Better Ways to Give Together

Family philanthropy is fundamentally an expression of shared values and interests. Often times, however, it’s difficult to get all family members involved or even on the same page. Every family is different and successful family philanthropy is finding a model that works for your own. Here are a few dependable practices we recommend to our donors interested in making their family’s charitable giving a satisfying endeavor:

**Identify common values and purpose**

It’s common to find that each family member may not care about the same charitable cause. The initial conversation for any family should, therefore, be centered on finding the shared purpose and reasons for doing philanthropy together – not necessarily deciding on which cause to give to. This means recognizing that although individually you may have different interests, you still have the overall goals and the good of the family in mind.

**Find a focus**

Once common purpose is established, your next step may be to develop a vision and guiding principles on how your family can work together and what you’d like to accomplish with your philanthropy as a group. This may also be the time when your family decides to focus on a specific charitable cause, or you decide that each member should have the freedom to decide individually from the same pool of funds.

**Organize the effort**

Family philanthropy is a group process that requires family members to work together to make decisions collectively or to divide responsibilities. It’s important to discuss realistically how much time and energy each member is willing to invest in this endeavor. Dividing labor, funds, or administrative tasks upfront will help make the process smoother later down the line.

**Ask the experts**

Part of why donors start their family philanthropy with CCF, is because we believe and know the solution is never one size fits all. The great thing about working with a charitable advisor is that he/she can help create a neutral environment where you can productively have difficult family discussions on matters as personal as philanthropy. A charitable advisor can help facilitate the discussion and guide you and your family to discover both individual and collective passion – while also helping match that with the organizations delivering impact.

At CCF, we welcome the opportunity to provide customized services to families, whether you have a donor-advised fund or an established family foundation. If you are interested in our services for family philanthropy, please contact Terri Mosqueda at tmosqueda@calfund.org or (213) 413-4130.
BRINGING MICROLENDING TO L.A.
Helping Transform Low-Income Neighbors Into Entrepreneurs

By John Kobara

Microloans to low-income borrowers who lack conventional credit can serve as the first rung of a ladder out of poverty by allowing individuals with motivation to become financially literate, start or expand a small business, earn more, establish credit, and even start saving. A growth in microlending in the U.S. is contributing to an improvement in job creation, income and financial stability for borrowers, according to a recent analysis of the national microfinance landscape by CCF.

Unfortunately, the only access to loans for many low-income individuals with no collateral is through predatory lenders such as check cashers, payday lenders and pawn shops that charge up to 400% in interest.

One successful – and nonprofit – microlending organization is Grameen America. The organization provides $1,500 loans and a unique support system to very low-income individuals for income-generating purposes.

Since it began in New York City in 2008, Grameen America has lent $56 million to over 11,000 borrowers, and achieved a repayment rate of 99 percent. The organization is also opening branches across the U.S. in order to become sustainable.

On a recent trip to Oakland to visit one of the successful Grameen America branches, I met a woman from Guatemala who had needed a rug cleaning machine for her house cleaning business. She took out a $1,500 loan from Grameen America to purchase one. Not needing the machine everyday, she began renting it out to other cleaning ladies. Not only was she able to repay the loan very quickly, but she was soon able to buy a second machine just to rent out.

“Those low-income individuals are not job seekers, but job creators,” says Antonia Hernández, president and CEO of CCF.

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Turn Your Illiquid Assets into Grantmaking Assets

One of the many benefits of being a donor with the California Community Foundation is our ability to accept complex assets to fund your charitable giving. Beyond cash and publicly traded stock, CCF has the expertise to help you contribute a wide variety of illiquid gifts including real estate, closely-held stock, LLC interests and intellectual property. Because donating complex assets may also have additional tax benefits, we always recommend that interested donors consult with their legal, tax and financial advisors before making a final decision.

To learn about donating complex assets, please contact Nichole Baker, vice president of Development and Donor Relations, at nbaker@callfund.org or (213) 413-4130 ext. 241.
72 percent of the children in well-to-do households are not involved in the family’s charitable decisions.

Are yours?

CCF helps families of all types give charitably in whatever way is best for them. We facilitate open, honest and comfortable conversations about one’s legacy, distributing your assets, current interests in causes or commitments to organizations, the benefits of giving now versus later, and much more.

To start a conversation, contact Nichole Baker at (213) 413-4130, ext. 241 or nbaker@calfund.org.