



**PARTNERING WITH**

# **Silicon Valley Community Foundation**

**A GUIDE FOR PROFESSIONAL ADVISORS**



# We're here **to help.**

Our foundation has a proven history of building strong partnerships with specialized advisors.

We collaborate with accountants, attorneys, financial planners, and investment advisors to make philanthropic giving easy for your clients and for you.

**Let's explore the ways you can work with us.**

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# Serving Your Clients Together

We design our approach to working with you based on your clients' needs. These are some ways we're able to add to the services you already offer.

We work with **accountants** to:

- Present philanthropic opportunities that balance tax benefits with mission-driven impact
- Explain the benefits of gifts of stock, real estate, cash and other assets
- Accept highly appreciated assets to offset overall tax liability – while also avoiding capital gains tax
- Accept qualified charitable distributions from your client's IRA account to minimize taxes on required minimum distributions

We work with **attorneys** and **estate planners** to:

- Guide planned giving decisions
- Explain the benefits of making gifts of real estate, stock, life insurance policies and other non-cash assets
- Develop strategies that will ensure income streams for a clients' loved ones while also supporting their charitable goals

We work with **investment advisors** to:

- Help them maintain professional investment management – and continue assessing advisory fees – while enjoying increased investment flexibility
- Explain giving strategies as part of a holistic investment approach
- Provide ongoing guidance through our dedicated advisor service team

We work with **financial planners** and **advisors** to:

- Accept tax-friendly assets for donation
- Compare different philanthropic giving options, such as donor advised funds, supporting organizations, and private foundations
- Aid in navigating a significant wealth event for their clients by offering a variety of options to secure capital for future giving

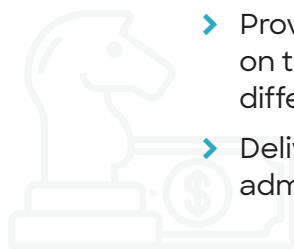


# Benefits of Working with SVCF



## OPTIMIZE YOUR CLIENTS' GIVING STRATEGIES

Because SVCF is a public charity, your clients will receive the maximum tax deduction allowed on their donations and may avoid capital gains tax on highly appreciated assets. They may also be eligible to receive a lifetime income stream. We look at each donation individually, provide bottomline benefits to the donor, and offer the option of developing personalized giving plans to positively impact communities.



## ACCESS AN ENTIRE SUITE OF SERVICES

We partner with your clients to:

- Identify charitable giving interests and motivations
- Match interests with tax-planning needs
- Create and implement charitable plans in alignment with major business, personal and financial decisions
- Assist with complex forms of giving
- Provide information on community needs and on the local agencies and programs that make a difference in the areas your clients care about most
- Deliver grantmaking expertise and a range of administrative services related to charitable giving

## BENEFITS OF WORKING WITH SVCF

### GAIN AN EXPERT UNDERSTANDING OF SAN MATEO AND SANTA CLARA COUNTIES

Our team works with nonprofit leaders, elected officials and local philanthropists to make equality of opportunity a reality in our own backyard, building pathways to success and security for everyone in our community. We have in-depth local knowledge and networks that national providers cannot match, so we can help you make a positive impact here in Silicon Valley.

- Thanks to generous donors, SVCF's COVID-19 response funds mobilized \$63 million to aid Bay Area families, nonprofits, small businesses and educational partners in 2020.
- More than 700,000 local residents benefited from this assistance.
- Our donors gave more than \$700 million to Bay Area nonprofits of all kinds in 2021.

### SUPPORT DONORS' PHILANTHROPY ABROAD

SVCF has a long record of supporting donors' interests in giving locally, nationally and internationally. We facilitate donor-recommended grants to other countries, and our fees for this service are usually lower than those charged by other providers of donor advised funds.





# Fund Types

## DONOR ADVISED FUND

A donor advised fund organizes all charitable activities through one expertly managed and cost-effective charitable vehicle. Donors can make gifts to their fund and receive an immediate tax deduction. Then, if they wish to, they can take the time they need to decide which organizations to support with grants from their fund.

## DESIGNATED FUND

Donors can create a designated fund to support a charitable organization in perpetuity, or assist it over a set number of years. The designated charity can be any organization that meets SVCF's grant eligibility requirements. When a grant is made, we monitor how the funds are used to ensure that it fulfills the donor's charitable goals.



## FUND TYPES



### FIELD OF INTEREST FUND

Donors can select a field of interest fund to support a broad charitable purpose or category of interest. For example, donors can choose the arts, education or human services, or a particular geographic area in San Mateo or Santa Clara counties. SVCF will help identify organizations capable of making the greatest impact in the specific issue area or region of particular importance to the donor.

### SVCF MANAGED SCHOLARSHIP FUND

This type of fund provides scholarships for college students. Donors can recommend key selection criteria and SVCF administers the entire process, from creating and distributing applications to disbursing funds. We appoint a volunteer committee to review student applications. Recipients are selected based on the committee's recommendations.

### DONOR INVOLVED SCHOLARSHIP FUND

This type of fund allows donors to participate more actively in the scholarship selection. When establishing a donor involved scholarship fund, donors are required to oversee a selection committee that is external to SVCF. That committee is responsible for creating and distributing applications and selecting recipients. Donors also designate a committee manager who is responsible for annually filing the appropriate paperwork with our staff and documenting the scholarship selection process.

### SUPPORTING ORGANIZATION

As a tax-wise alternative to a private foundation, a supporting organization allows donors to hire staff and convene a board. This type of charitable vehicle is more flexible than a private foundation, donations receive the maximum level of tax deductions, and SVCF handles all of the administrative oversight. Although supporting organizations each have their own tax identification numbers, each supporting organization is covered under the umbrella of SVCF.



# Fund Minimums and Fees

The minimum donations and support fees for each fund type are listed below. We assess support fees to cover the cost of administration and to continue our important work to create a more equitable and economically secure future for residents of the Silicon Valley community. Fees provide the necessary resources to operate efficiently and effectively, ensuring fiscal responsibility in grantmaking due diligence, donor and nonprofit education, research and other activities. Annual fees are assessed monthly based on average fund balances.

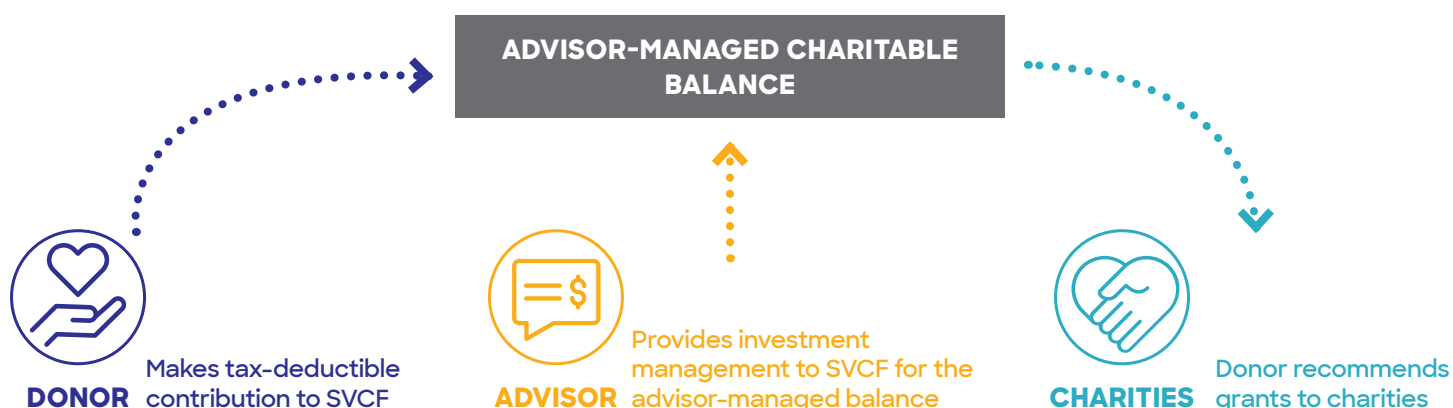
FUND TYPE	MINIMUMS	SUPPORT FEES	
<b>Donor Advised Funds</b>	<ul style="list-style-type: none"> <li>➤ \$5,000 minimum initial gift</li> <li>➤ \$1,000 minimum balance</li> </ul>	<ul style="list-style-type: none"> <li>➤ 1.0% the first \$3 million</li> <li>➤ 0.75% on amounts over \$3 million</li> <li>➤ 0.50% on amounts over \$10 million</li> </ul>	<ul style="list-style-type: none"> <li>➤ 0.25% on amounts over \$25 million</li> <li>➤ \$250 minimum annual fee</li> </ul>
<b>Designated Funds</b>	<ul style="list-style-type: none"> <li>➤ \$10,000 minimum initial gift</li> <li>➤ \$1,000 minimum balance</li> </ul>	<ul style="list-style-type: none"> <li>➤ 0.5% on all balances</li> </ul>	<ul style="list-style-type: none"> <li>➤ \$250 minimum annual fee</li> </ul>
<b>Field of Interest Funds</b>	<ul style="list-style-type: none"> <li>➤ \$50,000 minimum initial gift</li> <li>➤ \$1,000 minimum balance</li> </ul>	<ul style="list-style-type: none"> <li>➤ 2.0% on all balances</li> </ul>	<ul style="list-style-type: none"> <li>➤ \$250 minimum annual fee</li> </ul>
<b>SVCF Managed Scholarship Funds</b>	<ul style="list-style-type: none"> <li>➤ \$250,000 minimum initial gift</li> <li>➤ \$1,000 minimum balance</li> <li>➤ Annual support fee minimum: \$35,000 individuals</li> <li>➤ Annual support fee minimum: \$50,000 corporate</li> </ul>	<ul style="list-style-type: none"> <li>➤ 2.0% on all balances (includes processing of 10 scholarship applications annually)</li> <li>➤ \$250 minimum annual fee</li> </ul>	<ul style="list-style-type: none"> <li>➤ \$35 processing fee applies for each additional application; total processing fees shall not exceed 4.0% of the fund's annual balance</li> </ul>
<b>Donor Involved Scholarship Funds</b>	<ul style="list-style-type: none"> <li>➤ \$50,000 minimum initial gift</li> <li>➤ \$1,000 minimum balance</li> <li>➤ Annual support fee minimum: \$2,500</li> </ul>	<ul style="list-style-type: none"> <li>➤ 2.0% on all balances</li> </ul>	<ul style="list-style-type: none"> <li>➤ \$250 minimum annual fee</li> </ul>
<b>Supporting Organizations</b>	<ul style="list-style-type: none"> <li>➤ \$10 million minimum initial gift</li> <li>➤ \$2.5 million minimum balance</li> </ul>	<ul style="list-style-type: none"> <li>➤ 1.0% on the first \$15 million</li> <li>➤ 0.65% on amounts over \$15 million</li> <li>➤ 0.25% on amounts over \$25 million</li> </ul>	<ul style="list-style-type: none"> <li>➤ 0.10% on amounts over \$30 million</li> <li>➤ \$25,000 minimum annual fee</li> </ul>



# Continue to Manage Your Clients' Assets

Our Individually Managed Donor Advised Funds allow vetted and qualified independent investment advisors to maintain active management of charitable assets and assess advisory fees. Your clients get the best of both worlds through this program – your trusted expertise and the added benefits available through our team of charitable giving specialists.

## HOW AN INDIVIDUALLY MANAGED DONOR ADVISED FUND WORKS



## MINIMUMS FOR INDIVIDUALLY MANAGED DONOR ADVISED FUNDS

- \$5M in assets for an external investment advisor to manage the fund
- \$10M in assets if the fund also includes alternative investment strategies

FEE DESCRIPTIONS	FEE NUMBERS*
<b>Set-up and investment oversight fees</b>	<ul style="list-style-type: none"> <li>➤ A one-time set-up fee of \$1,000</li> <li>➤ An annual investment oversight fee of 0.07% (7 basis points) with a minimum annual fee of \$3,000</li> </ul>
<b>Tiered donor advised fund support fees</b>	<ul style="list-style-type: none"> <li>➤ 1.00% on first \$3M</li> <li>➤ 0.75% on amounts over \$3M</li> <li>➤ 0.50% on amounts over \$10M</li> <li>➤ 0.25% on amounts over \$25M</li> </ul>

*\*Any fees you charge as an advisor would be in addition to the numbers shown here.*

# How We Accept and Manage Complex Assets

Your clients may be able to explore new levels of giving and tax advantages based on donating assets they own but have not considered giving to charity. One of the benefits of making gifts to a donor advised fund at SVCF is our longtime experience in helping clients transform a wide range of assets into charitable funds. We will make sure your clients understand and choose the funding approaches that work best for them.

SVCF has broad experience in assessing and accepting complex asset types for charitable purposes, including:

## STOCKS & OTHER SECURITIES

- Publicly traded stocks
- Mutual fund shares
- Bonds

## REAL ESTATE

- Single-family homes
- Undivided interests in real estate
- Vacation or second home properties
- Undeveloped land
- Agricultural land
- Rental properties
- Apartment buildings
- Commercial office, retail and industrial properties

## PRIVATELY HELD BUSINESS INTERESTS

- Private company C-corp stock
- Private company S-corp stock
- LLC and Limited Partnership interests
- Private equity
- Hedge fund interests
- Pre-IPO shares

## OTHER NON-PUBLICLY TRADED ASSETS

- Cryptocurrencies
- Life insurance
- Oil and gas royalty interests
- Restricted stock
- Retirement assets
- Royalties and distribution rights
- Tangible personal property
- Transfer of a private foundation

*This is not intended to be an all-inclusive list of complex assets that may be donated for charitable purposes. We're happy to discuss additional asset types.*



## Contact Us

Still have questions?  
Ready to get started?  
Let's talk.

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