



UPDATE

Oklahoma City Community Foundation, Inc.

VOLUME 1, ISSUE 1

1300 NORTH BROADWAY • OKLAHOMA CITY, OKLAHOMA 73103 • (405) 235-5603



Charitable Gifts

It Makes Sense to Give Now

[Prepared for Community Foundation by Ernst & Whitney]

A major tax reform bill probably will be passed this year. This bill will dramatically change the rules of the game for taxpayers in 1987 and future years. Although legislators are working on the final details of the bill, for a number of reasons individuals should consider accelerating their charitable contributions during 1986.

One advantage of accelerating contributions into 1986 is that it avoids any unforeseen tax law changes. For instance, it is very likely that charitable contributions will continue to be a deductible item. However, legislators may change their minds and decide that charitable gifts should not be deductible.

Impossible? That's what many people

thought about the deductibility of IRA contributions. It now appears that IRA contributions will be deductible only in limited situations. So, while it's possible charitable contributions will continue to be deductible, it also is possible they may not be.

Furthermore, the proposed tax bill repre-

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Nancy Soule Named to Board

Civic and community leader Nancy Payne Soule has been named to the board of trustees of the Oklahoma City Community Foundation, according to Dan Hogan III, president. The announcement was made at a recent meeting of the board.

Mrs. Soule currently serves as a member of the board of the Fellowship of Christian Athletes, as a trustee of the Dean A. McGee Eye Institute and as a director of the Alphabetic Phonics Teacher Training Program. She has served one year as an Elder



Nancy Payne Soule

and three years as a Deacon in Westminster Presbyterian Church.

Her involvement with the Fellowship of Christian Athletes began in 1974. She has served on the Oklahoma Board of Directors since 1980 and is a member of the Tom Landry Associates. Her son, Bond, also is involved in activities of the fellowship.

An Arkansas native who moved to Oklahoma City at an early age, Mrs. Soule attended the Oklahoma State University where she became

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sents a major overhaul of our entire income tax system and there is no way to accurately compute what the tax benefits of charitable gifts will continue to be.

The probable reduction in tax rates is another reason charitable gifts should be made in 1986. A reduction in tax rates reduces the tax benefit derived from charitable contributions. If you anticipate being in a higher marginal tax bracket in 1986 than in 1987, your charitable contributions should be accelerated to maximize their tax benefits.

Nancy P. Soule Joins Board

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a member of Pi Beta Phi social sorority. Widowed twice, she and her first husband, Stephen Bond Payne, had four children.

She is deeply committed to giving her children a stable home environment and has followed that commitment as she blends the roles of mother, business woman and community leader.

Other members of the board of trustees of the Oklahoma City Community Foundation, in addition to Mrs. Soule and Mr. Hogan, are Gerald R. Marshall, vice president and fiscal trustees representative; John L. Belt, secretary and general counsel; Marilyn Myers, assistant secretary; Eleanor J. Maurer, treasurer; Ray T. Anthony, Clayton Rich, M.D.; James R. Tolbert III, Richard D. Harrison, Edward C. Joullian III, Morrison G. Tucker and John E. Kirkpatrick. Nancy B. Anthony is the Executive Director of the Foundation.

Serving on the Fiscal Committee, which manages and invests funds donated to the Oklahoma City Community Foundation, are Clarence Bagwell, First Interstate Bank (formerly First National Bank and Trust Company), Brad Bergman, Bank of Oklahoma, NA; W. Kenneth Bonds, Liberty National Bank, and C. Randolph Everest, Trust Company of Oklahoma.

The final reason you should make as large a charitable contribution in 1986 as possible is because you may not receive any tax benefit from the contributions made in 1987. Charitable contributions are deductible as itemized deductions. Interest expense, medical expenses, state taxes and tax preparation expenses also are itemized deductions. Itemized deductions will produce a tax benefit (i.e., actually reduce taxes) only if in the aggregate they exceed a given amount. In 1986, on a joint return, total itemized deductions must exceed \$3,670 before they will produce a tax benefit. Under the proposed tax bill, in 1987 the total itemized deductions on a joint return will have to exceed between \$4,800 and \$5,000 before a tax benefit is produced.

In addition, the tax reform bill severely limits and eliminates many of the expenses that currently qualify as itemized deductions. For example, limitations could prevent most non-home interest and medical deductions from being deductible. Tax preparation fees, union dues, sales tax and all other local and state taxes also probably will not be deductible in 1987.

It is estimated that 30 percent of the people who currently itemize will not be able to itemize under the new law. If you anticipate being able to itemize your deductions in 1986, you should consider accelerating into 1986 the charitable contributions you were planning on making in 1987. This will ensure you will receive a tax benefit from these contributions.

In conclusion, to avoid the unforeseen pitfalls of the new tax law and the detrimental effect that lower tax rates and tougher itemized deduction rules will have on your charitable contributions, you should make as large a charitable contribution as you can in 1986.



OKLAHOMA CITY COMMUNITY FOUNDATION, INC.

Editor's Note: Up Date is a quarterly newsletter designed to keep participants and friends of the Oklahoma City Community Foundation informed as to the projects and on-going activities with which the foundation is involved. Joan Gilmore is editor. Further information about the foundation is available from Nancy Anthony, Executive Director, 1300 Broadway Drive, Oklahoma City, OK 73103. (Typesetting and printing by the Journal Record Publishing Company)

CONTACT: Provider of Food and Shelter

This year the Oklahoma City Community Foundation responded to a grant request from CONTACT, a 24-hour phone counseling and referral service. Currently 40 agencies and churches are participating in the program.

The Mayor's Hunger and Shelter Task Force identified a growing need for a services clearing house to exchange information among food and shelter service agencies as to the identity of persons served, what they received and when, in defense against organized rings operating within the system for profit.

With the \$11,000 grant from the Community Foundation, CONTACT set up a Food and Shelter Clearing House. Mary McQuaid, coordinator, reported that operation of telephone



lines began June 23, 1986, and now operate from 8 a.m. until 5 p.m. Monday through Friday. Hours and days may be expanded later. Almost 500 families are registered in the computer system and only five cases of duplication were found. The agencies and churches involved were notified.

As a neutral party, with the phone service in operation, CONTACT could fulfill its role of information clearinghouse. Each church or agency may make its own decision about distribution of food or service but now may

do so on an informed basis.

"The service will be of great benefit to the food and shelter providers in our community," said Ms. McQuaid in a letter thanking the Foundation for its support.

Grant Procedures Are Explained

The Trustees of the Oklahoma City Community Foundation make grants from the undesignated income of the foundation twice a year. Deadlines for requests are June 30 and December 31 and acted upon in mid-September and mid-March.

A grant request should consist of a letter describing the organization, the proposal and the specific request, including supporting financial information about the request; a list of the current officers and directors of the organization; a copy of a letter from the IRS or Treasury Department verifying the tax-exempt status and the most recent year-end financial statement, audited if available.

The Foundation has broad guidelines for grants and does not limit its contributions to any particular type of request.

The Foundation provided nine grants for a total of \$80,000 in 1981; 14 grants totalling \$136,250 in 1982; 21 grants totalling \$214,723 in 1983; 24 grants totalling \$133,963 in 1984, and 44 grants totalling \$286,238 in 1985.

"That adds up to 87 grants in the amount of \$851,174 in five years," said Nancy Anthony, Executive Director of the Community Foundation.

New Funds Designated

So far in 1986, four new "designated" funds have been established. They are:

- Oklahoma Community Theatre Association.
- Southeast Area Health Center.
- Alphabetic Phonics Teacher Training Program.
- Myriad Gardens.

To establish a designated fund — that is, one which will benefit a specific project — a minimum donation of \$5,000 must be made to the Oklahoma City Community Foundation.

Fiscal Year

As a convenience to donors and to non-profit organizations, the Oklahoma City Community Foundation has adjusted its fiscal year to end June 30 and to begin July 1.

The fiscal year based on the calendar year was not sufficiently responsive to donors' tax planning needs, according to Nancy Anthony, Executive Director of the Foundation.

The adjusted system also reflects more closely the budgetary year of most non-profit and charitable organizations with which we work, she said.

Bar Joins Foundation

One of the newer "name" funds in the Oklahoma City Community Foundation is for the Myriad Gardens. Seed money of \$3,200 was donated by the Oklahoma County Bar Association and, to round it out to \$5,000, John E. Kirkpatrick matched the contribution with \$1,800.

According to Nancy Anthony, Executive Director of the Foundation, a fund must have a minimum of \$5,000 to maintain its own "name" designation.

The County Bar Association, under the leadership of V. Burns Hargis, sponsored a Caribbean Carnival party at the Myriad Gardens with proceeds earmarked for a fund in the Oklahoma City Community Foundation. More than 300 people attended the party which featured tropical food and entertainment.

Attorneys Mona Lambird and Peter Bradford chaired the arrangements committee for the party.

"With a Myriad Gardens fund in the Community Foundation, anyone interested in the support of the gardens may contribute to the fund," said Mrs. Anthony. "We are most appreciative of the leadership of the Oklahoma County Bar Association in establishing this fund within the Foundation."



Peter Bradford, Mona Lambird and Nancy Anthony, right, gather in the under-construction garden in the Crystal Bridge. What are they holding? Bananas. Maybe left over from the Caribbean Carnival? (Photograph Copyrighted by The Daily Oklahoman)



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