



MOVEMENT STRATEGY CENTER  
DONOR ADVISED FUND

## **Movement Strategy Center (MSC) now Offers an Equity Focused Donor Advised Fund (DAF) Program**

Donor advised funds allow donors to take an immediate up-front charitable deduction on their contributions and then recommend grants over time, while growing their giving power through investments. Donors will join a community supporting the people and organizations working on the front lines towards a just society that has shifted from an extractive economy to a regenerative one.

### **What makes a Movement Strategy Center DAF different?**

- We encourage donors to advise distributions in a way that rapidly moves funds out to organizations and movements to address and combat societal inequities in the areas of racial justice, gender rights, climate justice, health equity and healthcare access, arts and culture, among others, rather than sitting on MSC's books. To facilitate such movement of funds, MSC applies a 25% minimum annual distribution requirement to all DAFs, and encourages donors to advise annual distributions beyond the applicable minimum.
- We view our sponsorship of DAFs as a tool for promoting equitable wealth distribution to further our vision of a Just Transition (<https://movementstrategy.org/just-transition/>). As with all of our activities, MSC applies a racial justice and equity lens to the operation and management of our DAFs. MSC seeks to make distributions from our sponsored DAFs in an equitable and community-centered manner that recognizes and addresses systemic barriers that have historically impacted access to philanthropy for BIPOC, women, and LGBTQIA+ movement leaders.
- In order to better support donors to DAFs in achieving their philanthropic goals, MSC will hold regular programming for donors on topics such as impact considerations, leveraging funds for building long-term grantee capacity, and understanding unintentional barriers that work against equitable grantmaking. MSC will provide regular updates to donors from MSC grantees and the ecosystem.



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## Investment Philosophy

In partnership with our Board's Executive Committee, Finance and Investment Committee, and partners—Wells Fargo Investment Advisors, Full Spectrum Advisors, and Adasina Social Capital, MSC has developed a variety of investment options to meet the giving and growth needs of donor advised funds. These partnerships bring years of experience and expertise and ensure the responsible management of charitable funds.

MSC's public market investment portfolios have been created by our movement partners using a data-driven set of standards that guides our investment strategies to reflect social justice values and advance progressive movements for change. The DAF investment pools, a mix of investments, are a blended portfolio that focuses on priorities identified in MSC's Investment Policy. This goes beyond the standard Environmental, Social and Governance (ESG)/Socially Responsible Investing (SRI) risk data.

## What it costs

With a donor advised fund at MSC, administrative allocations from the fund are reinvested to support MSC's critical movement building work, rather than corporate profits.

### **Administrative Allocation and Charitable Support Allocation** (effective September 1, 2024)

A percentage of the gross amount of each DAF Donation, including any funds and the value of all noncash items or assets received as part of the DAF Donation.

The percentage of the administrative allocation applied to any DAF Donation is based on the net value of the assets in the DAF at the time the DAF Donation is made (or, in the case of the initial donation to establish the DAF, on the value of such DAF Donation).

#### Net value of the DAF Assets

- First \$1,000,000 - 2.0% of the value of the DAF Donation
- Next \$1,000,000 - 1.5% of the value of the DAF Donation
- Next \$1,000,000 - 1.0% of the value of the DAF Donation
- Amounts above \$3,000,000 - 0.5% of the value of the DAF Donation

An additional 1% goes towards supporting MSC's vital charitable work.

*Additional investment charges may apply in connection with the investment of DAF assets. Investment administration charges may vary by investment. All such charges, expenses, and fees related to the investment of DAF assets shall be paid using funds in the DAF. Additionally, if MSC incurs additional costs associated with sponsoring a particular DAF, such costs will be paid from funds in the respective DAF. Such additional costs could include, but are not limited to, any additional legal oversight or technical support required in connection with any recommended distribution from a DAF, including any distributions requiring the exercise of expenditure responsibility by MSC.*