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MEET THE EXPERTS

AMELIA BOND

As president and CEO of the Greater Saint Louis Community Foundation, Amelia brings vision and strategic ability as she works to leverage the passions and generosity of charitable-minded St. Louisans with the nonprofits and local initiatives that strengthen our communities.

Before joining the Community Foundation in 2011, Bond served for more than 30-years as a senior-level executive in public finance for Wells Fargo Advisors, A.G. Edwards and George K. Baum. During her tenure in the securities industry, Bond was a national leader in the tax-exempt finance field and served as the chair of the Municipal Securities Rulemaking Board.

Currently, in addition to her professional responsibilities at the Community Foundation, Amelia continues to serve on the boards of several nonprofits, including Webster University.

JOHN JENNINGS

John is a founding principal of The St. Louis Trust Company. He leads its client service team and has extensive expertise in investment management, estate planning and tax consulting. John chairs the firm's Wealth Strategies Group, serves clients as a senior relationship manager and is a member of the firm's executive management team. Previously, John worked at Arthur Andersen and practiced estate planning law at Armstrong Teasdale LLP. He earned both his Bachelor of Science degree in Finance and Banking and his Juris Doctorate from the University of Missouri.

The St. Louis Trust Company is a multi-family office and trust company serving families of substantial means.

MATT MADSEN

Matt's practice at Lewis, Rice & Fingerish LC includes representing affluent private clients on complex estate and wealth transfer planning matters; estate and trust administration and litigation; audits of gift and estate tax returns; and successfully navigating the complexities attendant to their wealth planning. He devotes a portion of his practice to advising his private clients on their charitable giving strategies, from simple but effective uses of charitable dollars, to more sophisticated vehicles such as charitable lead trusts, supporting organizations, and foundations.

Madsen's practice also includes counseling owners of closely held businesses on business succession planning and other company matters. He similarly advises tax-exempt organizations on charitable matters.

DOUG MUELLER

Doug is co-founder and president of Mueller Prost, a St. Louis based team of certified public accountants and consultants providing a full range of professional audit, tax, and management advisory services for over 30 years. Mueller is a St. Louis native and University of Missouri St. Louis Alum. He is a Certified Public Accountant in Missouri and actively involved with the Missouri Society of Certified Public Accountants, the American Institute of Certified Public Accountants and serves as Chairman of the Tax Strategies Task Force for PFK North America.

Mueller is passionate about education, spending significant time researching, teaching and speaking on a multitude of business and tax topics. He is also a member of Lindenwood University's Board of Directors. Mueller serves the St. Louis community as a member of various charitable and business boards.

DOING WELL BY DOING GOOD

Tax Planning and Charitable Donations

PHOTOS BY DILIP VISHWANAT | SLBJ

▶ WITH THE SALE OF SIGMA-ALDRICH SET TO CLOSE NEXT YEAR, WHAT ARE THE ESTATE PLANNING OPPORTUNITIES WITH SIGMA STOCK PRIOR TO THE MERGER?

Matt Madsen: There's not a huge opportunity, compared to what happened with Anheuser-Busch. That's because there's not much of a discount between the trading price today and the merger price – the spread is around $5 per share. So, theoretically, you could easily capture that spread for estate tax savings. When AB/InBev merged, there were concerns that they couldn't get their financing, and there was a big spread. And we saw a lot of clients get very active with their estate planning. The people who took the risk transfered as much as $13 per share out of their estates. If you have a million shares, it's meaningful. So, I think there's a little bit less with Sigma, given the way the valuation of the stock has moved, post-announcement. Sometimes the ship sails, and this ship is on the way to its next port of call.

Doug Mueller: So, it's broader than just publicly traded stocks, and that's where estate planning and charitable planning can come into play, right?

Matt Madsen: Yes.

Doug Mueller: There's an opportunity.

Amelia Bond: Absolutely.

▶ SO, WHAT'S THE BEST WAY TO INVEST A SIGNIFICANT LUMP SUM OF CASH?

John Jennings: First and foremost, the difficult thing about cash is that there is no best way to invest it. There's a tendency to look back and wish you had done it sooner or done it later. The timing is never going to work out perfectly. There's a saying that the hardest time to invest cash is "now". When the market's down, it's hard. When the market's up, it's hard. When the market's volatile, it's hard. Psychologically, cash is difficult because it has an exact value. If you have sold your Sigma stock and you invest a million dollars in the stock market and other investments, three, six, nine months later, those other investments are going to be worth more or less. And if it's less, you're going to be kicking yourself. So, we work on setting up a plan and having the expectation that it's not going to be the optimal way to do it. In our experience, clients who try to time the markets or resist the plan end up having a far worse outcome than those that set up a plan and move ahead. That being said, we rarely have clients that invest all their proceeds at once, even though, based on studies and statistics, it is the best thing to do. The market goes up about 70 percent of the calendar years. So, a very simple way to look at it is you're better off just going ahead and investing. The vast majority of our clients choose to do it in disciplined tranches over 6, 12 or 18 months.

▶ ARE THERE TAX IMPLICATIONS?

Doug Mueller: Absolutely. That's why, today, you have financial advisers bringing experienced CPAs on to their staffs. I'm sure you probably have that, John?

John Jennings: We do.

Doug Mueller: And people want to understand the tax implications.

Qualified dividends can be taxed the same as capital gains. How you offset capital gains and capital losses – long-term holds, being charitable, which stocks – it's about timing. So, investors want the tax planning coordinated with the investment planning. Good conversation and good communication are important, and you hope you get advisers who play well in the sandbox together.

▶ AMELIA, WHEN THE COMMUNITY FOUNDATION RECEIVES A GIFT OF STOCK, IS IT SOLD RIGHT AWAY?

Amelia Bond: Yes. When the stock comes to the Community Foundation, we liquidate the stock then invest the funds, working closely with the donor's professional advisers.

"We have more than 500 funds. Being one organization, we essentially file one tax return. So, it gives complete anonymity in a world where we know that with the Internet there is no such thing."

AMELIA BOND,
Greater Saint Louis Community Foundation

▶ CAN A HOLDER OF SIGMA STOCK OFFSET THE CAPITAL GAIN WITH A CHARITABLE CONTRIBUTION?

Doug Mueller: Actually, it's a little better than that. What happens is, if you sold the stock first and generated the gain, and depending on your facts and circumstances, that's probably what you had to do. Through the same taxable year, your charitable deduction will actually offset your ordinary income tax dollars. The advantage is that the capital gain dollars could be taxed at 20 plus the 3.8, the new Affordable Care Act tax, the Medicare tax. The charitable deduction won't help you on the 3.8, but it can help you on your federal and state taxes. It will offset the highest tax dollars first, and those are your ordinary income tax dollars. Those are 40-cent dollars. They're not just going to save the capital gains tax. They're probably going to save more. Advisers and charities need to do a better job of explaining to potential donors that they're not going to lose their charitable deductions to that 3 percent phase-out rule called the Pease Amendment.

John Jennings: And there's an opportunity to give the Sigma stock to charity before the shareholder vote.

John Jennings: So, if you have a million dollars of Sigma stock and you want to give $500,000 to charity, you give the $500,000 stock value, avoiding the gain.

Doug Mueller: Right.

John Jennings: And that offsets your income on your gains on the second $500,000. So, it's important to do it in advance of the shareholder vote.

Doug Mueller: The IRS thinks so, too.

Amelia Bond: The benefit for someone who is charitably inclined is that they are maximizing that charitable donation. If they don't seize this opportunity, they're going to pay taxes so the federal government is going to decide what they're giving to versus

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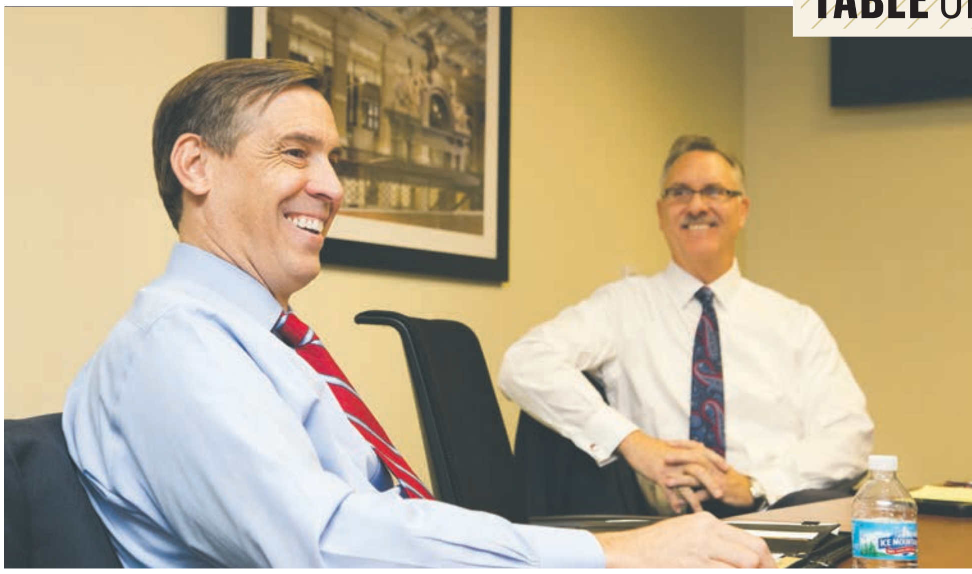

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taking control and saying, I want to invest in St. Louis or I want to invest in those charities I care most about.

Matt Madsen: And what does it cost the family to give that dollar? If you give it early enough in the transaction, you can lower the cost to around 35 cents on the dollar. That's pretty effective leverage. People also forget that a lot of the families making big charitable gifts are very affluent. They're paying estate taxes. If you wait and give it at death, you not only skip the fun of seeing the good done with your dollars, you also miss the income tax deduction.

So, it really is mathematically much more powerful to give during a lifetime, pre-sale. It's really one of the best deals out there.

John Jennings: One of the silver linings to the share price being close to the cash sale price is when you give to charity, you're giving it a pretty high value. The point Matt made about the Anheuser-Busch deal is a good one. The clients who gave that stock to charity in advance were taking a haircut, because that stock traded at a pretty big discount prior to closing.

And it's also true of closely held businesses. What's great for estate planning isn't as good for your charitable deduction. We've had clients that have given interests in their closely held businesses to the Community Foundation. They had to get an appraisal, and they were disappointed when the appraisal came back with a sizable discount from what their transaction price was going to be.

Matt Madsen: Can we pick up on the Pease tax? Essentially it's an extra tax based upon the excess of your income over a threshold, and operates by reducing one's itemized deductions subject to a cap. But the excess has absolutely nothing to do with your charitable deduction.

Doug Mueller: With any level of giving.

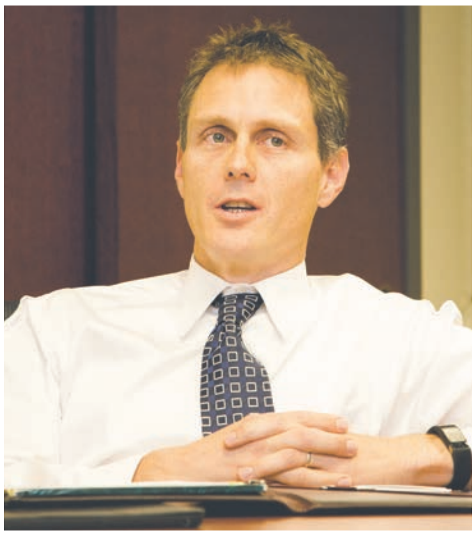
Matt Madsen: So the idea of, well, wait a minute, if I give away too much money in 2014, there's a cost because of the Pease tax is generally not true, at least in Missouri where state income taxes is a big itemized deduction.

▶ WHAT DOES IT TAKE TO SET UP A FUND THAT AT THE COMMUNITY FOUNDATION?

Amelia Bond: It's so easy. That's really the beauty of the Community Foundation. We can open a fund, take in the stock pre-sale and then hold it until the merger occurs. Then it becomes liquid cash. The donors have time to decide where they're going to distribute the funds. They have the ability to tap the resources of the Community Foundation and the expertise that we bring to the table of knowing the community.

Doug Mueller: Timing is extremely important. Gifting stock before it's sold or a merger is approved is very, very important. With publicly traded stocks, it's common knowledge what's going to happen when the vote's going to occur. Closely held business owners have the same planning opportunity, but a lot of times, depending on the size of their company, they aren't aware of the critical timing element. We just had a transaction where a group out of Washington, DC, already had the planned merger vote, and now I'm getting the stockholders in St. Louis saying, "We would like to transfer our stock now and transfer the gain." And I said, "It's too late. It's too late to transfer the asset and avoid the gain on the sale of that asset."

Matt Madsen: About timing: I always think about what decision you're asking the human beings involved to make. And it's a very unnatural decision. You're focused on a complicated transaction, selling your closely held business, the baby you built. And at the same time, you need to decide whether or not to give away $5 or $10 million? Could you do that comfortably? I couldn't. And that's the great thing about the charitable distribution tools. You can divorce the timing decision on the sale from the need to figure out how to give money to charity. This gives the donor time for a conversation about the family's philanthropic goals and deciding how to deploy their personal wealth in the communities they care about in an effective way. That takes time. And many people don't have experience being philanthropists.



"First and foremost, the difficult thing about cash is that there is no best way to invest it."

JOHN JENNINGS,
The St. Louis Trust Company

Matt Madsen: At some level they know they will pay tuition at the altar of experience. They don't want to pay it all at day one. They want to spread that tuition out over time and become more effective givers. That's where donor-advised funds and other charitable distribution tools are very powerful and almost fall into the no-brainer bucket when you're doing these kinds of gifts.

Amelia Bond: These are families that have put their heart and soul into their companies and have not given charitably in the past because they didn't have the ability to do so. And it's such a tremendous opportunity to create a fund and look to the future they can build with their children.

▶ DO YOU GET THE SENSE THAT A LOT OF CLIENTS KNOW ABOUT DONOR-ADVISED FUNDS?

Doug Mueller: I don't think so.

John Jennings: Most of our new clients either haven't heard of donor-advised funds or have some pretty interesting misconceptions.

Doug Mueller: That's what I'm seeing.

John Jennings: The number one reason why our clients typically like to use donor-advised funds, like the Community Foundation, is privacy. The clients with private foundations, their information, their assets, who they give to is public and they get a lot of solicitations, and everybody knows how much is in their foundation and who they give to. And giving to a donor-advised fund is completely private.

Amelia Bond: That's a tremendous benefit of the Community Foundation. We have more than 500 funds. Being one organization, we file one tax return. So, it gives complete anonymity in a world where we know that with the Internet there is no such thing.

▶ IF YOU GIVE TO THE COMMUNITY FOUNDATION, DO ALL OF YOUR CHARITABLE DOLLARS STAY IN ST. LOUIS?

Amelia Bond: In making contributions, we follow donor intent

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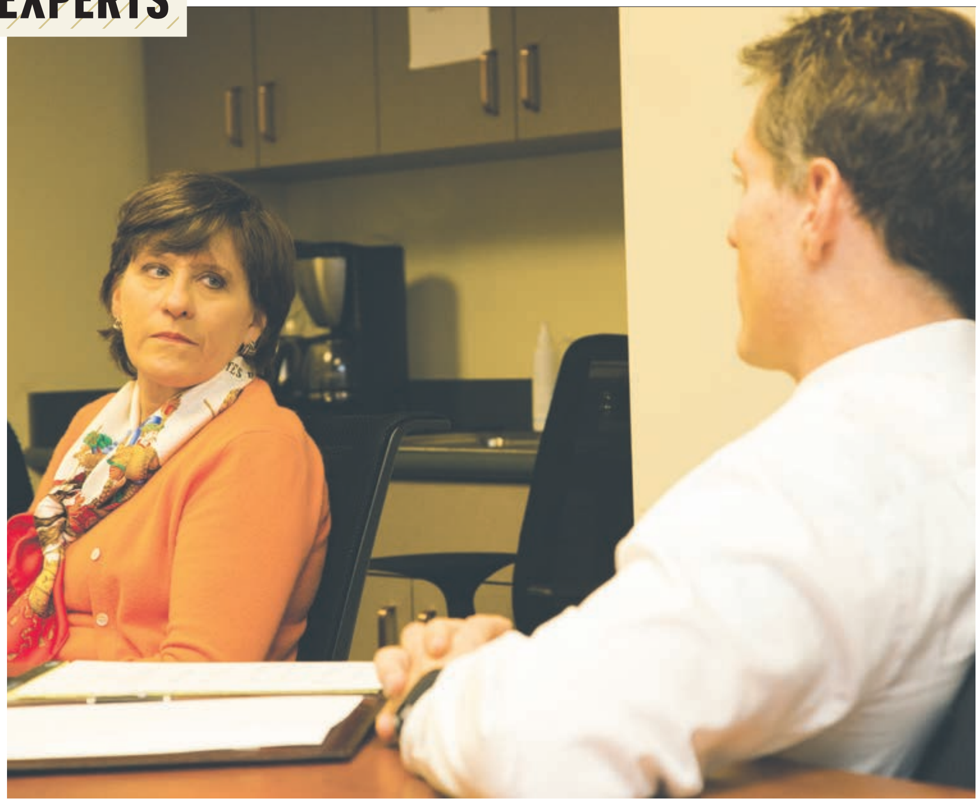

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and/or recommendations. That's what makes working with the Community Foundation so interesting for our donors, they can see their philanthropic vision come to life – here locally or around the world. That said, nearly 80 percent of our dollars support nonprofit in the St. Louis region.

AND IT'S THE DONOR'S DECISION?

Amelia Bond: Yes. The donor makes the recommendation, and the Community Foundation does the due diligence to make sure that that organization is actually a 501(c)(3). We pass the information along.

SO, YOU CAN GIVE TO EITHER PLANNED PARENTHOOD OR THE RIGHT TO LIFE EDUCATION FUND?

Amelia Bond: With complete confidentiality. At the same time, gifts can also be made publicly. When working with us our donors can be as private or as public about their grant-making as they choose to be.

HOW ABOUT SEEKING ADVICE ABOUT CHARITABLE GIVING?

Matt Madsen: There are two components to the charitable gift. The first is related to what the family is trying to accomplish with their charitable dollars. That should be the primary goal. Secondary to that goal is how to do it in the most efficient way, considering tax and other issues that will let them maybe put even more money in the charitable bucket. So, it's important to do both. And I think the advisers are different for the two different parts of that plan. For a smaller gift, you may be able do it yourself. But as the gifts get more complicated and bigger, it's more important to seek out a multi-disciplinary team.

Doug Mueller: Right.

Matt Madsen: And so, on the philanthropic side, this is where I humbly would suggest that the Community Foundation is an underutilized resource. The staff is involved in such an amazing amount of charitable grants year in and year out. They see things. They can suggest things. They can help a donor with due diligence. You can make the grantee responsible for meeting your benchmarks. They may not even know that.

Doug Mueller: I'll guarantee you they don't.

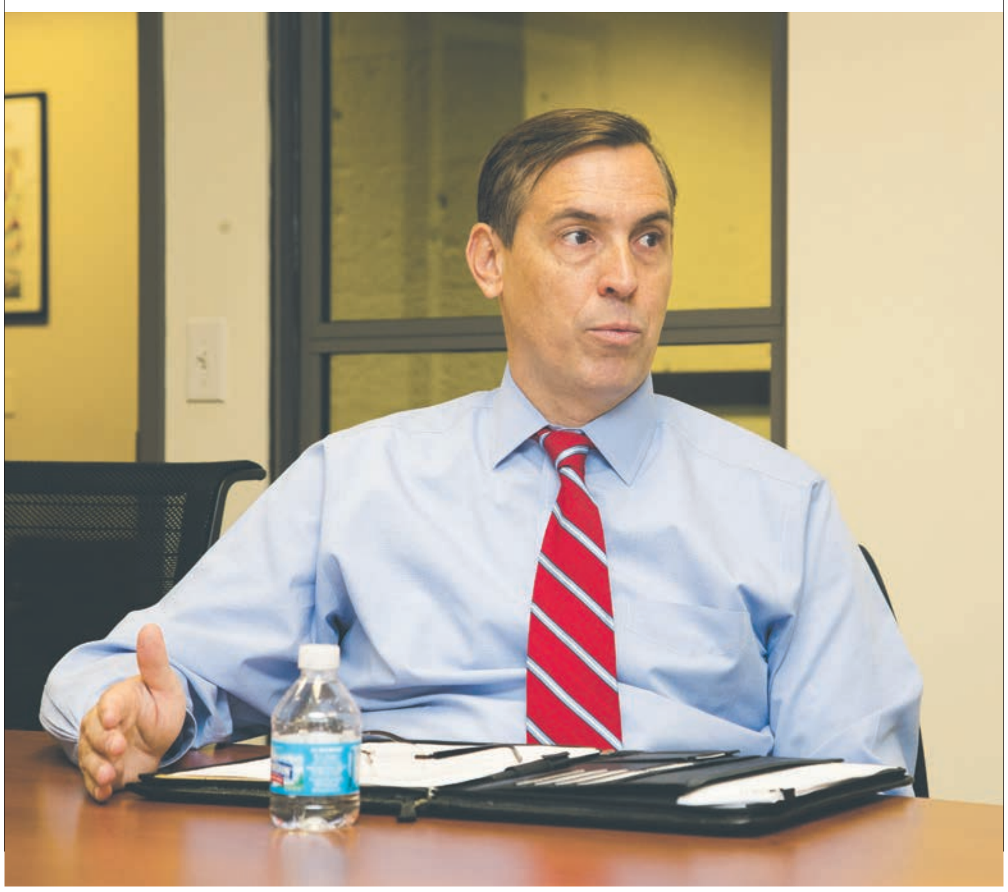
Matt Madsen: They can talk to neighbors who serve on other charitable boards. They can see what the United Way is doing. There's lots of ways to get information. Not all advisers understand that piece.

> *"People also forget that a lot of the families making big charitable gifts are very affluent. They're paying estate taxes. If you wait and give it at death, you not only skip the fun of seeing the good done with your dollars, you also miss the income tax deduction."*
>
> **MATT MADSEN,**
> Lewis Rice Fingersh, LC

WHAT'S THE DIFFERENCE BETWEEN A DONOR-ADVISED FUND AT THE COMMUNITY FOUNDATION AND A DONOR-ADVISED FUND AT MERRILL LYNCH?

Amelia Bond: Let's get real: Our greatest competition is the commercial donor-advised funds – Fidelity, Schwab, Vanguard. We like to say we've never lost a donor-advised fund from the Community Foundation to those commercial funds. But we receive money from them all the time. And the difference is service and being local. We're high touch. We're there for the donor who needs information, wants to learn, wants to be educated, wants to know what the Community Foundation sees in the philanthropic landscape here in St. Louis.

John Jennings: We have clients who use both. Our clients use both retail donor-advised funds like those at Fidelity or Schwab as well as donor-advised funds at community foundations here in St Louis and around the country. And really, we see a line of demarcation. It's easy and cheap to use a Fidelity or a Schwab. And those are for smaller amounts. It's almost like a checkbook. Assets come in. Assets come out. There are lots of transactions. For our donors that have made larger gifts and have moved from being more charitable to more philanthropic, trying to be more strategic about where they give, we think it's very important to be partnered with somebody like the Community Foundation. They really help with advice. Clients come to us, and they often have an investment plan or we help them with an investment plan. They have an estate plan. They have a risk management plan. But they don't often have a philanthropic plan. So, for instance, instead of saying, "I'm giving to this charity because I like what they do," instead, they might want to be more cause based and say, "I want to tackle childhood obesity. What is the best way? What's my biggest return on investment?"



WHAT'S YOUR MINIMUM FUND SIZE?

Amelia Bond: At the Community Foundation, we say the minimum size is about $50,000. That's where it starts to make sense from the support fees that we charge for our services. But once someone opens a fund and starts to have this charitable account from which they can give, it's different – psychologically. It's not coming out of your checkbook. It's something you've dedicated.

It's more planned. It's more pleasurable. And it grows. We grow with you. And we'll help you grow in your charitable experience.

BECAUSE THE DONATED FUNDS ARE INVESTED?

Amelia Bond: We even encourage donors to involve their financial advisers throughout our relationship. The advisers can stay at the table.

IF YOU WANT TO MAKE A CHARITABLE GIFT THIS YEAR, MAYBE BECAUSE YOU NEED A BIG DEDUCTION OR NEED TO MAKE A GIFT PRIOR TO THE SALE OF YOUR COMPANY, ARE THERE ANY STRATEGIES THAT WILL PROVIDE AN INCOME TAX DEDUCTION AND TIME TO WORK OUT A CHARITABLE PLAN?

Doug Mueller: If it's privately held stock, you would like to get the full fair market value, whatever that may be at that time. If you give it to a private foundation, you would not get the full fair market value; you're going to get your cost basis. The alternative is what we were describing, a donor-advised fund that can get the full fair market value. Some people don't know the rules now because we have, essentially, four income taxes going through a tax return now: the income tax, the alternative minimum tax, self-employment tax, and the new net investment income tax. It is getting so complex that we tell folks, look, come in. Let's run the numbers so you can see you're not limited by the Pease tax. You've got to run the numbers. You really do.

BUT TIMING REALLY IS AN ISSUE. DURING THE ANHEUSER-BUSCH CONVERSATIONS, THERE WAS A SENSE THAT YOU HAD TO DO THIS PURPOSEFULLY OR THE IRS WOULD SAY YOU WERE JUST DOING IT TO AVOID PAYING TAXES.

Doug Mueller: Correct.

Matt Madsen: The donors could be taxed as if they sold on the merger date for cash and then donated proceeds. So, it's a timing issue on the tax side. The reason the donor-advised fund and other charitable distribution tools fix the timing problem for the donor in terms of the other decision of, hey, I'm not ready to commit $10 million irrevocably, is they have made a baby-step decision. They've decided to put it in a donor-advised fund. It will never come back to their family. It'll go to a charity or set of charities that they pick over a longer time horizon.While they're waiting to figure out their charitable plan, they're going to have the money invested. The key thing with the donor-advised fund is that they don't have to make any grants that year if they don't want to.

John Jennings: Or the year after.

Matt Madsen: They have plenty of time to get their sea legs, get the sale transaction behind them and figure out in an intentioned way, what causes they are trying to improve with these charitable dollars, and what's a smart way to do it. If I give $10 million to my church tomorrow, what will they do with that money? Will they do it effectively? Or do I actually want to give them $1 million and save the other $9 million for something else? Or with a family foundation, they have to give 5 percent every year. That can force the money out. Well, on $10 million, that's half a million dollars.

Amelia Bond: One of the negatives that you hear sometimes is, oh, well donor-advised funds, they don't have to give the money away, so people are just going to sit on it. Actually, what's really interesting is at the Community Foundation, where about 60 percent of our funds are donor-advised funds, we're seeing donors give 10 percent, on average. That's more than what is required of private foundations actually going back into the community.

Matt Madsen: That's a great point.

IS THE 5 PERCENT A FEDERAL REQUIREMENT?

Matt Madsen: For private foundations only, not for donor-advised funds. And you know what we're seeing?

Amelia Bond: Right. Families are converting their private foundations to donor-advised funds at the Community Foundation because they get the benefits of anonymity. They no longer have to give 5 percent. They have reduced expenses, and it's a very easy; the foundation actually just makes a grant to the Community Foundation because we're a nonprofit. Then there are side-by-side funds used when a family wants to maintain the private foundation due to history or for whatever reason. In '08,when we saw the stock market drop precipitously, private foundations took the 5 percent and moved it to their donor-advised fund, so they weren't tapping the foundation's principal.

WHERE DO STATE TAX CREDITS COME INTO PLAY?

Doug Mueller: First, you get the normal federal itemized deduction tax rate savings. So in the highest bracket, this is 40 percent and in the state of Missouri it is 6 percent. If I give a dollar – I would normally save 46-cents on the dollar – I'm still out of pocket 54-cents. When the charity has been awarded credits by the state, I get a 50 percent credit off my state income tax. So, I get to save 46, now another 50. So, I gave a dollar, and I saved 96 cents on the dollar back in benefit. I'm only out of pocket 4 cents. That's why people ask if there are any state tax credits associated with the charity.

John Jennings: And then if you use appreciated stock on top of it, it's even better.

Doug Mueller: Because you saved the tax on the gain.

Matt Madsen: These guys just illustrated how complex it gets very quickly. So the donor needs his accountant, his lawyer and his financial adviser on the phone or in a meeting to figure out how to optimize this because it's only going to help the charity, and that's what it's all about.

WITH BOOMERS AGING AND CORPORATE BALANCE SHEETS IN BETTER SHAPE, WE'RE SEEING THE MARKET FOR SMALL- TO MID-CAP COMPANIES MATURING, AND WE'RE HEARING THAT M&A ACTIVITY IS GOING TO BE PICKING UP. WHAT DOES THIS DEVELOPMENT MEAN FROM AN ACCOUNTING, INVESTING, LEGAL AND CHARITABLE GIVING STANDPOINT?

Doug Mueller: Looking back, a lot of clients were starting to get in a position to possibly sell their companies, but 2008 hit, and that put a lot of plans on hold. Companies started having down years. They were pulling back. Now they've paid off debt. They've found a way to get more efficient. They've created value again. And I think the opportunity for them, if they are starting to position their company for sale, are alternatives in charitable giving that people simply do not know about. At the Community Foundation you're getting a donor-advised fund staffed by people who know charitable giving, versus you going to a financial institution. Those are donor-advised funds staffed by financial advisers who don't know charitable giving. And I think that makes all the difference. The rules are so complex. They want to hear the alternatives. What does it mean for my family? Now is the opportunity to get educated.

Amelia Bond: And that's the word: opportunity. Companies get bought and sold all the time. And St. Louisans tend to say, "Oh, there goes another company." No. That shows a vibrant community.

Doug Mueller: Right.

Amelia Bond: And to keep this community vibrant, philanthropy is key. St. Louisans love St. Louis. And I believe that if we can expand philanthropy and make it more efficient, if someone realizes, hey, it's 35 cents on the dollar, if I have a donor-advised fund at the time I sold my company, versus 75 cents on the dollar by opening a private foundation. We've

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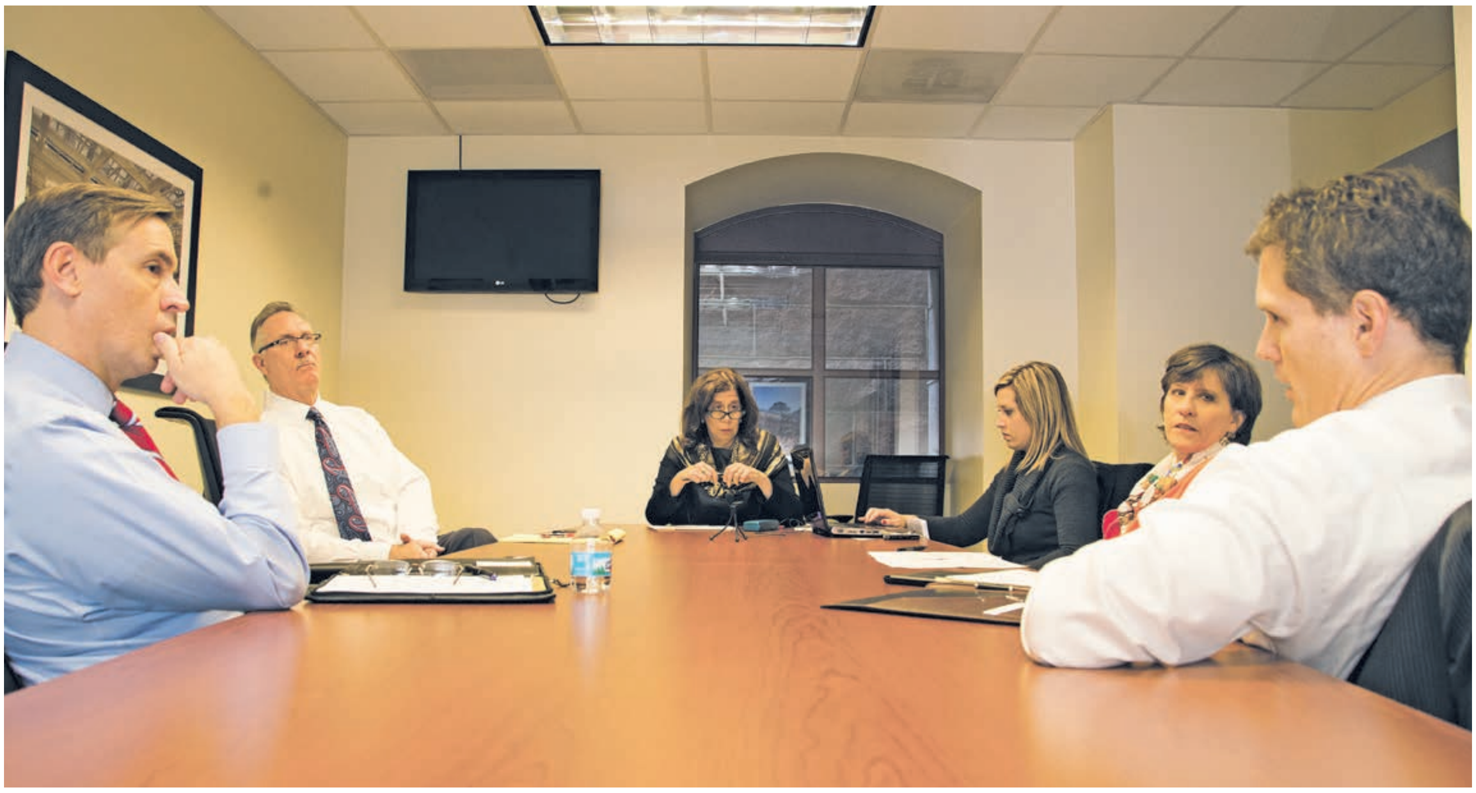
just maximized more dollars going to philanthropy. That creates a more vibrant St. Louis.

Matt Madsen: More of my business owner clients are exploring sales. This is when they really need the help of their financial adviser. They often say, "I can get so much return on my capital, on my closely held business. I know that market. I've been in it for 20 years." But when I sell my company, I'm not getting these distribution or dividend checks from my business. That's how I was cash-flowing. So, I might net $30, $40, $50, $80 million, but I don't really understand how my financial life works after that. And really, that's a perfect client to give a little nudge or even a big nudge toward lifetime charitable giving because they can afford it, but they don't understand how their financial life works post-sale. They need a financial adviser to explain it to them, make them comfortable. Here's how it's invested. Here's how your cash flow works. You're not going to run out of money. And by the way, if you want to give away $10 million over the next ten years, you really can afford to do it. Because if they don't understand that, they're not going to do it, and they're going to miss a great opportunity, and St. Louis charities are going to miss a great opportunity.

John Jennings: It's all about what your strategic goals are in the long term. Cash flow is very important in deciding how to invest. What does it take for you to live and achieve whatever your goals are for you or your kids or charity? And until you have a good grasp on cash flow – and what's very scary when you've been funding your livelihood, whether you're an owner or it's a public company and you're an executive- is switching from having that cash flow to now I'm going to live off of my investment portfolio. And it's this huge psychological divide that you need to get over, and you cannot do it unless you have a grasp on your cash flow, and that's been projected out. And that gets to the point of investing. It can be very scary to put money into the stock market because you're worried about what happens if the next shoe to drop is a big down. And the answer to that is, nobody knows. Anybody that tells you that they know is wrong.

No one knows what's going to happen. And there are so many very data-driven fantastic arguments about the market being overvalued and it's about to go down and an equal number why it's going to continue on and it's going to go up. And most of the factors cited about why the stock market's going to go up or down have no causation or correlation to the movement of stock markets. Things like corporate earnings and profitability and GDP and treasury rates and have literally no correlation to what the stock market does.



"You hope you get advisers who play well in the sandbox together."

DOUG MUELLER,
Mueller Prost

▶ OR THE SUPER BOWL OR WHO WINS THE ELECTION.

John Jennings: Or the hemline on skirts. There's no correlation. So, study after study shows that market timing doesn't work. Yet, because we're human and it's scary, we try to time the markets. And it doesn't work and it's counter productive. The average stock market investor earns a fraction of what the stock market returns. And that's because there's three things that attack their investment returns: fees, taxes and bad behavior. Behavior is the hardest thing to deal with of the three, and you battle bad behavior by having a plan and you stick with it. That's really the value of an adviser, who is going to give you a plan and give you the support that you need to stick with it during the ups and downs.

▶ IF OUR READERS ARE CONSIDERING THE COMMUNITY FOUNDATION, DO THEY GO THROUGH AN ADVISER? OR DO THEY CALL YOU DIRECTLY?

Amelia Bond: Either works. You know, the web has been a huge help because donors can just look at our site to start to at least get a little bit of an understanding of what we do. Community foundations are amazing organizations that are really flexible and meet the donors where they are. We are here to help.

John Jennings: Advisers in the St. Louis area are not doing a good job of utilizing donor-advised funds. I always wonder why we see these ads for drugs on TV because I can't prescribe them to myself. But the point is to similarly go ask your doctor about whatever drug. Likewise. Go ask your advisor about donor-advised funds and the Greater St. Louis Community Foundation. And if they try to talk you out of it, ask how many other clients they have in this sort of vehicle, and if their answer is none or only people that haven't listened to them, maybe have that adviser talk to the Community Foundation. Maybe you're not with the right adviser for your level of wealth or sophistication.

Doug Mueller: It makes us look good. We're doing a better job for our clients by bringing expertise. I think more advisers should be reaching out because you're a tool for us.

Amelia Bond: Absolutely.

Doug Mueller: And we need to get across how complex this area is. So, for instance, you have to get the right documentation to support your donation from an income tax or state tax or gift tax standpoint. The documentation requirements are different, and they're very rigid. So much so that if I give a $300 donation and I don't get at the bottom of my acknowledgment letter that no goods and services were received in exchange of this donation, you will not get a deduction.

John Jennings: Even if you provide it later.

Doug Mueller: Even if you provide it after the due date, which is the Durden case and a number of others. Those poor people gave $28,000 to their church, had canceled checks and everything. They did not get the deduction. So, this is an area that's fraught with all kinds of rules. You need people with expertise.

Matt Madsen: You know, advisers spend a lot of time cultivating and developing relationships with clients, so introducing another player into the mix can be worrisome.

Doug Mueller: Right.

Matt Madsen: But most good planned giving programs at charities, and certainly at the Community Foundation, are designed around how to support the donor and their advisers in doing something smart and efficient. I very commonly tell my clients about the Community Foundation. I say, "Just go down there. Meet the staff." I don't go. I don't need to hold their hand because I know they're going to be treated well, and I know that they are collaborative partners. They're not looking to interrupt relationships. They're looking to improve relationships because better deals happen.

Amelia Bond: So, if everyone would recognize that the Community Foundation is a go-to umbrella to connect all the parties...

Doug Mueller: Are you going to take the financial asset management away from a financial adviser?

Amelia Bond: Absolutely not. Our sole mission is to take care of donors and help them meet their goals, and hopefully, for the benefit of St. Louis, become bigger, better donors. Ferguson is happening in our back yard. It's impacting this community. It pains everybody. We need to maximize every dollar going back into this community. And if we miss a sale, that's dollars lost. It's that powerful.