distribution qualifications under federal law. Such income may be rapidly accumulated to increase the foundation's net worth and optional endowment fund. To review a few of the principles:

1. Make certain the foundation has authorized the purchase or sale of property through a proper resolution.

2. Use normal responsible business practices in completing any sale or purchase.

3. Investigate state tax advantages and disadvantages

4. Watch for self-dealing problems in transactions with donors or founders.

5. Use, but do not abuse, discount privileges offered by private concerns.

Other Property, Purchases, Leases and Management

Your foundation may execute leases with any other organization or individual. The only limitation on leases is that of self-dealing. In cases where the foundation leases from a contributor or the founder of a foundation, the lease must be at local market-value and may not be inflated. Just as sales contracts