

PHILANTHROPIC SOLUTIONS: THE DONOR-ADVISED FUND

The St. Croix Valley Foundation offers simple giving solutions that are tailored to your values, goals and personal financial circumstances. Your gifts can include bequests, cash, stock, real estate, life insurance, charitable remainder trust or charitable lead trusts with maximum tax advantages based on when and how you make your gifts. You have the flexibility to give to a wide variety of charities and the freedom to change charities should your interests change. You can also decide when and how to make your gifts in order to take full advantage of tax benefits.

While all charitable gifts contribute to a common good, most gifts to the Foundation provide the added value of providing support to charities far into the future. Gifts to the Foundation are carefully invested to generate a permanent source of income to charitable causes. This approach ultimately increases the value of every dollar given. Here is an example of the power of endowment:

Year	Deposits	Beginning Fund Balance	Investment Return Amount	Grant Percentage	Grant Made	Fund Balance at Year End	Cumulative Grants Made
2006	50,000	50,000	4,500	5%	2,725	51,775	2,725
2014	0	66,095	5,949	5%	3,602	68,442	28,312
2025	0	97,011	8,731	5%	5,287	100,455	77,459
TOTALS	50,000		127,914	5%	77,459	100,455	77,459
\$50,000 turns into \$100,455 and gives away \$77,459 in 20 years!							

Both outright and perpetual or endowed gifts provide essential support to nonprofit organizations. Outright gifts provide an organization with resources to meet immediate needs. But by providing an ongoing stream of income for years to come, charities can make long-term plans and ensure that their services are offered far into the future.

DONOR-ADVISED ENDOWMENT FUND

A Donor-Advised Fund with the St. Croix Valley Foundation is an easy, flexible way for you to direct your charitable giving to a variety of charities over time, while receiving immediate tax benefits. You create the fund without having to name specific charities or causes, and then recommend grants to specific charities at times of your choosing.

- You bypass the administrative burdens and costs associated with establishing and maintaining a private foundation.
- Your family can participate in grant decisions. You can also name successor advisors, such as your children, who can direct the fund after you're gone.
- SCVF professionals can help you clarify your specific giving interest, discuss grantmaking strategies, recommend organizations that match your charitable interests and help monitor progress toward the philanthropic goals you set.
- You are kept informed of the impact of your fund's grants and giving opportunities through ongoing communications and reports.
- Grants can be made in your name, in honor or memory of a loved one, or anonymously if you choose.
- Grants can be made after your gift has been invested for a year.

Fund Minimum: \$10,000 Fees: 1.5% on funds up to \$500,000, 1% on amounts above \$500,000

To learn more and find out about your options, please contact Jane Hetland Stevenson, president of SCVF via email at jstevenson@scvfoundation.org or by calling 715-386-9490.

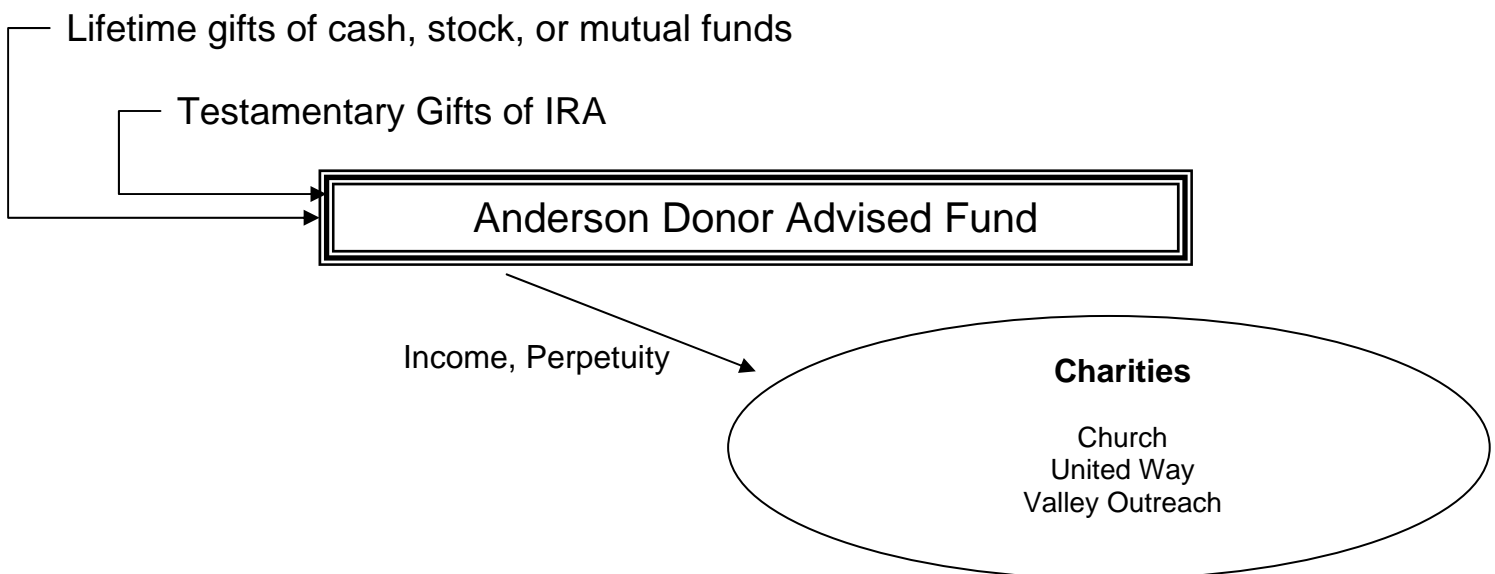
ONE DONOR'S STORY

The Anderson Family

Gene and Elinor Anderson set up a Donor-Advised endowment fund in 1985. Since that time their four children have grown up, gone to college, and are now living in San Diego, Chicago, Minneapolis and Iowa City, all with growing families of their own. Gene passed away in 1999 and Elinor in 2001. Every year the Foundation sends information to the four adult children telling them how much is available to grant to nonprofits.

It's important to all four siblings to honor their parents' philanthropy, and they use the fund as a means to continue to transmit their values to their own children. The entire family gathers at holidays and in the summer to discuss ideas and make grant recommendations. Their goal is to involve every family member and to teach the importance of philanthropy to their children and grandchildren. Each year the family members make additional gifts to the fund.

Since their parents have passed, they have made grants to over 20 charities around the country, and the fund has supported homeless centers, food shelf organizations and environmental organizations.



Advantages to the Anderson Family

- ❖ Income and Estate Tax Deductions
- ❖ Capital Gains Tax Avoidance When Gifting Capital Assets like Stock
- ❖ Annual Income to Charities of Choice
- ❖ Learning Tool for the Family
- ❖ The St. Croix Valley Foundation will do all of the work including:
 - Creating your Customized Donor Advised Fund Document
 - Generate Tax Reporting Documents
 - Administer your Gifts