

ENSURING OUR FUTURE BOB DAYTON

CELEBRATING
50
YEARS
SERVING OUR YOUTH



If you know Bob Dayton, you know he represents philanthropy at its finest. Over the years, Bob has served on numerous nonprofit boards and utilized his knowledge of finance, planned giving, endowments, and the Montana Endowment Tax Credit to assist those many nonprofits. So, in the early 80s, it was no surprise when Cal Northam and Jim Dutcher recruited him to serve on the Boys Club (later to the Boys & Girls Clubs of Yellowstone County) Board. “I grew up in Michigan and learned about the Boys Club there. I understood the importance of the work at the Club, so I readily accepted their invitation to join the board. I joined the Club Board at an exciting time. The Club was still housed in the old Yellowstone Paper Co. building. However, it was in the process of building a new Clubhouse.” Bob recalls some present and past board members had reservations about building a new Clubhouse and where the new Clubhouse would be located. “In hindsight, it was the right decision to build, and the right site was selected,” Bob shared.

Once the “dust settled” on the building project, Bob encouraged the Club to establish an endowment. “I am a big fan of endowments. Every nonprofit should consider establishing an endowment, especially in Montana which offers a 40% tax credit to donors who make a qualified planned gift. The income from an endowment provides a long-term source of annual revenue which will increase over time. The income is usually predictable and would help ensure the long-term sustainability of the Boys & Girls Club. When the idea of starting an endowment was presented to the board, not everyone initially thought it was a good move. Some believed we needed all the money raised for operations. Also, at the time, the Club received up to fifty thousand dollars of support annually from the United Way. Some board members thought if we had an endowment, we could lose this support,” Bob explained. However, not long after Bob introduced the idea of starting an endowment, he received a call from Gordon Eldridge, CEO of the Boys & Girls Clubs of Yellowstone County. He informed Bob that the endowment was a go.

With the approval to move forward, a separate 501c3 was formed, and according to Bob, “when we started, we didn’t have a single penny in the endowment.” Bob remembered that “our goal was to raise \$100,000 during the first year. We had great people on the Endowment Board; Cal Northam, Jim Dutcher, Ward Swanser, Wally Anderson, and then we recruited Muryl Myhre, who donated the first \$25,000 into the Endowment Foundation. Our next support came from one of Wally’s clients. The client had no children and wanted to leave his money to programs for youth, which resulted in him designating his entire estate to be split between the Boys & Girls Club Endowment Foundation and Rocky Mountain College. A few years later, we reached \$300,000.”



As time went on, “we focused on planned giving and utilizing the Montana Endowment Tax Credit, which was originally enacted in Montana in 1997 to encourage individual and business donations to qualified endowments,” said Bob. The tax credit incentive provides a Montana taxpayer with a 40% tax credit on qualified planned gifts to a Montana charitable endowment like the Boys & Girls Clubs Endowment. “When the tax credit first came out, it was a 50% tax credit. In addition, the donor still received a federal tax deduction for the gift. If appreciated stock was donated, there were additional savings by bypassing capital gains. Donors could make a \$10,000 donation and be out of pocket for an amount under \$4,000,” Bob explained.

Today, the Endowment Foundation provides the Club with 17% of their more than two-million-dollar operating budget. “When I look at the growth of the endowment, I can’t believe we came pretty close to not establishing it. I crossed paths with Gordon a few years ago. We reflected on what would have happened if we didn’t start the endowment and agreed that we may not have had the opportunity to open other Clubs around town. Over time, it really does pay for itself,” said Bob.

Over the time Bob served on the Club Board and then the Endowment Foundation Board, he had many great memories. “I loved walking into the Club and seeing the kids play basketball, interacting with the Club team, and enjoying healthy meals. It was great to see the positive impact the Club had on the kids. It

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is a good feeling knowing your work and support are changing lives. You can have a dramatic impact,” shared Bob. “I feel good knowing that the endowment helps provide a perpetual, lifelong sustainability for the Boys & Girls Club.”

“I would encourage everyone to take advantage of the Montana Endowment Tax Credit by donating to an endowment like Boys & Girls Clubs Endowment Foundation. It is a smart way to give to a deserving nonprofit,” said Bob.