

# Inside Ascent

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## The Philanthropic Journey

*It is not as a means of procuring my own happiness that I give in charity, but I love charity that I may do good to the world.* — Jatakamala

Many families and charitably-minded individuals find that their first foray into significant philanthropy is not the transformational experience they had hoped for. While certainly there are some who begin with low expectations (e.g., a tax deduction or fulfillment of an obligation), many others have higher aspirations. They may want to make a real difference in their community and society, or perhaps they want to create a means for their family to bond, find a common purpose, assume responsibilities and generally share a sense of pride. Even for those well-meaning families, however, many fail to recognize how important strategic planning is in ensuring a successful philanthropic venture. Often times, families assume they can simply set up a family foundation, throw some money at it, begin making gifts and everything will work out.

For a family's philanthropic venture to become effective on all fronts (family, community, financial), the family members need to be willing to go on a **philanthropic journey**. That journey will not necessarily be a straight and easy one. They may experience dead ends and detours along the way. However, a family that is willing to put in the effort to explore passions and interests by engaging in philanthropy together can have a rewarding experience and can make a significant and lasting impact in their community and on society.

### Why Give?

Leveraging a family's legacy to determine why they give, and the essence of giving.

### Values, Passions & Causes

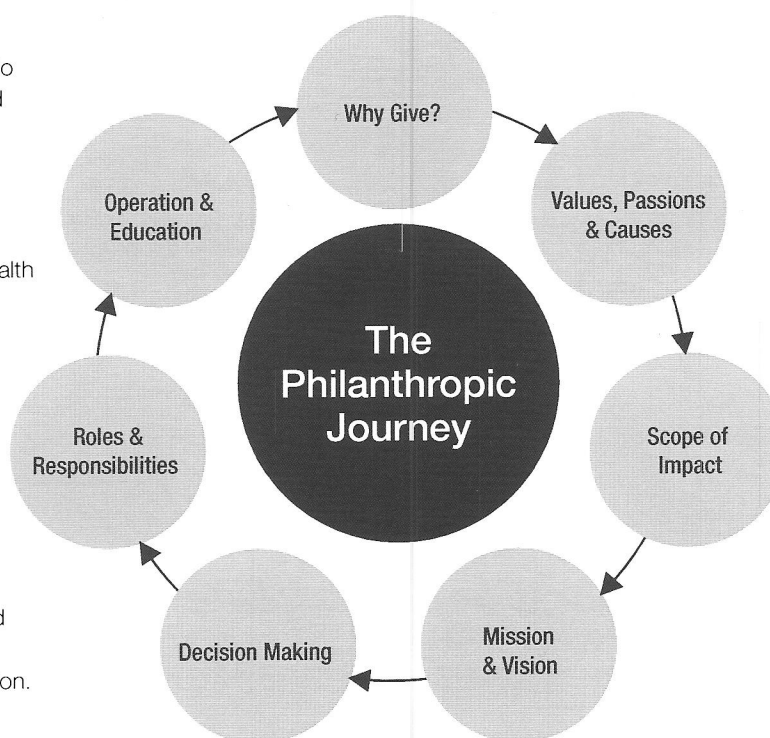
Bringing the family's values, passions, knowledge and wealth together — in that order.

### Scope of Impact

Understanding impact and exploring scope of impact at the recipient level.

### Mission & Vision

Aligning the family's values, passions, causes and desired impact with a clearly stated philanthropic mission and vision.



### Decision Making

Determining how decisions will be made.

### Roles & Responsibilities

Promoting voluntary involvement, defined roles and responsibilities.

### Operation & Education

Moving from strategy to action — grant decision making, measuring success, learning and growing as a family.



Investment products are:

NOT A DEPOSIT	NOT FDIC INSURED	MAY LOSE VALUE	NOT BANK GUARANTEED	NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY
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See important disclosures on back

## An Integrated Team Approach

We help families move through their philanthropic journey, applying the specific and diverse skills among our team of consultants and partners. Additionally, the Ascent Private Capital Management team will channel the customizable 8-module **Philanthropic Family Guidebook**, which allows your family to dive into their immediate needs and assists in choosing a course of action that best suits your desired pace and readiness. Each family determines the scope of its own journey, taking advantage of as much of the team's capabilities as desired.

### Ascent

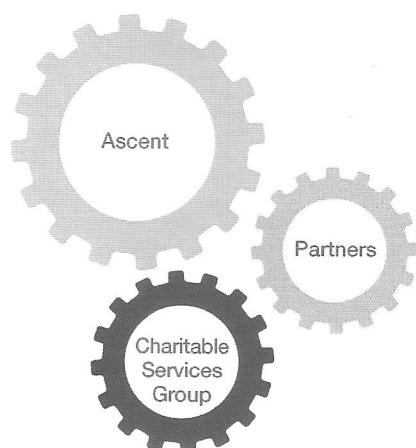
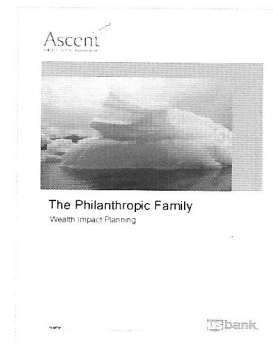
- Strategic wealth coaches: Facilitate conversations among all the stakeholders, help a family define its philanthropic vision and mission, and coach individuals moving into specific roles.
- Wealth planners: Help a family design its financial, philanthropic and wealth transfer plans.
- Historians: Help a family research and review its past, including how its values developed over time.
- Investment consultants: Design and manage the investment portfolio that helps the foundation continue to deliver on its philanthropic vision for generations.

### U.S. Bank Charitable Services Group

- Charitable specialists/consultants: Help a family identify specific causes and charities, set up private foundation operations and perform day-to-day administration, including processing grant requests.

### Partners

- Outside consultants: Help us leverage your impact and deliver on specialized philanthropic needs, including legal and tax advice, strategic giving, research and due diligence, program design and management and evaluation of impact. In addition, we have a preferred relationship with The Giving Fund, a donor advised fund (as an alternative to a private foundation) that offers impact investing options to leverage your philanthropic dollars.



#### Ascent: Planning, Coaching & Investing

- Charitable Wealth Planning
- Legacy
- Values, Mission & Vision
- Formation Consulting
- Governance & Decision-Making
- Leadership Skills & Development
- Investment Management

#### Charitable Services Group: Administration and Consulting

- Foundation Advisory
- Private Foundation Set-Up
- Policies & Procedures
- Foundation Administration
  - Virtual Office Services
  - Day-to-Day Administration
  - Grant Processing
  - Website & Communications

#### Partners: Impact

- Strategic Giving
  - Program Research, Design and Management
  - Major Gift Negotiations
  - Governance and Operational Assessments
  - Impact Evaluations
- Legal and Tax Advice
- **The Giving Fund:** a donor advised fund



## DISCLOSURES

Wealth impact planning services are not fiduciary in nature, and Ascent serves in a non-fiduciary role when providing these services.

Wealth impact planning services may include wealth dynamics coaching services in order to facilitate your self-assessment of wealth impact planning issues. These services are not psychological or counseling services. Ascent does not engage in the practice of psychology.

Wealth impact planning services are not legal or tax advice. These services are provided for educational and illustrative purposes only, and do not guarantee the success of any strategy or recommendation. Ascent shall have no liability for losses that result from decisions you make in connection with the services provided. You should consult your tax and/or legal advisor for advice and information concerning your particular situation.

# Impact discovery: Values

## What impact will you make?

**Impact** can be broadly defined as doing good for people and the earth.. People and organizations have unique definitions for the preferred **impact** that they pursue.

**Impact** can be achieved through giving and investing. You are already active in **impact** if you participate in philanthropy, nonprofit work or foundations. This worksheet is intended to help us understand your current **impact** activities and preferences.

## What are your top values?

What family values have been passed on to you? \_\_\_\_\_

\_\_\_\_\_

What past experiences have shaped your values? \_\_\_\_\_

\_\_\_\_\_

What interests or concerns you? \_\_\_\_\_

\_\_\_\_\_

Share a short story that represents why this value is so important or where a particular value came from \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**Geography** - Check the boxes and fill-in the geographical focuses of **impact** that is of interest to you.

☐ **Local: Impact** close to home. "Local" is \_\_\_\_\_ (city, state, or region)

☐ **Domestic: Impact** in the United States.

☐ **International: Impact** in these regions and countries: \_\_\_\_\_

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[ 1 ] Important disclosures provided on page 5.

# Impact discovery: Philanthropy

**Charity** can be defined as the act of donating money, goods, time or effort to help those in need or to support a specific cause. **Philanthropy** can be defined as a problem-solving approach to charity, with a defined objective and a search for a cure to a known need.

## Exploring charitable passions

1. What are your top giving areas of interest?
2. Why are these meaningful to you?
3. Where do these areas of interest come from?
4. If you could really make a difference in these areas of interest, what difference would you like to make?

**Anchor themes** - Check boxes of themes that motivate your **impact** activities and provide details below:

- ☐ **People:** helping a specific group of people address circumstances that are defining (and possibly limiting) their lives
- ☐ **Problem:** specific societal ills compel your attention
- ☐ **Place:** interest in maintaining or restoring the health of and vitality of a particular geography
- ☐ **Pathway:** held belief in the importance of a particular approach
- ☐ **Philosophy:** your beliefs around how the world works, or should work

## Philanthropic sectors

- |  |  |   |
|--|--|---|
| <input type="checkbox"/> Animals       | <input type="checkbox"/> Education                 | <input type="checkbox"/> Human & civil rights     |
| <input type="checkbox"/> Environment   | <input type="checkbox"/> Arts, culture, humanities | <input type="checkbox"/> Human services           |
| <input type="checkbox"/> International | <input type="checkbox"/> Religion                  | <input type="checkbox"/> Research & public policy |
| <input type="checkbox"/> Health        | <input type="checkbox"/> Community development     |   |

## Ways to give

### Direct gifts:

- ☐ Donate time
- ☐ Donate money
- ☐ Donate stock / Real estate
- ☐ Donate goods

### Structured Gifts:

- ☐ Planned giving
- ☐ Private foundation
- ☐ Donor advised fund
- ☐ Charitable trust
- ☐ Community foundation

## Philanthropy / Nonprofits

What types of philanthropy do you pursue? ☐ Financial donation ☐ Volunteer ☐ Physical goods donation

What nonprofits do you support? \_\_\_\_\_

## Foundations / Donor advised funds

Have you set up a family foundation or DAF? \_\_\_\_\_

What causes does your foundation or DAF support? \_\_\_\_\_

## Impact discovery: Impact investing

**Impact investments** are made with the dual goal of positively addressing social or environmental challenges while pursuing financial return.

The goal of this worksheet is to understand the areas of **impact investing** — sector, security type, risk profile and geography — that are most of interest to you, allowing Ascent to customize recommendations to your interests.

Have you evaluated impact investments for your family or foundation? \_\_\_\_\_

Has your investment portfolio been evaluated for its impact? \_\_\_\_\_

**Impact investing sectors** – Check the boxes of targeted impact in specific geographies that are of interest to you.

	Local	United States	Global	Latin America	Europe	Asia	Africa		Local	United States	Global	Latin America	Europe	Asia	Africa
<b>Social</b>								<b>Environmental</b>							
Health and wellness	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Natural resources conservation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Education	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Sustainable agriculture	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Microfinance	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Water and sanitation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Affordable housing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Clean energy production	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Small business development	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Environmentally conscious real estate	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

**Types of impact investments** - Check the boxes of the types of **impact investments** that are of interest to you.

- ☐ **Private debt:** directly originated loans and notes with defined rate and term
- ☐ **Private equity / Growth capital:** equity investments in established businesses
- ☐ **Venture capital:** equity investments in startup or young businesses
- ☐ **Real assets:** equity investments in real estate, infrastructure, timber, farmland, water rights, and renewable power sources
- ☐ **Stocks:** equity investments in publicly traded companies
- ☐ **Bonds:** bond investments traded in the public markets

**Investing style** - Check the boxes that describe your risk tolerance within **impact investments**.

- ☐ Predominantly favor **debt** investments
- ☐ Balance of **debt and equity** investments
- ☐ Predominantly favor **equity** investments
- ☐ Any type of investment surrounding our **passions**

# Impact discovery: Allocation

## Exercise

### Allocation of capital

	Philanthropy		Impact investing		Traditional investing	
Objective	Pure philanthropy	Program-Related investing	Balanced objective	Financial objective	Pure financial	
Definition	Grants and gifts	Investments to support foundation's charitable purpose	Investments to generate a measurable, beneficial social or environmental impact alongside a financial return		Investments to generate financial return	
Purpose	Goods and Services shared with those in need	Catalytic capital to advance markets	High Impact with moderate returns	High returns with accompanying impact	High returns for desired level of risk	
Evaluation	Social and/or environmental results	Similarity to stated foundation objective	Desired Impact with acceptable returns	Attractive returns with acceptable impact	Benchmark returns	
Actors	Donors and established nonprofits	Family and community foundations	Impact investors	Impact and traditional investors	Traditional investors	
Philanthropic impact to recipient	Highest – Fully deployed – No return of capital	High – Potential return of capital	Moderate – Intended return of capital	Moderate – Intended return of capital	N/A	
Financial return expectation	Negative	0% -> Market returns	0% -> Market returns	Market returns	Market returns	
Allocation						100

**Instructions:** Assume you have 100 units of total capital to allocate across the objectives

### Considerations:

- Level of impact to recipient
- Recipient's need to repay
- Desired financial return
- Ability to leverage giving and redeploy capital if returned/repaid