**1**

**Working with OFB Foundation,**  
farmer delivers agricultural  
commodity to elevator, or  
livestock to market.

**2**

**Farmer transfers livestock or**  
**X number of bushels to OFB**  
**Foundation.**

**3**

**OFB Foundation receives warehouse**  
**receipt and pays any subsequent**  
**ownership costs such as storage, etc.**

**4**

**OFB Foundation authorizes**  
**sale and collects proceeds from**  
**commodity or livestock.**

## MATCHING GIFTS

The impact of your gift to the Ohio Farm Bureau Foundation could be doubled by your employer's matching gift program. Many employers match charitable contributions dollar for dollar, some companies even match gifts made by retirees and spouses. Others provide matching funds to support employee volunteer hours.

Don't miss out on a chance to maximize the impact of your gift. Check with your company to determine if it has a matching gift program for employee contributions or volunteer hours.

## CHARITABLE BEQUESTS

Charitable bequests are a great way to provide for the programs you care most about without giving up the assets during your lifetime.

Designations in your will or trust make a statement about what matters most in your life. By directing a gift to the Foundation, you ensure that your intentions are clearly expressed, and that they will be followed by those administering your estate.

### *Types of bequests*

1. **General** – A designated amount of money, such as \$10,000.
2. **Specific** – A certain item, such as "my 100 shares of IBM stock," "my home at 123 Main Street," "my Farmall tractor," etc.
3. **Percentage** – A designated percentage of your estate, such as 10 percent.
4. **Residuary** – Gives Ohio Farm Bureau Foundation all or a percentage of anything left after all general and specific bequests are satisfied.
5. **Contingent Bequest** – Only takes effect if another bequest fails, such as "If my wife should predecease me, then my estate should go to Ohio Farm Bureau Foundation".

## Annual Fund

We take seriously the impact of collective giving and believe strongly that your gift can have a meaningful impact on the issues, programs and people that matter most.

Donors at the following levels make the programs of OFB Foundation a priority for their charitable giving each year and are recognized for their support.

GIFT AMOUNT	GIVING CIRCLE
Delegates	\$100+
Leaders	\$250+
Trustees	\$500+
President's Club	\$1,000+
Founders	\$2,500+
Leadership Giving Society	Individuals who make a five-year pledge for the <b>Strong Foundation Campaign</b> .

## **SECOND CENTURY SOCIETY**

An outright gift of \$25,000 or more payable over five years for current use funds or endowment.

\$25,000+ Member Level

\$50,000 + Member Level

\$100,000+ Member Level

\$500,000+ Member Level

\$1,000,000+ Member Level

*Donors making gifts of \$100,000 or more are designated as "Members with Distinction."*

## **MURRAY LINCOLN LEGACY SOCIETY**

Named for Ohio Farm Bureau's founder, the Murray Lincoln Legacy Society was established to honor the generosity of donors whose planned gifts or pledges total \$25,000 or more. (Pledges can be paid over five years).

\$1,000 + Member Level

\$25,000+ Member Level

\$50,000 + Member Level

\$100,000+ Member Level

\$500,000+ Member Level

\$1,000,000+ Member Level

*Donors making gifts of \$100,000 or more are designated as "Members with Distinction."*



## GIFTS THAT GO TO WORK RIGHT AWAY

Type	Benefits to the donor
Cash, Credit Card, Securities	See your gift in action
Automotive & Equipment Donations	Current year tax deduction
Gift of Livestock & Grain	Lowers tax burden

## GIVE AND RECEIVE

Type	Benefits to the donor
Charitable Gift Annuity	Current year tax deduction Fixed and predictable payment Portion of payment may be tax free
Charitable Remainder Annuity Trust	Current year tax deduction Payments for life or a term of years Fixed and predictable payments based on a specific amount
Charitable Remainder Unitrust Trust	Current year tax deduction Payments for life or a term of years Fixed and predictable payments based on a fixed percentage

## GIFTS THAT TAKE PLACE AFTER YOUR LIFETIME

Type	Benefits to the donor
Bequests	<ul style="list-style-type: none"><li>Satisfaction of providing for future gift while retaining full control of assets.</li><li>Charitable deduction for taxable estates</li></ul>
Life Insurance	<ul style="list-style-type: none"><li>Make a large gift at little cost to you</li></ul>
Retirement Plans	<ul style="list-style-type: none"><li>Avoids double taxation of retirement assets</li></ul>



*The purpose of this booklet is to provide general gift, estate, and financial planning information.*

*The Ohio Farm Bureau Foundation is not engaged in rendering legal, financial, accounting,  
or other professional services. You should consult with your own legal counsel, financial adviser,  
or tax accountant when considering these types of gifts.*

*The Ohio Farm Bureau Foundation is a 501(c)(3) non-profit organization (Tax ID #31-1781473).*



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