Investing in Your Organization’s Future
Introducing our team

Lindy Eichenbaum Lent
President and CEO
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Gretchen Lenamond
Chief Financial Officer
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Amelia Fink
Director of Nonprofit Funds and Endowments
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Sarah Indyk
Vice President of Philanthropic Services
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MISSION:
To advance inclusive, engaged and equitable Greater Denver communities through values-driven philanthropy.

VALUES:
JUSTICE • EQUITY • DIVERSITY AND INCLUSION
EMPATHY • GENTROSITY
TRANSFORMATION THROUGH COLLABORATION COMMUNITY

VISION:
A thriving region strengthened by its diversity and generosity.
Assets Under Management – December 2019

TOTAL ASSETS under management

- Unrestricted: $215,747,674 (70.4%)
- Endowments: $31,704,852 (10.3%)
- Designated Funds: $13,446,046 (4.4%)
- Donor-Advised Funds: $29,772,667 (9.7%)
- Restricted/Aligned: $15,831,700 (5.2%)

$306,502,939
Endowments at Rose Community Foundation

- Began managing endowment funds in 1999
- Currently manage endowment & designated funds for 68 nonprofit organizations
- Stewarding $41 million in assets on behalf of nonprofit organizations
Helping you focus on impact

- Expertly managed investment portfolio
- Nonprofit Endowment Cohort: capacity building support to help grow the fund over time
- Oversight and stewardship over the lifetime of the fund
Nonprofit Endowment Cohort

A nine-month program providing training, individual coaching and a $10,000 match.

The goal is to help organizations launch an endowment fund and build the internal capacity to grow the fund over time.

Provides the tools your organization needs to integrate legacy giving and endowment building into your development work and organizational culture.
By May 2021, your organization will have

- Launched an endowment fund, including a $10,000 match from Rose Community Foundation
- Drafted a plan to help grow the fund over time
- Started engaging your most committed supporters in conversations about legacy giving
- Connected with peers in an environment of shared learning
What is an endowment?
Endowment Fund

Designed to preserve principal and provide a reliable source of annual income from earnings to help create long-term sustainability for the nonprofit agency.

Balances current needs of an organization (annual distribution) with long-term purchasing power.
The case for endowment is not the value of the initial contribution, but rather than value of the charitable work that the endowment will provide year-in and year-out forever.

Craig Wruck, Senior Advisor, PG Calc
Example: Disciplined Growth and a Reliable Distribution

- Annual Operating Budget: $500,000
- Fund opened in 2002: $156,276
- 2019 value: $430,645
- Total distributions since 2003: $244,073

<table>
<thead>
<tr>
<th>Contributions</th>
<th>Distributions</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002 $156,276</td>
<td>2003 8,448</td>
</tr>
<tr>
<td>2003 0</td>
<td>2004 9,305</td>
</tr>
<tr>
<td>2004 0</td>
<td>2005 7,514</td>
</tr>
<tr>
<td>2005 0</td>
<td>2006 9,949</td>
</tr>
<tr>
<td>2006 0</td>
<td>2007 10,763</td>
</tr>
<tr>
<td>2007 0</td>
<td>2008 8,732</td>
</tr>
<tr>
<td>2008 10,000</td>
<td>2009 7,340</td>
</tr>
<tr>
<td>2009 621</td>
<td>2010 8,719</td>
</tr>
<tr>
<td>2010 115,498</td>
<td>2011 15,035</td>
</tr>
<tr>
<td>2011 72,806</td>
<td>2012 18,114</td>
</tr>
<tr>
<td>2012 244</td>
<td>2013 19,324</td>
</tr>
<tr>
<td>2013 28</td>
<td>2014 20,108</td>
</tr>
<tr>
<td>2014 1,702</td>
<td>2015 19,216</td>
</tr>
<tr>
<td>2015 90</td>
<td>2016 18,082</td>
</tr>
<tr>
<td>2016 18,466</td>
<td>2017 20,090</td>
</tr>
<tr>
<td>2017 18</td>
<td>2018 21,485</td>
</tr>
<tr>
<td>2018 50,378</td>
<td>2019 * 21,849</td>
</tr>
<tr>
<td>2019 4,518</td>
<td>Total $244,073</td>
</tr>
<tr>
<td></td>
<td>Total $430,645</td>
</tr>
</tbody>
</table>
Example: A Transformative Gift

Fund opened in 2011: $498,433

- Initial Distribution: $25,000

At the same time, the organization launched a planned giving program/legacy society

2017: $1.7M life insurance policy realized

- Distribution in 2018: $91,000
Why is an endowment important?

Annual Distribution:
• Reliable source of funding
• Offsets some of your annual fundraising
• Stability and flexibility in uncertain times

Creating a culture of sustainability:
• Builds confidence with your donors
• Stability to ensure impact on future generations
• Opportunity for donors to connect their legacy to a cause they care about
Why legacy giving?

Legacy gifts are an important strategy in building an endowment fund

Natural connection between legacy giving and endowment funds
• A legacy gift to an endowment fund gives back year after year

Legacy giving works with other fundraising efforts
• No cash now, so it can be an AND rather than an OR
• Opportunity to make a greater impact than a donor thought possible
Individual Coaching and Ongoing Support

Built into the Nonprofit Endowment Cohort curriculum and available to all of our nonprofit fundholders

Personalized support to address what’s important to you
Investments

The Foundation’s investment goal is to protect and grow the portfolio’s inflation-adjusted value over the long term.

- Rose Community Foundation’s Investment Committee
- Outsourced CIO: J.P. Morgan Endowments and Foundations Group

J.P.Morgan Asset Management
## Strategic allocation and investment options

- Rose Commingled Portfolio with Private Equity
- Rose Commingled Portfolio without Private Equity
- Customizable Asset allocation from our Equities, Fixed Income and Money Market pools

<table>
<thead>
<tr>
<th>Asset Class</th>
<th>Range</th>
<th>Current</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equities</td>
<td>21.5%</td>
<td>51.5%</td>
</tr>
<tr>
<td>Alternatives</td>
<td>6%</td>
<td>36%</td>
</tr>
<tr>
<td>Fixed Income</td>
<td>7.5%</td>
<td>37.5%</td>
</tr>
</tbody>
</table>
Asset allocation and investment performance

**Rose Commingled Returns with Private Equities**

Annualized returns for the periods ending August 31, 2020

<table>
<thead>
<tr>
<th></th>
<th>YTD</th>
<th>1 Year</th>
<th>3 Year</th>
<th>5 Year</th>
<th>10 Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>RCF Pool w/ PE</td>
<td>1.86%</td>
<td>7.56%</td>
<td>5.02%</td>
<td>5.74%</td>
<td>7.17%</td>
</tr>
</tbody>
</table>

**Rose Commingled Portfolio**

Annualized returns for the periods ending August 31, 2020

<table>
<thead>
<tr>
<th></th>
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<th>3 Year</th>
<th>5 Year</th>
<th>10 Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>RCF Pool</td>
<td>3.7%</td>
<td>9.55%</td>
<td>5.38%</td>
<td>6.22%</td>
<td>6.98%</td>
</tr>
</tbody>
</table>
Management fees

• J.P. Morgan = .7% on the total portfolio

• Rose Community Foundation fees are laddered based on fund size:
  • 1% up to $1mm
  • .5% $1mm - $5mm
  • .25% $5mm and above
Thank you!

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