



FOUNDATION-IN-A-BOX



JOIN THE THOUSANDS OF
COMPANIES THAT
UNDERSTAND WHY
A CORPORATE FOUNDATION
MAKES GOOD BUSINESS SENSE.



“FOUNDATION-IN-A-BOX”

Yesterday's practice of companies simply giving money away to good causes has been superseded by today's **strategic corporate philanthropy**, which ties donations of time, money, and in-kind gifts to defined business goals and desired benefits. Companies that have created corporate foundations have discovered that partnerships between private enterprise and public interest can produce profitable outcomes for all.

The numbers indicate clearly: companies large and small do well by doing good.

91% of consumers have a more positive image of companies that support a good cause. ³

65% of Americans would switch to a brand associated with a good cause, price and quality being equal. ¹

87% of employees at companies with cause marketing programs feel a stronger sense of loyalty to their employers. ¹

70% of CEOs report that they believe Corporate Social Responsibility is an essential issue to their business. ²

(1) Source: 1999 Cone/Roper Cause Trends Report

(2) Source: Business in the Community Corporate Survey III (2001) supported by Research International ISBN 0 9480 6308

(3) Source: 2004 Cone Corporate Citizenship Study

SIZE DOESN'T MATTER: LARGE AND SMALL COMPANIES BENEFIT.

Businesses of all sizes have reaped the benefits of gaining market share, sustainable human resources and increased public awareness and loyalty that philanthropy offers, through programs that align community responsibility with business need. Addressing the problems of the people in your community can—and does—stimulate business development. Companies can share a wide range of resources with their communities, including time, money, talent, and products, **plus enjoy tax relief** and increased community visibility.

The choice of ways to give makes philanthropy a sustainable practice within the reach of even the smallest companies.

“FOUNDATION-IN-A-BOX”:

LET’S TALK MONEY

TAX RELIEF THROUGH YOUR FOUNDATION

Donating money to charity via your company’s corporate foundation can be a very tax efficient way of supporting your chosen cause. When a company makes a donation, it gets tax relief by deducting the amount given from profits and pays less corporate income tax. Generally, a **corporation may take a deduction of up to 10% of its taxable income for the year.**

While donations to a private foundation are tax deductible, it is important to understand that not all monies are necessarily going directly to charity immediately. The private foundation is only required to distribute 5% of its asset value per year to charity, and may invest additional portions of its endowment as a means of generating sustainable income for the foundation’s programs.

Therefore, the IRS has established limits on how much of your charitable deduction can be used in any particular year. For a corporation, the total of contributions that may be deducted as a donation to a private foundation is an amount equal to 10% of the company’s taxable income for the year. However, excess contributions that exceed this limitation may be “carried over” and deducted in up to 5 subsequent years.

BUILDING YOUR BOTTOM LINE WITH CAUSE-MARKETING

When talking about cause-related marketing activities and initiatives, it is important to point out that donations through collaborative programs do not necessarily qualify as a charitable deduction for tax purposes. However, it does qualify as a marketing expense deduction which is just as good. Even more important, it can be a way to stimulate current and future sales for your business.

The benefits of cause-related marketing are two-fold. First, your business plays an important role in raising funds for a cause you believe in. This could be through donating a percentage of a product sale to the organization you choose to partner up with. In addition, your store gets a boost in sales from customers who also sympathize with the nonprofit’s cause. So, even though they may normally buy donuts from a competitor, their connection with the nonprofit’s cause will give you their current as well as future business.

DEDUCTIONS THROUGH IN-KIND GIFTS

Contributions of non-cash goods, also known as in-kind gifts, can assist many corporations in inventory reduction, while providing additional tax benefits. A company’s charitable donation of its products can qualify for a charitable deduction. However, limitations exist on what and how much can be deducted.

“FOUNDATION-IN-A-BOX”: MARKETING BENEFITS

ENHANCING YOUR BRAND

In this new era where the recession has forced many consumers to “go back to the basics” and evaluate what is really important to them, you find many consumers assigning high-value to good corporate citizenship. Corporate responsibility is now the norm, and customers who visit your website and see your advertising want to know that you share their desire to make the world a better place.

The 2004 Cone Corporate Citizenship Study shows that eight in 10 Americans say that corporate support of causes wins their trust in that company, a 21% increase since 1997.

What better way to support your chosen cause/s, than through a corporate foundation. Establishing a corporate foundation will allow for more flexibility in giving options, as well as valuable marketing benefits.

INCREASED BRAND AWARENESS

It is no doubt that companies can drastically benefit from increased awareness through their corporate foundation and cause-related marketing campaigns. Consumers need that extra “push” in order to persuade an action (a purchase or activity). Your association with a good cause can be just the push they need. Not only will they purchase your product or service, but they will share their experience with family and friends, who in turn will do the same.

GOOD PUBLIC RELATIONS

Today journalists and reporters have been over inedited with press releases and media pitches focused on corporate gain and expansion, with no unique angle or newsworthy component. By starting a corporate foundation, you are beginning to build a fresh news story, one that involves your corporation providing needed assistance in some way to members of your local community or the world at large. Through your corporate foundation's public relations efforts you will gain “fee advertising” with a positive company image and credible association.

WIN-WIN FOR ALL

Using a dedicated cause-marketing campaign, you can reach and persuade your consumers to contribute to a noteworthy cause, while also raising awareness for your business and its commitment to social responsibility. Additionally, you will probably find that the collaboration that takes place between the company and its charities gives a higher purpose to the internal corporation while also improving the business methods used by the charitable organizations. A “win-win” for sure!

“FOUNDATION-IN-A-BOX”:

CASE STUDIES

OTHERS HAVE LEARNED: “YOU CAN DO WELL BY DOING GOOD!”

PEPSICO

After 23 years of advertising during the Super Bowl, last year PepsiCo is pulled its beverage ads in favor of an upcoming cause marketing program, *The Wall Street Journal* reported.

Pepsi's new cause marketing program lets consumers choose community programs to receive grant money from the beverage company, which has set aside \$20 million of its ad dollars for the program.

TIDES FOUNDATION

When Levi Strauss Foundation decided to do something about HIV infection in this country, they wanted to use their resources to organize other funders in this field and they wanted to tackle the issue head-on by funding syringe access - a one-time highly controversial method that is now fully supported by the AMA.

Tides has managed the process of bringing together private foundations, public foundations and corporate grantmakers in this effort.

ARBY'S RESTAURANT AND BIG BROTHERS BIG SISTERS

From May 3 to June 13, 2010, Arby's restaurants is asking customers to add a \$1 donation to their orders to help Big Brothers Big Sisters. Customers who donate receive a paper icon to sign and hang on restaurant wall and a \$1 coupon good on a future purchase. The company hopes to top the \$2.2 million raised in its 2009 campaign.

NALGENE AND BRITA

Reusable water bottle maker Nalgene and water filter maker Brita teamed up in 2007 to encourage consumers to cut their water bottle disposable waste. Under the banner "Refill not Landfill" they offered education on the benefits of putting filtered water in reusable bottles and promised a \$4 donation to a foundation working on water access for every "Refill not Landfill" bottle sold (up to \$25,000).

“FOUNDATION-IN-A-BOX”: SERVICES AVAILABLE

1. ORGANIZATIONAL ESTABLISHMENT AND TAX EXEMPTION

I. 501 Package for a Private Foundation

The recognition of your corporate foundation as a 501c3 tax exempt nonprofit by the Internal Revenue Service (IRS) offers numerous advantages and is necessary to help your company and its foundation grow. The package includes:

- Articles of Incorporation- PF Compliant
- Custom Bylaws
- Conflict of Interest Policy
- EIN #
- Form 1023 Application
- Narrative Description of Activities
- 3 Year Financial Projections
- Corporate Book and Seal
- Board Member Bios

2. STRATEGIC PLANNING

I. Strategic Planning Package

Strategic planning will steer your foundation on the path to success. It is the framework that determines where your foundation is going over the next year or so; how it's going to get there; and how it will know if it got there or not. More specifically, a plan identifies the mission, vision and/or values of the foundation; goals to work toward the mission, strategies to achieve the goals, and action planning (who will do what and by when). It increases effectiveness, efficiency, productivity, and accountability.

The comprehensive strategic planning package includes:

- Basic Strategic Plan
- Mandate Research
- Strategy Development Assistance
- SWOT Analysis

“FOUNDATION-IN-A-BOX”: SERVICES AVAILABLE

3. STRATEGIC MANAGEMENT

I. Ongoing Strategic Organizational Management Package

One of the goals of the strategic planning process is to put in place mechanisms that allow the foundation to continuously assess its environment and to respond proactively to change. In strategic management, the stakeholders participate in the process of continuously assessing the environment and in developing methods of proactive adaptation to maintain and grow the organization.

- Program Development
- Employee Programs
- Director Duties
- Board Management/Compliance
- Grant Process Development
- Board Handbook
- Custom Minute Templates
- Year 2 Budget Development
- Monthly NPO Consulting

4. MISSION FOCUSED MARKETING

I. Community Awareness Package

The marketing to build community awareness of your new corporate foundation is something that should be executed both externally and internally. The marketing agenda is to inform anyone and everyone of key importance—your employees, stakeholders, media, current customers and future customers— that your company has taken a step towards active corporate responsibility through your new corporate foundation and cause-related marketing activities. The community awareness bundle will include:

- Press Release & Distribution
- CSR Write-up (Web & PDF)
- Employee Newsletter Announcement
- Cause Marketing Review
- Web & Graphic design

“FOUNDATION-IN-A-BOX”: SERVICES AVAILABLE

II. Corporate Branding Package

It is important to develop creative designs on your logo, brochures, presentation material and website that specifically emphasize your philanthropic spirit in a way that equally promotes your company and its foundation.

Our corporate branding package includes:

- Logo
- Business Cards
- Stationary
- Corporate Folders
- Flyers

III. Social Networking

Just as you would implement a presence online for your company, it is just as important to create an engaging online profile for your corporate foundation. In essence, the foundation is its own entity and should be promoted effectively online using most notable social media outlets. Not only will engagement in a foundation social media campaign build your brand awareness, but it will also prove to be vital for donor, volunteer, and client recruitment and retention.

5. YEAR END COMPLIANCE

I. Annual Compliance Package

In order to protect your foundation, its constituents, reputation, and the benefits of tax exemption, it is important to remain aware of all year-end compliance requirements. To satisfy the requirements of your stakeholders, the State, and the Internal Revenue Service you'll need:

- 990-PF
- Renewal Registration
- Annual Report to State
- Annual Report to Constituents



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Founded in 2004 and headquartered in Orlando, FL, BizCentral USA serves as a "one-stop" resource center for startup, small and mid-size businesses. Expanding from a one product, one owner company in 2004, to currently offering over thirty products and services, and staffing over twenty-five professionals, BizCentral USA understands what it takes to grow a business from the ground up. Now, we are leaders in the industry, with a satisfied client base of over 10,000 and growing.

At BizCentral USA, our goal is to help small businesses succeed, even after their services are completed. In addition to our variety of small business services, we offer free tools and resources to provide ongoing support for every client. These include: a web directory, free business reviews, small business seminars and webinars, and informational articles and tips.

Our company is all encompassing. We have a proven business model that has doubled our sales annually. We believe our product quality, commitment to excellent customer service and competitive pricing have enabled us to do this, even during a recession.



OUR BRANDS

We have discovered the specific attention needed by small business, non profit, and religious organizations. Our brands; BizCentral USA, CharityNet USA, and ChurchNet USA provides individuals in the small business, non profit and religious sectors with the specialized assistance needed to form successful and sustainable organizations.

BIZCENTRAL USA: The for profit division serving as the nation's number one provider of small business startup services.

CHARITYNET USA: The non profit division serving as the nation's number one provider of nonprofit startup services.

CHURCHNET USA: The faith-based and church division serving as an online church and ministry resource center.

HELPNET USA

HelpNet USA is an online community that brings together individuals and non profit organizations, encouraging fellowship and empowerment. At HelpNet, individuals who are experiencing times of hardship can seek out the assistance of charitable organizations operating in their local area. In addition, individuals who find themselves in times of good fortune can improve their communities by getting involved or making a charitable donation.

HelpNet USA is a private operating foundation under BizCentral USA.