



The
Dallas
Foundation

Supporting Organizations: **Your Philanthropy, More Effectively**





Supporting Organizations are a philanthropic vehicle that offer both **autonomy and flexibility**, similar to a private foundation.

If you are considering charitable giving options, you have likely thought about the value of establishing a donor advised fund (DAF) or a private foundation. While a DAF is a great option for many high-net worth individuals, there is another more attractive alternative for donors seeking assistance with substantial philanthropic assets.

Donors or organizations that set-up a **Supporting Organization** receive a simplified yet cost-effective and comprehensive solution for individuals, families, and other organizations who are considering establishing either a DAF, a private foundation, or who have an existing private foundation they no longer wish to manage.

There are many reasons to consider creating a supporting organization over other options and creating one with The Dallas Foundation provides added benefits.

Let us help you meet your philanthropic goals without the administrative burden.

Administrative:

- Professional management and oversight
- Staffing board meetings, preparing minutes, and conducting follow-up
- Filing documents with federal and state authorities
- Providing D&O insurance

Financial:

- Financial oversight and reporting
- Review of investment performance and fees
- Preparing and filing the Form 990
- Preparing checks

Program:

- Assisting with grant guidelines
- Handling submission and review of grant proposals
- Proposing grant recommendations and making post-grant evaluations
- Preparing grant and declination letters
- Preparing grant meeting materials and agendas

What are the benefits of a **Supporting Organization**?

COMPARISONS	DONOR ADVISED FUND	SUPPORTING ORGANIZATION	PRIVATE FOUNDATION
Charitable deductions (cash gifts)	Tax deduction up to 60% of AGI; maximum deduction allowed by law	Tax deduction up to 60% of AGI; maximum deduction allowed by law	Tax deduction limited to 30% of AGI
Payout requirements	Do not apply	Do not apply	Must pay out annually for charitable purposes at least 5% of its investment asset value regardless of annual income
Investments	Usually limited to traditional asset classes including cash and marketable securities	Broader spectrum of asset classes available to Supporting Organization board, including nontraditional assets, such as closely held business or real estate investments	Must research and secure its own investment services

Supporting Organizations offer access to all the benefits, autonomy, and giving freedom of a private foundation and a DAF without the administrative burdens.

Donors and their designated representatives maintain full participation in grantmaking, operational, and investment decisions.

As a subsidiary of The Dallas Foundation, a Supporting Organization has its own board of directors, bylaws, charitable status, grant priorities, and investment policies. Through its close connection to the Foundation, a Supporting Organization is conferred public charity status and receives all of the associated tax benefits.

Gifts to Supporting Organizations are treated as gifts to public charities, which means donors are eligible for income tax deductions of up to 60% adjusted gross income (AGI) for cash contributions. They are also eligible for unlimited gift and estate tax deductions. Supporting Organizations have no annual requirement for distribution and can provide an effective and flexible charitable entity for investing in private equity, real estate, and other nontraditional investments.

By establishing a Supporting Organization, you can catalyze your charitable assets to make a significant

impact in the community today, focusing on the causes you care most about, while simultaneously encouraging a legacy of philanthropy for future generations.

Regardless of where you are on your philanthropic journey, The Dallas Foundation's team of philanthropic advisors can help you transform your values into effective giving that makes a lasting impact on the causes most important to you.

Contact Us

For more information about establishing a Supporting Organization, contact:



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Starting a Supporting Organization

Note: Depending on the IRS, the process will take 3-4 months.



1. Establish a Fund

Donors express interest in starting a Supporting Organization Fund. The Dallas Foundation handles the legal work to set up the fund, including filing for public charity status, establishing bylaws, articles of incorporation, formalizing an operating agreement.



2. Create your organization

The Dallas Foundation helps the donors create a board of directors, a mission, and define the grantmaking priorities and initiatives. The board of directors will formally approve all investments.



3. Support Nonprofits

The fund's board of directors recommends grants as often as desired, and the Dallas Foundation will distribute the grants to the eligible nonprofits.

“ We were looking to establish our own foundation and learned that we could work with The Dallas Foundation to accomplish the same goals through a Supporting Organization.

The Dallas Foundation staff has been with us every step of the way, sharing their knowledge of the community and the issues we care about while creating a smooth process for us to move forward with our philanthropy.”

Jim Reis and Bobby Bisor
The Reis Bisor Foundation





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When our family decided to establish a foundation, we placed a priority on being strategic with our giving. We sought a partner who could not only manage the day-to-day operations of the foundation but also had the expertise to help us explore the many ways we can be effective grantmakers and make a lasting impact.

Establishing The Okada Family Foundation as a Supporting Organization of The Dallas Foundation offered the perfect solution, allowing our family to experience the joy of giving philanthropically together, confident that we are doing the most good with our charitable dollars.”

Mark and Pam Okada
Okada Family Foundation



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