

SEI Giving Fund

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A PROGRAM OF THE RENAISSANCE CHARITABLE FOUNDATION INC.

SEI GIVING FUND

PROGRAM GUIDE

The SEI Giving Fund (“Giving Fund”) is a Donor-Advised Fund (“DAF”) program offered by Renaissance Charitable Foundation Inc. (“Foundation”). The Foundation is a public charity described in §§501(c)(3), 509(a)(1) and 170 (b)(1)(A)(vi) of the Internal Revenue Code of 1986, as amended (the “Code”). The Giving Fund offers donors the opportunity to make immediately deductible charitable contributions while retaining some influence over the charitable purposes for which those contributions are ultimately used. The Foundation becomes the exclusive legal owner of the funds and assets in the Giving Fund. Accordingly, this brochure refers to contributions by donors for the purpose of establishing or adding to Donor-Advised Funds within the Giving Fund as contributions made “to the Foundation.”

Donors to the Foundation have the opportunity at any time to make nonbinding, advisory grant recommendations to the Foundation regarding the charities they would like to benefit from their contributions. The Foundation retains the exclusive discretion as to whether, and to whom, to make a grant in accordance with applicable IRS regulations.

Assets held in the various Donor-Advised Funds within the Giving Fund are invested and professionally managed, offering the potential for contributions to grow and ultimately result in larger charitable gifts. A donor may recommend the initial investment advisor for the Donor-Advised Fund. These recommendations are advisory only and are subject to review and approval by the Foundation pursuant to the Foundation’s established investment policy.

THE SEI GIVING FUND

DONOR-ADVISED FUNDS

The Giving Fund offers numerous advantages to the donor, including:

- n The donor may claim an immediate tax deduction for contributions made to and accepted by the Foundation;
- n The donor may contribute appreciated assets, thereby avoiding capital gains;
- n The donor can make grant recommendations to support public charities based on the value of the Donor-Advised Fund;
- n The donor may recommend grants to multiple charities;
- n The donor may request anonymity in connection with recommended charitable grants from a Donor-Advised Fund;
- n No tax reporting is required by the donor;
- n Donated assets may appreciate in value after their transfer to the Foundation;
- n The donor may recommend an investment advisor to manage the assets in a Donor-Advised Fund; and
- n The Giving Fund represents a cost-effective alternative to creating a private foundation.

The Foundation monitors the ongoing operations of the Giving Fund program and will investigate any apparent improper usage of a fund (e.g., usage for any purpose inconsistent with the purposes and programs described in §§170(c)(2)(B) and 501(c)(3) of the Code).

Donor-Advised Funds are charitable giving vehicles described in §4966 of the Code. A donor contributes cash or other approved assets to a segregated fund maintained by the Foundation from which the Grant Advisor may make recommendations for grants (distributions) to charities at any time. All grant recommendations are subject to approval by the Foundation, which retains exclusive legal control and discretion in accordance with applicable IRS regulations.

The Giving Fund program enables individual Donor-Advised Funds to operate efficiently, and at minimal cost, while still allowing for great flexibility in investment options. The Giving Fund maintains a segregated account for each Fund that reflects contributions, investment return and grants made.

DEFINITIONS

DONOR:

A Donor is identified as follows and has the following rights:

- n Makes the first contribution to the Fund;
- n Is identified as the Donor on the Donor-Advised Fund application;
- n Can recommend the initial investment advisor; and
- n Can be or appoint the initial Grant Advisor.

For most Donors, the two most important benefits are being eligible to claim an income tax deduction for gifts to the Fund and serving as the Fund's Grant Advisor.

NON-VESTED DONORS:

A Non-Vested Donor contributes to the fund and receives a charitable deduction for such contributions but has no rights with respect to the Fund. Any person or entity may be a non-vested donor with respect to a Donor-Advised Fund.

GRANT ADVISORS:

The Donor appoints the initial Grant Advisor and the Grant Advisor has the following rights with respect to the Fund:

- n Can make grant recommendations for all or part of the Fund;
- n Can make grant recommendations both during lifetime and through written instrument at death;
- n Can make grant recommendations subject to any restrictions on grant recommending authority imposed by the Foundation's policies, the Fund Agreement or the person who appointed the Grant Advisor;
- n Can name successor Grant Advisors while living or through written instrument at death; and

Receives quarterly reports from the Foundation, which cover the contribution, grant and investment activity of the Fund

SUCCESSOR GRANT ADVISORS:

Successor Grant Advisors have no rights until they succeed the person who appointed them. Upon the resignation or death of a current Grant Advisor, the Successor Grant Advisor acquires all of the rights of the Grant Advisor who appointed them.

DONORS AND CONTRIBUTIONS

ELIGIBLE DONORS

The Foundation accepts charitable contributions from individuals, companies, trusts, estates and other entities. Contributions other than cash or publicly-traded securities require review and approval by the Foundation's Officers.

PRIMARY GRANT ADVISOR

If there are multiple Grant Advisors to a Fund, one person must be designated as the Primary Grant Advisor. Only the Primary Grant Advisor will receive reports from the Foundation. All Grant Advisors have the right to appoint a successor to assume his or her rights as a Grant Advisor upon his or her resignation or death.

INITIAL DONOR CONTRIBUTIONS

All initial contributions to a Fund must be accompanied by a completed Donor-Advised Fund Application. The initial contribution to a Fund must have a minimum fair market value of \$10,000. Unless otherwise indicated, the first donor listed in the application will receive written confirmation of the contribution and is deemed to be the Primary Grant Advisor. After acceptance by the Foundation, the Foundation may liquidate and reinvest any or all contributions. The Foundation will return any contributions not accepted by the Foundation.

TYPES OF CONTRIBUTIONS

Charitable contributions may be in the form of cash, mutual fund shares, publicly-traded stocks or bonds. Real estate, closely-held stock and other hard-to-value assets may also be contributed to the Foundation after review and approval by the Foundation's Officers. For information on contributions of hard-to-value assets, please call the Foundation at 1-866-498-0668.

ADDITIONAL CONTRIBUTIONS

Additional contributions to the Foundation of \$1,000 or more may be made at any time by any person and must be accompanied by a completed Additional Contribution Form. Most contributions are made directly into a brokerage account established in the name of the Foundation, and are accounted for within the Giving Fund using the Fund's segregated account. After acceptance by the Foundation, the Foundation may liquidate and reinvest any or all additional contributions. As with an initial contribution to the Foundation, the donor receives written acknowledgment of each additional contribution. Contributions that are not accepted will be returned.

TESTAMENTARY GIFTS AND GIFTS FROM TRUSTS

You may name your Donor-Advised Fund as the beneficiary of a bequest of cash, securities, mutual funds or IRA assets. Additionally, you may name your Donor-Advised Fund as the beneficiary of a charitable remainder trust, charitable lead trust or life insurance policy. A successor Grant Advisor must be chosen for all testamentary and trust gifts. If no Grant Advisor is designated for a Fund, the Foundation will make annual grants to charities from the Fund equal to 4% of the Fund's annual value. Please be sure to call the Foundation at 1-866-498-0668 and contact your tax and legal advisor before establishing any testamentary gift.

CONTRIBUTIONS ARE IRREVOCABLE

Once the Foundation accepts a contribution, the gift is irrevocable and may not be refunded. All accepted gifts become the exclusive legal property of the Foundation.

PROCESS FOR INVESTING CONTRIBUTED ASSETS

Investment Recommendations:

The Foundation will consider investment recommendations made by the donor and the donor's investment advisor. Each Fund must have an investment advisor managing the Fund's investments. Each such investment advisor must be a licensed professional investment advisor who provides investment advice as a profession.

- n **Cash:** The net proceeds of cash contributed to the Foundation will be invested in accordance with the Foundation's Investment Policy.
- n **Securities:** Securities, including mutual funds, accepted by the Foundation may either be held or sold in accordance with the Foundation's Investment Policy. The net proceeds of contributed securities that are sold by the Foundation will be invested in suitable investments in accordance with the Foundation's Investment Policy.
- n **Real Estate and other hard-to-value assets:** All hard-to-value assets accepted by the Foundation may either be held or sold in order to comply with the Foundation's Investment Policy. Donors and their investment advisors can recommend specialists to assist with the sale as appropriate. The net proceeds of the sale of hard-to-value assets sold by the Foundation will be invested in suitable investments in accordance with the Foundation's Investment Policy.

If the donor does not make investment recommendations or does not recommend an approved investment advisor to manage the assets, the Foundation will appoint an investment advisor to invest the funds in accordance with the Foundation's Investment Policy.

TAX CONSIDERATIONS

CHARITABLE DEDUCTION (CONSULT YOUR TAX ADVISOR)

Itemized tax deductions for a charitable contribution to a charitable organization may be taken on the date that the contribution is made to the Foundation. Donors are encouraged to consult with their legal or tax advisors to review their personal situation; however, contributions of the following assets are usually treated as noted below. Deductibility will depend in part upon the type of asset contributed to the Foundation.

- n **Cash:** Amount of cash contribution accepted by the Foundation.
- n **Publicly-Traded Securities:** If held for more than one year, the average of the high and low prices reported on the date the contribution is made to the Foundation. For open end mutual fund shares held for more than one year, the net asset value on the date the contribution is completed. For securities or mutual funds held for one year or less, the deduction is the lesser of the cost basis or fair market value.
- n **Real Estate:** If held for more than one year, the fair market value on the date the contribution is made to the Foundation. For real estate held less than one year, the deduction is based on the lesser of the cost basis or fair market value. Gifts of real estate require review by the Foundation prior to contribution. The Internal Revenue Service requires a qualified appraisal for any contributed asset for which you will claim a deduction of more than \$5,000. For gifts over \$500,000, the qualified appraisal must be included with the donor's tax return.
- n **Closely-Held Stock and other securities:** For securities that cannot be freely-traded on an exchange on the contribution date and have been held for more than one year, the donor may deduct the fair market value on the date the contribution is made to the Foundation. The value is determined by a qualified appraisal. For securities held for one year or less, the deduction is for the lesser of the cost basis or fair market value. The Internal Revenue Service requires a qualified appraisal for any contributed asset for which you will claim a deduction of more than \$10,000. For gifts over \$500,000, the qualified appraisal must be included with the donor's tax return.

OTHER DEDUCTION LIMITATIONS

Individual donors are eligible for an itemized deduction for cash contributions to the Foundation in an amount up to 50% of the donor's adjusted gross income (AGI) in the tax year in which the contribution is made. Deductions for contributions of appreciated assets held for more than one year are limited to 30% of AGI. Any excess amount may be carried forward and deducted by the donor during the five-year period after the year of contribution. A donor's ability to benefit from a deduction may be subject to certain IRS limitations. Please seek legal or tax advice to determine your ability to benefit from your contribution.

ESTATE PLANNING

Contributions to the Foundation and any earnings related to contributions are not part of the donor's taxable estate and are not subject to probate. Amounts contributed to the Fund should not be included in your taxable estate.

TAX TREATMENT OF INVESTMENT INCOME

Investment income earned by a Fund is income of the Foundation. Because the Donor-Advised Fund's assets belong to the Foundation and not to the donor, this income is neither taxed to the donor nor is the donor eligible to claim an additional charitable deduction for that income. Such income is reflected in the segregated account balance of the individual Donor-Advised Fund.

GRANTS TO CHARITABLE ORGANIZATIONS

When the Foundation makes grants to charities, it distributes funds from the Giving Fund, which are owned by the Foundation and held in its individual Donor-Advised Funds. Donors may not claim additional charitable deductions when grants are made.

INVESTMENTS

Once a Donor-Advised Fund has been created upon a donor's contribution to the Foundation, the donor may recommend an investment advisor to oversee the assets in the Fund. However, final and exclusive authority to select and retain the investment manager and to make investment decisions rests with the Foundation. All investment managers retained by the Foundation must sign the Foundation's Investment Policy Statement and abide by the Foundation's policies. If a donor does not recommend a qualified investment manager, the Foundation will appoint one.

GRANT MAKING

Historically, charitable grants have often been made in response to requests from friends or associates, or out of an awareness of a pressing social issue or organizational need. Today, donors are voicing an increasing desire to be proactive in directing their philanthropic choices. This sentiment has increased the popularity of Donor-Advised Funds, which provide a good "fit" with the entrepreneurial spirit that many donors have displayed in accumulating personal wealth.

The Foundation, through the Giving Fund program, offers valuable information and tools to assist you in making informed philanthropic decisions. You will be able to recommend gifts to your favorite charities, your alma mater, local libraries and to many other qualified charitable organizations.

GRANT RECOMMENDATIONS

Donors and any Grant Advisors authorized by the donors, have the ability, by way of a Grant Recommendation Form, to recommend qualified charitable organizations to receive grants from the Foundation.

Grant Recommendations are advisory only and are subject to review and approval by the Foundation, which retains exclusive legal control and discretion over all grants made from one of its Funds; however, the Foundation will generally honor a Grant Advisor's recommendation. All grants are subject to the Foundation's policies and procedures.¹

If the Foundation approves the grant recommendation, the Foundation will issue a check to the recommended organization. A letter accompanying the grant will acknowledge the Fund and the Grant Advisor's involvement unless the Grant Advisor wishes to remain anonymous. Grant recommendations will be processed as soon as possible, but generally not later than two weeks after receipt by the Foundation.

MULTIPLE RECOMMENDATIONS

Grant recommendations will be processed in the order in which they are received. In the event that multiple authorized individuals make simultaneous grant recommendations that exceed the amount remaining in the fund, the Foundation or its representative will attempt to contact the Grant Advisors to inform them of the overlapping requests and offer them the opportunity to agree on a recommendation. If the Grant Advisors are not available or an agreement cannot be reached, the Foundation will evaluate the grant recommendations and award funds as it feels appropriate.

NAMING GRANT ADVISORS

Once the Donor has appointed the initial Grant Advisor, the Grant Advisor may name a successor Grant Advisor for the Fund. Any such appointment must be submitted in writing to the Foundation.

GRANT RECIPIENTS

Grants may be made to charities located anywhere in the United States that are recognized by the IRS as publicly-supported charities. Grants may not be made to private non-operating foundations, to foreign organizations, to individuals or to a disqualified supporting organization. Additionally, grants may not be used to pay for membership fees, dues, tuition, benefit tickets or goods bought at auctions, nor may they be used to fulfill a pre-existing binding pledge to a charitable organization.

MINIMUM AMOUNT FOR GRANTS

The minimum grant amount is \$250 per grant. If the amount of a grant recommendation exceeds the balance of a Donor-Advised Fund's account, the Foundation will make such grant (if approved) in an amount not to exceed the level of funds available in the Donor-Advised Fund's account after current expenses, if any, have been paid.

MINIMUM GRANT ACTIVITY

There are no minimum grant distribution requirements at this time. The Foundation reserves the right to change this policy at any time to conform to Internal Revenue Service regulations or other regulations, if applicable.

If a Fund does not receive a contribution or make a grant distribution for three years, it will be considered a dormant Fund. The Foundation will authorize grants to qualified charities for a dormant Fund if the Foundation or its representatives are unable to reach the Fund's Grant Advisor or any successor Grant Advisor to afford them the opportunity to re-activate the Fund.

RECORD KEEPING AND REPORTING

The Foundation's policy is to provide written confirmation of contributions to every donor of a Donor-Advised Fund within a reasonable amount of time after each contribution. Contribution confirmations serve as receipts and should be kept with the donor's tax records for IRS reporting. Consultation with the donor's tax advisor should take place prior to claiming any deduction in connection with a contribution. IRS Form 8283 must be completed by the donor and filed with federal income tax returns for gifts of property valued at \$500 or more. If the donor contributed an unmarketable asset to the Foundation, the Foundation will complete the "Donee Acknowledgment" section of an IRS Form 8283 submitted to the foundation.

Quarterly statements will be sent to the current Grant Advisor reflecting all contributions received, grants made and current investment holdings for the current year. Each report will document activity for the calendar year through the end of the quarter. Reports will show:

Current quarter figures, including:

- n Beginning and ending asset values;
- n Total contributions received during the year; and
- n Total grants paid to charities during the year.

Details of contributions received from the donor during the current year, including:

- n The amount of each contribution;
- n The date on which the Foundation received each contribution; and
- n The type of asset contributed.

Details of grants paid during the current year, including:

- n The name of the recipient charity;
- n The amount paid to each charity; and
- n The date on which each grant was paid.

¹ If the Foundation does not adopt a donor's recommendation, or if a recommended organization no longer qualifies at the time the grant is to be made through the Giving Fund, the Foundation will make reasonable efforts to notify the donor and obtain a recommendation for a grant to an alternative charitable organization.

SUCCESSOR GRANT ADVISOR OPTIONS

The initial Grant Advisor may select any person, including a spouse, child, another descendant, heir or representative to appoint as their successor Grant Advisor. Upon the Grant Advisor's resignation or death, the rights and duties associated with the Grant Advisor of the Fund including the right to make grant recommendations and receive quarterly statements will transfer to the successor Grant Advisor.

In the case of resignation, the original Grant Advisor must send to the Foundation a signed letter of resignation. If a successor has already been named, that person will be the successor Grant Advisor. If no successor has been named prior to sending a letter of resignation or the Grant Advisor wishes to change the named successor, an Account Information Change Form naming the successor must accompany the letter.

If the Grant Advisor dies, the successor must provide the Foundation with written notification and sufficient proof of the death of the Grant Advisor, whereupon the successor will assume the role of Grant Advisor. If the successor is a minor, the Foundation reserves the right to require that grant recommendations be made by the minor's legal guardian. A successor may also appoint his or her own successor.

RECOMMENDING A CHARITY AS BENEFICIARY

Rather than choosing a person to succeed a Grant Advisor at death, a Grant Advisor may recommend (subject to review and approval by the Foundation) that one or more qualified charitable organizations receive annual grants from the remaining assets in the Donor-Advised Fund account upon the Foundation's notification of the Grant Advisor's death. Such grants will continue so long as there are assets in the Fund. Each grant will be accompanied by a letter that references the Grant Advisor and the Fund name.

Please call the Foundation at 1-866-498-0668 to discuss several alternatives and variations that may appeal to you.

NO SUCCESSOR NAMED

If no successor Grant Advisor or charitable organization is designated by the last surviving Grant Advisor, then, upon notification to the Foundation of the death or resignation of that Grant Advisor, the Foundation will make annual grants to one or more qualified charitable organizations from the remaining assets in the Donor-Advised Fund account upon the Foundation's notification of the Grant Advisor's death. Distributions are granted at the sole discretion of the Foundation in accordance with applicable regulations and the Foundation's policies and procedures.

SERVICE PROVIDER

The Foundation has retained Renaissance Administration LLC of Indianapolis, Indiana to perform certain accounting and administrative functions for the Foundation.

FEES AND CHARGES

Each Donor-Advised Fund is subject to annual administration fees that are assessed quarterly. The assets in each Donor-Advised Fund are typically invested in marketable securities and may also be charged a fee for investment.

The Foundation reserves the right to charge additional fees for extraordinary or special services. A non-exclusive example of an extraordinary service is if the Fund (with prior Foundation approval) engages in fundraising activity or produces an event such as a golf tournament. **No Fund, donor or Grant Advisor is permitted to solicit contributions without specific prior written authorization from the President of the Foundation.**

SEI GIVING FUND FEES AND CHARGES

Each Donor-Advised Fund (DAF) at the Foundation is subject to annual administration fees as set forth below, with a minimum fee of \$100 annually. This fee is prorated and charged against each fund's account after the end of each quarter, based upon the fund balance on the last day of the quarter. The assets in each Donor-Advised Fund, each of which may carry its own fees and underlying expenses, are typically invested in marketable securities.

FEE SCHEDULE:

DAF value up to \$ 500,000	.55% of the DAF's value
Next \$ 500,000	.30% of the DAF's value
Next \$ 1,500,000	.20% of the DAF's value
Next \$ 2,500,000	.15% of the DAF's value
Over \$ 5,000,000	Call for pricing

**Minimum annual fee \$ 100*

The Foundation reserves the right to charge additional fees for extraordinary or special services.

GETTING STARTED

ESTABLISHING A SEI GIVING FUND

To establish a Donor-Advised Fund, complete a Donor-Advised Fund Application/Charitable Gift Account Form. On the Application, the donor(s) will be asked to name their fund. Typically, donors choose a name in honor of themselves, their family, a relative, a friend or a cause that is important to them. The donor's financial advisor may open a brokerage or mutual fund account for the Donor-Advised Fund and work with the Foundation to arrange to have donations of cash and/or securities transferred into the account. Please contact your financial advisor or the Foundation for information needed to complete investment account applications. *Mail the Donor-Advised Fund Application/Charitable Gift Account Form to SEI Giving Fund at SEI Investments, 1 Freedom Valley Drive, P.O.Box 1098, Oaks, PA 19456.*

Once the Foundation approves the donation-, the donor (or his or her investment advisor, if desired) will receive further communications and instructions from the Foundation. Contributions not approved by the Foundation will be returned to the donor.

Your financial advisor can obtain the forms on **www.seibusinessbuilder.com**

For further information on the SEI Giving Fund, please call 1-866-498-0668.

The underlying investment options are distributed by SEI Investments Distribution Co., a wholly-owned subsidiary of SEI Investments Company.

SEI Giving Fund, a Program of Renaissance Charitable Foundation Inc.

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