Cracking the Professional Advisor Nut: Building Relationships and a Referral Network for your Foundation

March 19, 2018
Cracking the Professional Advisor Nut: Building Relationships and a Referral Network for Your Foundation

Frank B. Horrell, CPA, CFP®

• Director of Professional Advisor Development

• Community Foundation of Greater Memphis
### The 10 Most Charitable U.S. Cities

<table>
<thead>
<tr>
<th>Metropolitan Area</th>
<th>2014</th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salt Lake City</td>
<td>5.4%</td>
<td>5.5%</td>
</tr>
<tr>
<td>Memphis</td>
<td>5.1%</td>
<td>5.6%</td>
</tr>
<tr>
<td>Birmingham, Ala.</td>
<td>4.8%</td>
<td>5.4%</td>
</tr>
<tr>
<td>Atlanta</td>
<td>4.0%</td>
<td>4.6%</td>
</tr>
<tr>
<td>Nashville</td>
<td>3.9%</td>
<td>4.0%</td>
</tr>
<tr>
<td>Jacksonville, Fla.</td>
<td>3.8%</td>
<td>4.2%</td>
</tr>
<tr>
<td>Oklahoma City</td>
<td>3.7%</td>
<td>4.0%</td>
</tr>
<tr>
<td>Dallas-Fort Worth</td>
<td>3.6%</td>
<td>3.8%</td>
</tr>
<tr>
<td>Charlotte, N.C.</td>
<td>3.4%</td>
<td>3.6%</td>
</tr>
<tr>
<td>Virginia Beach</td>
<td>3.3%</td>
<td>3.4%</td>
</tr>
</tbody>
</table>

Metropolitan areas with the highest percentage of gross income given to charity.*

Community Foundation of Greater Memphis

- Founded in 1969
- Largest grantmaker, public or private, in the Memphis area
- FY 2017 Grants: $162 million
- FY 2017 Gifts: $102 million
- FY 2017 Assets: $430 million
Community Foundation of Greater Memphis

More than 800 active donor-advised funds

1,800 different nonprofit grantees

80% of our grants stay in the Memphis area

$162 million in grants in FY 2017
Became a Member of Select Professional Organizations

- Memphis Chapter of Tennessee Society of CPAs
- Economic Club of Memphis
- Estate Planning Council of Memphis
- Financial Planning Association – CFPs professional organization
- Planned Giving Council of Greater Memphis
- Society of Financial Service Professionals
Initiated Lunch Meetings with Professional Advisors

• Reviewed list of professional advisors who had referred funds ranking them

• Called them and introduced myself and asked to meet them, along with the Community Foundation’s new president

• Thanked professional advisors for their past referrals

• Discussed case studies in donor services, using storytelling to explore the different reasons donors open a donor-advised fund
Host Lunch & Learns

- Estate planning attorneys
- CPAs
- CFPs, financial/investment advisors, stockbrokers
- Trust officers
- Insurance professionals
- Professional organizations – Kiwanis, Rotary Clubs, etc.
Sponsor Continuing Education

• Co-sponsor of the Cannon Estate Planning Teleconference Series
  • monthly presentation with lunch provided

• Sponsor of the Memphis Bar Association Probate Section CLE
Sponsor Two CLE/CPE Events for Professional Advisors

• Provides the Community Foundation a way to keep our name in front of professional advisors

• Method to educate professional advisors on charitable giving
Allied Professional Planning Conference

• Annual CLE/CPE professional advisor event in early December

• 200-250 professional advisors in attendance

• Speaker is a nationally know estate planning speaker, i.e. Natalie Choate, Samuel Donaldson, Jonathan Blattmacher
Contemporary Estate Planning Paradigms for Married Couples

featuring

Samuel A. Donaldson, Esq.

Sponsored by:

Presented by: Community Foundation of Greater Memphis | Estate Planning Council of Memphis
Financial Planning Association of Greater Memphis | Planned Giving Council of Greater Memphis
Allied Professional Planning Conference

Underwritten by four professional organizations

- Estate Planning Council of Memphis
- Financial Planning Association of Greater Memphis
- Planned Giving Council of Greater Memphis
- Society of Financial Service Professionals
Allied Professional Planning Conference

Corporate sponsors – provide funding for the event

• CPA firm
• Trust company
• Financial advisory firm
• Insurance company
• Third-party administrator
• Estate law firm
Allied Professional Planning Conference

Continuing Legal Education and Continuing Professional Education

- CLE – TN, AR, and MS
- CPAs – CPE
- CFPs – CPE
- CTFAs – CPE
- Insurance – TN and MS
Allied Professional Planning Conference

Community Foundation’s role (all the work, with no out-of-pocket costs)

- Planning the event with approval of Estate Planning Council of Memphis
- Arranging/booking speaker
- Booking venue
- Submitting all CLE/CPE approval
- Sending invitations
- Registering and collecting registration fee to attend – free to members of four professional organizations
- Reporting of CLE/CPE attendance
- Accepting all payments – saves 9.45% TN sales tax
Annual CLE/CPE Joint Event – Community Foundation and the Planned Giving Council of Greater Memphis

• Late April or early May
• 60-90 professional advisors in attendance
• Speaker – Nationally known speaker on charitable giving, i.e. Bryan Clontz, Dr. Russell James, Kathryn Miree, Chris Hoyt
• Minimal cost to members of PGCGM and higher fee for nonmembers
• Underwritten by the Community Foundation and PGCGM
Community Foundation and Planned Giving Council of Greater Memphis seminar

Values Based Estate Planning

featuring Eddie Thompson, Ed.D., FCEP, Founder and CEO, Thompson & Associates

A Continuing Education Seminar for Professional Advisors

Tuesday, May 16, 2017
Registration 7:45-8:30 a.m. * Presentation 8:30-10:30 a.m.
Racquet Club of Memphis * 5111 Sanderlin Avenue

$40 for members of the Planned Giving Council of Greater Memphis; $60 for nonmembers
Registration will increase by $20 after May 12. Space is limited.

Sponsored by
Planned Giving Council of Greater Memphis
and
Community Foundation of Greater Memphis

Register Now!

I can't make it

Continuing Legal/Professional Education
Sponsors will apply for 2.00 hours CLE (TN, AR, & MS); 2.00 hours CPE; Tax: 2.00 hours CFP; 2.00 hours CTFA; CEU; and Tennessee Department of Commerce and Insurance continuing education credits.

Session Description
Annual CLE/CPE Joint Event – Community Foundation and the Planned Giving Council of Greater Memphis

Continuing Legal Education and Continuing Professional Education

- CLE – TN, AR, and MS
- CPAs - CPE
- CFPs - CPE
- CTFAs – CPE
- Insurance – TN and MS
Annual CLE/CPE Joint Event – Community Foundation and the Planned Giving Council of Greater Memphis

Community Foundation’s role

• Planning the event with approval of Estate Planning Council of Memphis

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Communication with Professional Advisors

• Monthly
  • Crescendo’s Professional Advisor eNews, latest news from Washington, tax law updates, PLRs, case studies and timely articles
  • Something timely of importance
    • Year-end change in tax legislation
    • News of a publicly traded company that is going private
    • Corporate inversions
  • Event publicity
    • Continuing education events
Gift Planning for Professional Advisors

Serve as consultant and run illustrations for professional advisors. Community Foundation of Greater Memphis uses Crescendo and offers:

- GiftLaw Pro: charitable giving and tax information service
- GiftLaw Calculator: planned gifts calculator for charitable deduction calculations for different types of plans
Recognition of Professional Advisors

• Annual recognition of professional advisors who refer new donor-advised funds or nonprofit funds to the Community Foundation

• Run an advertisement in the Memphis Business Journal with the professional advisor’s name and firm

• Deliver professional advisor a bottle of champagne with a personalized label with their name and firm

• Recognize in our Annual Report
Professional Advisor Recognition

Navigator Society – 42 professional advisors who have developed significant partnerships with the Community Foundation to help their clients achieve more through philanthropy

- Recognize on the Community Foundation website
- Recognize in our Annual Report
- Recognize at all of our professional advisor events by exhibiting the list of Navigator Society members
- Host an annual cocktail reception
- Present them with a compass thanking them for referring their client to the Community Foundation
Navigator Society
The Community Foundation of Greater Memphis recognizes the Navigator Society—a group of attorneys, accountants, and financial advisors who champion charitable giving by guiding clients to smarter giving. We gratefully acknowledge your ongoing commitment to strategic philanthropy.

Ben C. Adams
Butler, Denson, Burrows, Caldwell & Berkowitz, PC
C. Michael Adams
Williams McDavid, PLLC
Sudhir K. Agrawal
AcquavellaanimisediGeneral Counsel
Kelly L. Bolton
Merild Lynch
Larry H. Bryan
Dwight Smith
Thomas R. Backner
Apperson Gray PLLC
G. Rice Byars
Prima VA Software Walsh, PLLC
Susan Callison
Harris Yeater, Hanners Walsh, PLLC
Frank N. Stockdale Carney
Decatur, Parton, PC
Kenneth F. Clark, Jr.
Wyatt, DeMouy & Crouch, LLP
James S. Decker, Jr.
The Arnott Group, PLLC
Lewis R. Denison III
Butler, Denson, Burrows, Caldwell & Berkowitz, PC
V. Lynn Evans
V. Lyn Evans
Katrina H. Gainer
Gainer & Associates, PLLC
James S. Gilliland
Gleason Brown, PLLC
Robert D. Good III
Raymond James & Associates, Inc.
Jay Healy
Cody, Webb Management, LLC
Robert S. Hester, Jr.
Retired
William E. Howard, Jr.
William Howard & Co. Financial Advisors, Inc.
Eugene Katz
Retired
J. Kenneth Marston, Jr.
The Marston Group, PLLC
William F. Moats, Jr.
Gleason Brown, PLLC
A. Stephen McDaniel
William McDaniel, PLLC
John F. Murray
Powers, Pum PC
George J. Nastasi, Jr.
The Arnott Group, PLLC
W. Lytle Nicola IV
Morgan, Fox, MC
Robert E. Ormes
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Barker Parkman Law
Hallie Peyton
Legacy Wealth Management
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M. Andrew Shaul
Financial Strategy Group, LLC
Robert Smithwick III
Dwight Smith
Jeffrey E. Thompson
Martin, Tate, Moore & Martin, PC
N. Gordon Thompson
Cable Merson & Thompson, LLC
John W. Uebbele
Retired
Michael D. Ulliver
Waters More, PLLC
James L. Vining
Young, Smith & B., LLP
Harold V. Victoria
American Financial Services, Inc.
Steven Washkow
Highland Capital Management, LLC
James D. Witherington, Jr.
SMK Partners

CFUnited
All-In: The AdNet, CommA and ProNet Conference
COMMUNITY FOUNDATION OF GREATER MEMPHIS

invites you to

THE NAVIGATOR SOCIETY RECEPTION

honoring those professional advisors who have developed significant, ongoing partnerships with the Community Foundation

TUESDAY, NOVEMBER 7
5:00 to 6:30 p.m.

Owen Brennan's  •  6150 Poplar Avenue

RSVP to Judy Myers at (901) 722-0035 or jmyers@cfgm.org
Recent Developments and Hot Topics

• Tax Cuts and Jobs Act of 2017 and its impact on charitable giving

• Good news for community foundations

• Increased standard deduction
  • Single taxpayers jumps from $6,350 for 2017 to $12,000
  • Married filing jointly jumps from $12,700 to $24,00

• Bunching of charitable and other deductions by opening a donor-advised fund

• Donating appreciated securities remains beneficial. Even if the donor does not qualify for an income tax deduction the capital gain in the appreciated security will avoid income taxation.
What is the Community Foundation?

The Community Foundation of Greater Memphis is a public non-profit organization that helps you invest in the organizations and causes you care about most. Together with our donors, we fulfill our mission to strengthen communities throughout the region.

Helping You Serve Your Clients

A Community Foundation for Professional Advisors

For 45 years, the Community Foundation of Greater Memphis has worked with professional advisors—attorneys, accountants, financial advisors, insurance agents, and more—to provide expert and strategic charitable giving advice for their clients. Together, we create plans that fulfill dreams and build legacies, all while maximizing the maximum tax benefits for your clients.

Benefits to you:

- Streamlining charitable giving and tax reporting
- Maximum tax benefits for charitable giving
- Eliminating the paperwork, administration, and expense of a private foundation
- No minimum annual payout requirements

What does a community foundation mean for your clients:

- Simplifying charitable giving and tax reporting
- Maximum tax benefits for charitable giving
- Eliminating the paperwork, administration, and expense of a private foundation
- No minimum annual payout requirements

Simple, yes, we are measuring together. Like you, we care deeply about providing excellent client service and helping clients do more with their money. Our charitable solutions let your clients simply and seamlessly organize their charitable giving, take advantage of tax-saving opportunities, and ultimately do more to support the causes and organizations they value. We want to be a resource for you so you can help your clients explore the possibilities of philanthropy in a way that is good for them and their charitable causes.

Maximizing Your Charitable Giving

The Advantages of a Donor-Advised Fund

One clever tool in a donor-advised fund is a donor-advised fund. Designed to meet the needs of donors, providing a vehicle for giving, and allowing donors to make a difference with their dollars. The Community Foundation of Greater Memphis offers a variety of donor-advised funds, each with its own set of benefits.

Here are some advantages of using a donor-advised fund:

- Awareness of Giving Opportunities: You can give back to the community and support causes you care about.
- Flexibility: You can contribute to different charities at different times.
- Tax Benefits: You can receive tax deductions for charitable contributions.
- Administrative Fees: Donor-advised funds may have lower administrative fees than other giving vehicles.

For more information about donor-advised funds and how they can benefit you, please contact us at (901) 769-6616 or cfplatform.org.
### Unique and Complicated Gifts

#### Case Studies on the Benefits of Donor-Advised Funds

**Significant giving opportunities arise when clients are making major business, personal, and financial decisions. A professional advisor can help clients realize their philanthropic objectives by providing access to charitable giving opportunities, exploring options, and suggesting solutions.** The Community Foundation of Greater Memphis has the capability to help donors who wish to use assets other than cash and listed securities. By working with our donor-advisors, the Community Foundation has successfully completed transactions that created unique or complicated gifts.

<table>
<thead>
<tr>
<th>DONOR'S GOAL</th>
<th>CFUN Solution</th>
<th>RESULTS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CONTRIBUTE CLOTHED STOCK TO PROVIDE A FINANCIAL GIFT</strong></td>
<td>Donor contributes a fully distributed stock to the Community Foundation, which results in a tax deduction for the donor and a charitable gift for the recipient.</td>
<td>Donor receives a deduction for the fair market value of the stock, which is tax-deductible. The proceeds from the sale are used to support the Community Foundation’s charitable activities.</td>
</tr>
</tbody>
</table>

#### Simplified Giving

**Case Studies on the Benefits of Donor-Advised Funds**

From the beginning, the Community Foundation of Greater Memphis has worked to simplify the donor-giving process and reduce the management and documentation of undeductible gifts, complex instruments of your funds, and simple and prompt handling of your contributions.

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<th>RESULTS</th>
</tr>
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<tbody>
<tr>
<td><strong>SIMPLIFIED GIVING</strong></td>
<td>The Community Foundation simplifies the gift process by providing a single point of contact for all gift-related needs.</td>
<td>Donors receive a simplified, yet effective, method of giving that reduces the administrative burden and increases the impact of their gifts.</td>
</tr>
</tbody>
</table>

#### Building a Legacy

**Case Studies on the Benefits of Donor-Advised Funds**

Perhaps the most powerful use of the Community Foundation of Greater Memphis is in supporting the planning and management of charitable endowments and other funds. These plans are highly personalized and may include complex legal and financial arrangements to support their donor’s charitable objectives, in enabling successive generations to pursue the possibilities of philanthropy.

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<tbody>
<tr>
<td><strong>BUILDING A LEGACY</strong></td>
<td>The Community Foundation provides a framework for donors to establish and fund a charitable endowment or other type of fund that aligns with their philanthropic goals.</td>
<td>Donors receive a tax deduction for their contributions, and the funds provide a long-term source of funding for the donor’s intended causes.</td>
</tr>
</tbody>
</table>
Questions?

Frank B. Horrell, CPA, CFP®
Director of Professional Advisor Development
(901) 722-0027
fhorrell@cfgm.org