

Working with a Philanthropic Advisor Handouts

2013 Philanthropy Learning Exchange

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Rachel is responsible for the management of client relationships for individual, trust, and foundation accounts. She works with individual and family group clients on financial and estate planning and advises clients concerning fiduciary and related issues. Rachel also advises and works with multiple family foundations to achieve their philanthropic aspirations.

Prior to joining Market Street, Rachel practiced law in Boston, Massachusetts, first with Goodwin Procter LLP and then with Nutter McClennen & Fish LLP. As an attorney, Rachel represented and advised clients with respect to myriad litigation and business matters. Rachel also gained experience as a law clerk to the Honorable F. Dennis Saylor, IV, of the federal district court in Massachusetts.

During her undergraduate work at Cornell University, Rachel spent a year studying abroad at Oxford University. After receiving her B.S. from Cornell, she attended Harvard Law School and earned her J.D., graduating cum laude. Rachel has broad experience in family foundations and philanthropy, currently serving as President of the Grantmakers Forum of New York. She also is an officer and director of The Triangle Fund, a family foundation serving a three-county area in New York, and has been a grants panelist for the Community Foundation of Elmira-Corning and the Finger Lakes.

Rachel is a member of the Trusts and Estates section of the New York State Bar Association and has advised Corning Community College on its planning giving program. Rachel has written articles and made presentations to donors and advisors on topics and issues around family legacy through philanthropy, most recently for the Financial Research Associates Family Office Executive Summit in May 2013.

The Client Service Plan (Sample)

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Q1

- Review prior year's accomplishments
- Discuss service plan for 2013
- Formal rebalance of all accounts
- Prepare and file family partnership tax returns for 2012 tax year
- Begin income tax compliance work for 2013 tax year for entire family; tax organizer provided to client
- Review and update, if needed, Investment Policy Statements
- Advise regarding purchase of investment property

Q2

- Continue income tax compliance work
- Update and review concentrated stock exposure projection
- **Mid-year charitable giving review**
- Develop financial education experience for son
- Consider stock gifting plan and vehicles for children to own

Q3

- Formal rebalance of all accounts
- Continue tax compliance work and file four income tax returns
- Provide consolidated asset view and in-depth asset class analysis
- Property and casualty insurance review and recommendations
- Provide family financial education experience to son
- Prepare family meeting materials

Q4

- Prepare income tax projections and present to client
- Estate plan flow chart and summary review
- Facilitate family meeting
- **Update charitable giving plan for 2014**

Quarterly

- Hold client meeting with Wealth Advisory Team, including review and advice pertaining to:
 - Executive compensation
 - Asset allocations and investment results and direction
 - Income tax compliance and planning
- Provide statement package and Investment Review
- Inform on current developments through client newsletters
- Review Retirement Planning Checklist as needed

Charitable Contributions History/Plan (Sample)

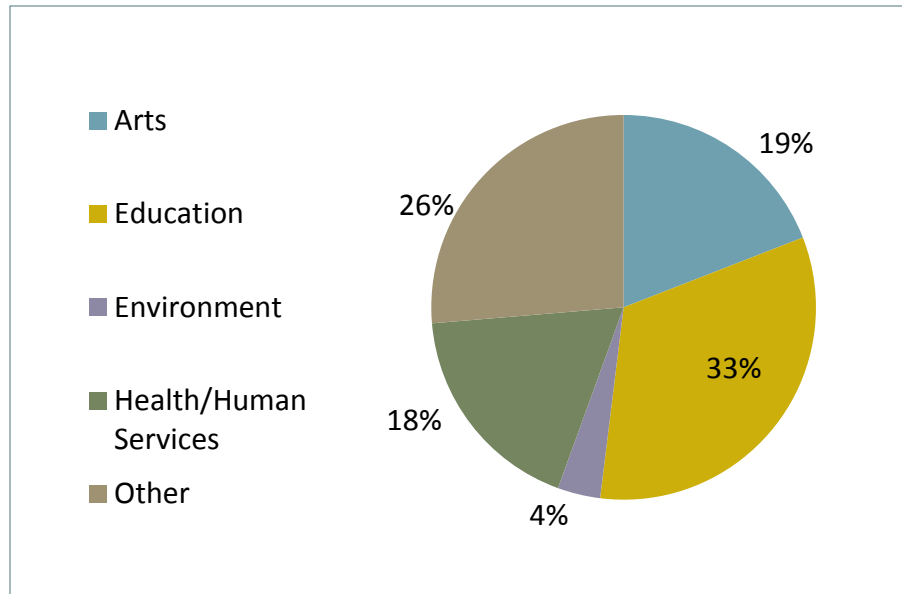
Mrs. Anderson

Organization	Issue	Type	2008	2009	2010	2011	2012	2013
171 Cedar Arts Center	Arts	Annual Campaign	\$ 2,500	\$ 5,000	\$ 5,000	\$ 5,000	\$ 8,000	\$ 8,000
Corning Museum of Glass	Arts	Capital Campaign	1,200	1,200	1,200	1,200	1,200	1,200
Orchestra of the Southern Finger Lakes	Arts	Program Support	500	800	800	1,500	800	
Rockwell Museum	Arts	Program Support	1,000	1,000	1,000	2,500	2,500	
The Arts Council of the Southern Finger Lakes	Arts	Capital Campaign	250	250	250	500	500	
All Saints Academy	Education	Annual Campaign	2,000	2,000	1,500	2,000	2,500	2,500
Cornell University	Education	Annual Campaign	2,500	2,500	2,500	2,500	2,500	2,500
Keuka College	Education	Annual Campaign	1,000	1,000	1,000	25,000		
Southeast Steuben County Library	Education	Program Support	1,500	1,500	1,500	3,000	3,300	
Cornell Lab of Ornithology	Environment	Capital Campaign			230	230	230	
Finger Lakes Land Trust	Environment	Program Support				2,000	2,000	2,000
Catholic Charities	Health/Human Services	Program Support	500	500	500	500	500	500
Community Foundation	Health/Human Services	Program Support	2,500	2,500	2,500	2,500	3,000	3,000
Corning Meals on Wheels	Health/Human Services	Annual Campaign		500	500	500	500	500
Fund for Women - Community Foundation	Health/Human Services	Annual Campaign			500	500	500	500
Habitat for Humanity	Health/Human Services	Annual Campaign	15,000	15,000	10,000	2,000	1,000	
Health Ministry of the Southern Tier	Health/Human Services	Program Support	500	500	500		1,000	
United Way	Health/Human Services	Annual Campaign	5,000	5,000	5,000	5,000	5,000	
Corning YMCA	Other	Capital Campaign		10,000	10,000	10,000	20,000	
Red Cross	Other	Annual Campaign	500	1,000	1,500	2,000		
Various Contributions under \$250	Other	Annual Campaign	330	420	550	385	300	
Total			\$ 36,780	\$ 50,670	\$ 46,530	\$ 68,815	\$ 55,330	\$ 20,700

Charitable Contributions by Issue (Sample)

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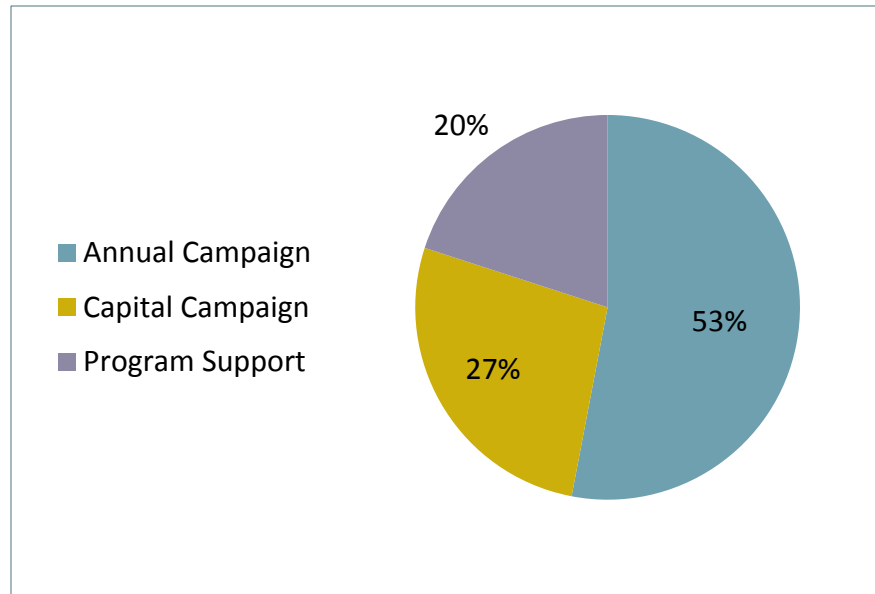
Issue	2011		2012		Total	
Arts	\$ 10,700	16%	\$ 13,000	23%	\$ 23,700	19%
Education	32,500	47%	8,300	15%	40,800	33%
Environment	2,230	3%	2,230	4%	4,460	4%
Health/Human Services	11,000	16%	11,500	21%	22,500	18%
Other	12,385	18%	20,300	37%	32,685	26%
Total	\$ 68,815	100%	\$ 55,330	100%	\$ 124,145	100%



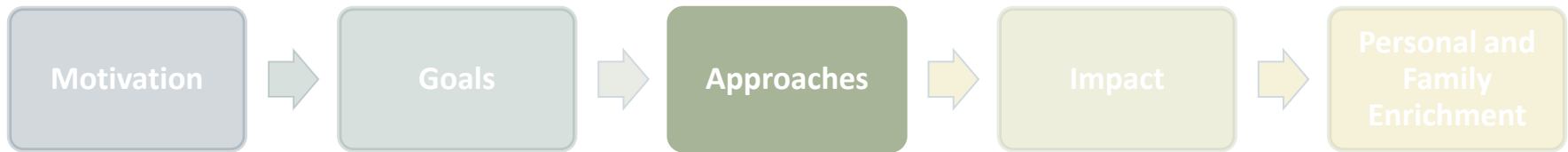
Charitable Contributions by Type

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Type	2011		2012		Total	
Annual Campaign	\$ 44,885	65%	\$ 20,300	37%	\$ 65,185	53%
Capital Campaign	11,930	17%	21,930	40%	33,860	27%
Program Support	12,000	17%	13,100	24%	25,100	20%
Total	\$ 68,815	100%	\$ 55,330	100%	\$ 124,145	100%



Comparison of Charitable Giving Vehicles



Consideration	Direct Gift to Charity	Family Foundation	Community Foundation Fund	Charitable Lead Trust	Charitable Remainder Trust
Benefits charity immediately	✓	✓	✓	✓	
Tax deduction to donor	✓	✓	✓		✓
Tax preferred growth		✓	✓		
May work well with appreciated securities	✓	✓	✓	✓	✓
Removes assets from donor's estate	✓	✓	✓	✓	✓
May provide wealth transfer to children				✓	
Continued income to donor					✓
Educates / increases human capital of children		✓	Can be arranged with Community Foundation		
Anonymity in giving			✓ (if desired)		
Ongoing management		✓ (trustee / director)		✓ (trustee)	✓ (trustee)
Minimum distributions to charities required		✓		✓	✓ (at end of trust)

Where can I get help?

1. Magazines & News sources: Family Wealth Report; Private Asset Management; Private Wealth; Trusts and Estates Magazine; Journal of Wealth Management; Journal of Philanthropy; NPQ Quarterly

2. Not-For-Profits devoted to effective philanthropy:
 1. Community Foundation of Tompkins County; www.cftompkins.org/resources
 2. National Committee for Responsive Philanthropy; www.ncrp.org/publications
 3. FSG Consultants; www.fsg.org/knowledgeexchange

3. Professional Associations:
 1. Grantmakers Forum of New York; www.grantmakers.org/gfny/advancing
 2. International Association of Advisors in Philanthropy; www.advisorsinphilanthropy.org

Sources

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6. Winer, Susan. *Leaving a legacy*. “Private Asset Management”, October 2012.
7. Elliott, Robert C. *Regaining Client Trust Requires Further Commitment by Wealth Managers*. “Journal of Wealth Management”, Summer 2013.