



# Donor Advised Fund Program Guide

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## Introduction

This guide outlines how you can open and sustain a Donor Advised Fund at RSF Social Finance. It details the benefits of RSF’s program, outlines its fee structure, and provides information on the policies and procedures followed. To ensure accuracy, we update this document annually.

## About RSF

The Rudolf Steiner Foundation was established in 1936 to support organizations inspired by the lectures of Austrian philosopher Rudolf Steiner. In 1984, it began providing direct loans, primarily for real estate purchase or construction, to organizations and projects inspired by Steiner’s lectures on associative economics and social renewal. In the late 1990s, we expanded our mission to serve a broader range of clients with compatible values and intentions, including those engaged in non-profit and for-profit social enterprise.

Today, RSF provides opportunities for people to align their investing and giving with their values and connects social entrepreneurs with diverse forms of capital. RSF believes that people are served best by long-term financial relationships that are direct, transparent and personal. These relationships build a foundation of trust and collaboration to emerge and lead to long-term social, economic, and ecological

benefit. Since 1984, RSF has made over \$450 million in loans, grants, and investments in social enterprises in the areas of food and agriculture; education and the arts; and ecological stewardship.

RSF frames all of its work by its vision, mission, and values.

## **Vision**

We envision a world in which money serves the highest intentions of the human spirit and contributes to an economy based on generosity and interconnectedness.

## **Mission**

To create financial relationships that are direct, transparent, personal and focused on long-term social, economic and ecological benefit.

We achieve our mission by:

- Offering investors and donors dynamic ways to align their money with their values.
- Connecting entrepreneurs with diverse forms of capital.
- Empowering leaders and advancing innovations in the field of social finance.

## **Values**

Cultivating Gratitude <-> Building Trust <-> Encouraging Radical Collaboration

## **About the Program**

RSF's Donor Advised Funds are an easy way to partner with us for your charitable giving. With as little as \$5,000, you can join an active community of values-aligned donors, partners, and staff working to build the next economy.

### **Partnership.**

Our clients see giving as part of their identity and place in the world and are looking for a partner who gets it.

### **Invest for impact.**

We invest your dollars using a mission-aligned strategy that maximizes positive social and ecological change.

### **Simplify your giving.**

You can give, stay up-to-date on your funds and recommend grants—all in one place. You also get the full tax benefit of your gift at the time of your donation.

### **Help heal the economy.**

The support costs from your fund assist us in pioneering work like our integrated capital approach, Shared Gifting, and Money & Biography conversations.

## **Opening a Donor Advised Fund**

To establish an RSF Donor Advised Fund, please complete the agreement form located at the end of this document. Remember to read this program guide carefully before signing the agreement.

## **Contributions**

You may establish an account with an initial contribution of \$5,000 or more. Subsequent contributions can be as little as \$500.

## **Minimum Balance**

Donor advisors must maintain a minimum account balance of \$500.

## **3rd Party Contributions**

Individuals, corporations, and foundations that are not the initiator of the account may contribute to an RSF Donor Advised Fund and receive credit. Other contributors are not eligible for any advisory services by making additional contributions.

## **Types of Contributions**

Donor advisors may contribute cash, mutual fund shares, stocks, bonds, and other marketable securities to their accounts. Under certain circumstances, RSF is also able to accept shares of privately held companies. Contributions made in cash must be delivered by check or through wire transfer. Donor advisors should mail check contributions to:

RSF Social Finance  
1002 O'Reilly Avenue  
San Francisco, CA 94129

## **Irrevocable Gifts**

Once RSF has accepted a contribution to a Donor Advised Fund, it is irrevocable.

## **Online client portal**

We offer donor advisors access to RSF's online client portal. In it, you can manage account details, submit grant recommendations and view recurring grant recommendations, authorized parties, and grantee transaction history. The portal also allows donor advisors to go paperless on quarterly communications such as client statements, community updates, and newsletters.

## **Tax Considerations**

By contributing to a Donor Advised Fund, you are eligible for a tax deduction. The amount of the deduction depends on the type of asset contributed. Please consult with your tax advisor to determine the amount of your deduction, and to discuss the best ways to maximize the tax advantages.

## **Deduction Limitations**

Deductions for charitable contributions are subject to Internal Revenue Code limits based on the percentage of adjusted gross income (AGI) you earn in the year of the gift. However, contributions that exceed these percentage limitations may be carried forward up to five subsequent years. Please contact your tax advisor to determine your tax deductibility limits. Generally speaking, donations to public charities like RSF, including to DAFs, are the most favorable for tax purposes.

## Publicly Traded Securities

For publicly traded securities held for more than a year, you may deduct up to the fair market value of the securities contributed. For securities or mutual fund shares held for a year or less, IRS rules limit your deduction to the lower of your cost basis or the fair market value.

## Estate Tax

Since gifts to Donor Advised Funds are irrevocable, the contributed assets and any related earnings are no longer part of your estate and not taxable upon death. You may reduce your estate tax burden by bequeathing to your Donor Advised Fund, though we recommend you consult a legal or tax advisor to see if this option is possible for your specific circumstances.

## Income and Earnings Treatment

Income that accrues to your Donor Advised Fund will increase the fund's available balance for charitable grantmaking but is neither taxable nor deductible to you.

## Investment Options

RSF invests every Donor Advised Fund according to our organizational purpose, values, and operating principles, and in alignment with our investment thesis that seeks out investments that are direct, transparent, and based on long-term relationships. DAF investments are selected based on their social and environmental impact as well as their financial performance. Donor advisors may recommend RSF invest their DAF in two offerings: the Liquidity Portfolio and the Food System Transformation Fund.

### Liquidity Portfolio

The Liquidity Portfolio seeks safe and relatively liquid cash opportunities that achieve deep impact. This portfolio is comprised primarily of placements with leading community development and environmental banks and financial institutions. It focuses on creating long-term relationships with organizations that offer unique opportunities for social and environmental impact in their local communities by supporting economic development projects, affordable housing, and environmental initiatives. This portfolio offers donor advisors an opportunity to preserve principal and retains liquidity for grantmaking—all while supporting leading mission-driven financial institutions. Target returns are commensurate with money market accounts.

#### Sample Investment: New Resource Bank

New Resource Bank is a triple-bottom-line financial institution that lends to businesses and nonprofits that are socially or environmentally responsible. Ninety percent of the bank's loan portfolio is mission-aligned, and it aims to reach 100 percent in the coming years. The bank focuses on four key areas: environmental protection, health and wellness, education and community engagement, and sustainable commerce.

### Food System Transformation Fund

Donor advisors may also invest in RSF's Food System Transformation Fund. Dedicated to creating a more healthful regional food system, this fund provides catalytic capital to social enterprises that address key ecological or social issues in the food system using replicable strategies. To invest in this option, donor advisors must commit at least \$50,000 for five years. The investment will earn a 1 percent annual return, which RSF will return to the Donor Advised Fund for grantmaking. Donor advisors should note that this fund carries greater risk to principal since defaults on the underlying loans are shared pro rata across the fund's investors.

## Grantmaking

### Recommendations

As the donor advisor, you may recommend grants from your Donor Advised Fund to 501(c)3 charitable organizations and qualified foreign charitable projects. Once you complete and submit a Grant Recommendation, available in paper form (see sample at the end of this guide) or online via the RSF client portal, our Philanthropic Services staff will review and process the recommendation. We review recommendations on a weekly cycle.

### Disbursements

RSF disburses grant funds on a weekly cycle. As a default, we send grantees funds by check unless otherwise requested by a donor advisor or grantee. Grants over \$25,000 and foreign grants require a minimum of two weeks for processing. With each grant disbursement, RSF will send a letter accompanying to the recipient organization identifying the gift according to the wishes specified by the donor advisor on his or her grant recommendation.

### Guidelines

The following guidelines apply to your grant recommendation:

Minimum Grant Amount:	\$250
Minimum Foreign Grant Amount:	\$5,000
Number of Grants Allowed:	Unlimited

### Eligible Charities

By law, RSF can only grant to charitable organizations recognized as tax-exempt by the Internal Revenue Service. Under certain circumstances, we can grant to foreign charities; however, these grants require more in-depth due diligence and correspondence and are subject to additional fees.

### Ineligible Grants

RSF does not make grants to individuals, private non-operating foundations, or political candidates or parties. We also will not accept grant recommendations that intend to fulfill pre-existing pledges or confer a private benefit; that includes but is not limited to the payment of membership fees, the purchase of benefit tickets, or items bought at a charitable auction.

## Fees and Expenses

### RSF Community Contribution

With RSF Philanthropic Services, our goal is to cultivate gift as the source of economic life. Donor Advised Funds play an essential role in doing this work. And unlike other Donor Advised Fund providers, the costs your account incurs directly support our nonprofit's mission to reimagine money and push it to the highest intents of the human spirit. We depend on your Community Contribution not only to fund excellent, human-centered services for donor advisors but also to advance innovation and thought leadership in the fields of social finance and philanthropy.

RSF will deduct the following Community Contribution from your account annually, based on the average daily balance:

- A. 1.25% of the first \$1,000,000 of the Fund's net asset value.
- B. 1.00% of the next \$2,000,000 of the Fund's net asset value up to \$3,000,000.
- C. 0.75% of the Fund's net asset value over \$3,000,000.

## **Investment Fees**

In addition to the RSF Community Contribution, RSF will charge 0.60 percent annualized on assets invested in the Liquidity Portfolio. Funds invested in the Food System Transformation Fund do not incur investment fees.

## **Fee for Foreign Grants**

Due to additional due diligence and follow-up requirements, all grants made to foreign charitable organizations are subject to the following fee schedule:

- A. \$750 for foreign grantees new to RSF.
- B. \$500 per grant for repeat grantees if any of the following conditions apply:
  - a. The grantee received no grants from the donor advisor for over a year, or
  - b. Changes to the organization's structure or leadership require a new round of due diligence, even if less than one year has passed since the most recent grant.
- C. \$350 per grant for repeat grantee within a year of the most recent grant and no additional due diligence is required.

## **Other Fees.**

In addition to the fees described above, we will deduct commissions and other fees incurred by RSF from individual Donor Advised Funds when selling contributed property. These fees will be calculated and deducted in 12 installments of one-twelfth of the applicable annual rate as of the end of the month. Fees are reviewed periodically and subject to change upon written notice by RSF.

## **Succession Options**

### **Choosing a successor**

When you open a Donor Advised Fund, you may choose a successor(s) to take over advising the fund and make grant recommendations after your death. You may name any individual you like, including your spouse, child, heir, or another representative. If it is a joint account, succession applies only after the deaths of all donor advisors. Therefore, if one donor advisor dies, the remaining donor advisor(s) retains all rights to recommend grants and name successors. Upon assuming the rights and responsibilities of the Donor Advised Fund, the successor(s) may designate his or her choice for successor.

### **Charitable Beneficiary**

Instead of naming an individual as a successor, you may choose to recommend one or more eligible organizations as the beneficiary of your Donor Advised Fund account. Recommendations for a charitable beneficiary is subject to review and approval by RSF. Upon formal notice of a donor advisor's death, RSF will send the beneficiary organization(s) the account's remaining balance less any pending fees—provided it (or they) remain an eligible charitable organization.

You may choose a combination of both successors and beneficiaries for your account.

### **No Successor**

If you do not name a successor or recommend a charitable organization as your beneficiary upon your death, the balance of your account will be transferred to the RSF Advised Fund for general grantmaking at RSF's discretion.

## **Receipts And Statements**

### **Charitable Gift Receipts**

Upon acceptance of a gift, RSF will provide a confirmation letter acknowledging the gift. You will be responsible for establishing the value of any non-cash contributions for tax deduction purposes.

### **Statements**

RSF will provide quarterly account statements, available in both paper and electronic forms, indicating the fund's balance and activity for the period, including:

- Gifts received and credited to the fund,
- Grants made from the fund,
- Market gains or losses on investments,
- Investment income,
- Fees and expenses,
- Net investment performance, and
- Updates on activities and impact by our community of donors, investors, and entrepreneurs.

### **Contact Us**

To open a Donor Advised Fund or for more information about the program, please contact Alex Haber, Senior Program Manager, at 415.561.6188 or [alex.haber@rsfsocialfinance.org](mailto:alex.haber@rsfsocialfinance.org).

**INSTRUCTIONS**

Return by email to Alex Haber, by fax to 415.561.3919, or by mail to  
 RSF Social Finance, 1002 O'Reilly Avenue, San Francisco, CA 94129-1101.

**QUESTIONS?**

Contact Alex Haber at 415.561.6188 or  
 alex.haber@rsfsocialfinance.org

**I. TELL US ABOUT YOU**

To establish a Donor Advised Fund at RSF Social Finance (RSF), please complete and return this form along with your initial contribution according to the instructions above.

Once the Fund is established, you may recommend grants to qualified charitable organizations. If two donor advisors are named, we will accept grant recommendations from either donor advisor unless otherwise specified.

Be aware that RSF cannot honor recommendations that either satisfy existing pledge commitments or that result in any benefit to you or a family member, such as event tickets or memberships.

If you need additional forms or have any questions, please contact us at 415.561.6188, or you may download forms from our website at rsfsocialfinance.org.

\_\_\_\_\_ DONOR ADVISOR NAME

\_\_\_\_\_ MAILING ADDRESS

\_\_\_\_\_ CITY STATE ZIP

\_\_\_\_\_ PHONE

\_\_\_\_\_ E-MAIL ADDRESS

\_\_\_\_\_ JOINT DONOR ADVISOR NAME

\_\_\_\_\_ MAILING ADDRESS

\_\_\_\_\_ CITY STATE ZIP

\_\_\_\_\_ PHONE

\_\_\_\_\_ E-MAIL ADDRESS

**II. NAME YOUR DONOR ADVISED FUND**

You may give the Donor Advised Fund a name that reflects your charitable intentions, or identifies you, or is in honor of another. A letter naming the Fund will accompany each grant from the Fund unless you prefer to remain anonymous.

\_\_\_\_\_ NAME OF DONOR ADVISED FUND

**III. YOUR INTEREST AREAS**

Please indicate which aspect(s) of RSF's mission are of particular interest to you. This information helps us to better understand and serve our clients.

- FOOD & AGRICULTURE
- EDUCATION & THE ARTS
- ECOLOGICAL STEWARDSHIP
- THE WORK OF RUDOLF STEINER
- SOCIAL FINANCE
- OTHER: \_\_\_\_\_

Do you plan to make grants to foreign organizations?  YES  NO

## IV. NAME A SUCCESSOR OR BENEFICIARY

As the donor advisor(s), you have the right to make recommendations as to Fund investments and grants. You may (but are not required) to name a successor advisor to take your place upon your death. Alternately, you may name a qualified charitable organization to receive the remaining balance of your Fund.

If you wish to name additional or different successors or beneficiaries, please contact us at 415.561.6188.

SUCCESSOR  BENEFICIARY

\_\_\_\_\_  
SUCCESSOR ADVISOR OR BENEFICIARY NAME

\_\_\_\_\_  
MAILING ADDRESS

\_\_\_\_\_  
CITY STATE ZIP

\_\_\_\_\_  
PHONE

\_\_\_\_\_  
E-MAIL ADDRESS

\_\_\_\_\_  
RELATIONSHIP TO DONOR (FOR SUCCESSOR ONLY)

## V. MAKE A CONTRIBUTION

Initial donations to RSF are accepted in the amount of \$5,000 or more in the form of a check, wire transfer, or marketable securities (i.e. stocks and bonds) and/or mutual funds shares. Subsequent donations can be as little as \$500. All gifts are irrevocable.

For wire transfer instructions, or for information on donating securities or other property, please contact us at 415.561.6188.

CHECK ENCLOSED PAYABLE TO RSF IN THE AMOUNT OF: \$ \_\_\_\_\_

WIRE TRANSFER IN THE AMOUNT OF: \$ \_\_\_\_\_

SECURITIES OR OTHER PROPERTY: \_\_\_\_\_

## VII. SIGNATURES

By signing this application, I acknowledge that any contribution to this Donor Advised Fund, once accepted, is an irrevocable donation to RSF, who has final authority as to all investment and grantmaking decisions. I or any successor advisor has the right only to make nonbinding recommendations respecting investment or grantmaking, as described in the Donor Advised Fund Program Guide.

\_\_\_\_\_  
DONOR ADVISOR SIGNATURE DATE

\_\_\_\_\_  
JOINT DONOR ADVISOR SIGNATURE DATE



1002 O'Reilly Avenue, San Francisco, CA 94129  
T: 415.561.3900 | F: 415.561.3919  
rsfsocialfinance.org

# GRANT RECOMMENDATION FORM Donor Advised Funds

### INSTRUCTIONS

Return by email to [afsana.hye@rsfsocialfinance.org](mailto:afsana.hye@rsfsocialfinance.org), by fax to 415.561.3919, or by mail to: RSF Social Finance, 1002 O'Reilly Avenue, San Francisco, CA 94129-1101.

### QUESTIONS?

Contact Afsana Hye at 415.561.6154 or [afsana.hye@rsfsocialfinance.org](mailto:afsana.hye@rsfsocialfinance.org).

## I. FUND INFORMATION

DONOR ADVISOR NAME \_\_\_\_\_

FUND NAME \_\_\_\_\_

## II. GRANT RECOMMENDATION *(For additional recommendations, please complete additional sheets.)*

I/We recommend a grant in the amount of \$\_\_\_\_\_ be made from the above named fund to the following charitable organization. *(If recommending a grant to RSF or to an existing fund at RSF, you only need to include the name of charitable organization and purpose of grant.)*

NAME OF CHARITABLE ORGANIZATION \_\_\_\_\_

ADDRESS \_\_\_\_\_

CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_

CONTACT PERSON AT ORGANIZATION \_\_\_\_\_ PHONE \_\_\_\_\_

ORGANIZATION'S TAX ID (EIN) NUMBER (IF KNOWN) \_\_\_\_\_

PURPOSE OF GRANT:  GENERAL OPERATING SUPPORT  SPECIFIC PROJECT / FUND \_\_\_\_\_

### GRANT RECURRENCE

Yes, this is a recurring grant. I/We wish the grant to recur  monthly,  quarterly, or  annually with a start date of \_\_\_\_\_ and end date of \_\_\_\_\_

### GRANT ACKNOWLEDGEMENT

I/We wish  to remain anonymous /  for the fund to be named in the grant award letter and in donor listing.

### III. RELATIONSHIP DISCLOSURE *(Please attach additional sheet if necessary.)*

I/We have set forth below any and all relationships, familial, business or otherwise, that I/we have with any of the beneficiaries or grantees of any RSF funds and any organizations set forth in this Donor Grant Recommendation. I/we understand that RSF may, at its option, withhold, withdraw or demand immediate return of all funds if I/we fail to make timely, accurate and complete disclosure of such relationships.

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### IV. REQUIRED SIGNATURE

By signing below, I/we acknowledge that this grant is not intended to fulfill an existing pledge (an existing pledge is one made before this grant has been approved by RSF); acquire a benefit, goods or services for any specific individual or myself/ourselves; pay for dues, membership fees, tuition, goods from charitable action; support a political campaign of lobbying activity; or support a private non-operating foundation.

I/We understand that this is a recommendation and not a direction. I/We understand that RSF will perform the necessary due diligence to ensure that the organization is a legitimate charity under IRS regulations and that the nature of the grant is charitable in nature. RSF may turn down the grant recommendation if the grant does not meet criteria for approval.

SIGNATURE \_\_\_\_\_

DATE \_\_\_\_\_

PHONE NUMBER \_\_\_\_\_

TITLE *(for organizational funds)* \_\_\_\_\_