



BRADLEY
IMPACT FUND®
PRINCIPLED PHILANTHROPY



DONOR-ADVISED FUND

Program Description



"A nation's strength is found in the personal morals and individual initiative of its people . . . The most important security we can have as human beings is the dignity of personal independence."

— **HARRY BRADLEY**
CO-FOUNDER, ALLEN-BRADLEY

THE SHARING OF VALUES:

What is your Legacy?

The Bradley Impact Fund is a unique donor-advised fund for philanthropists who care about preserving the American principles and values that will enable today's citizens and future generations to achieve their American dream. The Impact Fund was established to create a nationwide network of educated, conservative donors who value the principles of The Lynde and Harry Bradley Foundation, a private foundation dedicated to restoring, strengthening, and protecting the principles and institutions of American exceptionalism for over 35 years. Our mission is to serve as philanthropic advisors who educate, empower, and inspire donors to advance our common principles through high-impact giving and the protection of donor intent.

To promote strategic, personalized giving, we offers several options for giving. Donors can make an immediate impact with gifts to the Partnership Fund and/or Issue Funds, which support a wide array of

well-vetted organizations committed to advancing conservative values. No minimum donation is required. Ask Bradley Impact Fund staff for more information on these options.

For more personalized giving goals, many donors choose a Personal Giving Account for flexibility in charitable giving that aligns with the Bradley Impact Fund's guiding principles. Some donors use their Account to support conservative ideas on college campuses or at state and national policy think tanks in order to advance Constitutional order and free markets. Others give to local nonprofits, arts and cultural organizations, or K-12 parental choice, all of which bring American ideas and policies to life in a vibrant civil society of informed citizens. With every giving option they choose, Bradley Impact Fund donors build a legacy of opportunity for all generations of Americans now and in the future.

What is a Donor-Advised Fund?

A donor-advised fund (DAF) is a Personal Giving Account that provides a simple, flexible, and efficient way to manage your charitable giving. You and your family can enjoy immediate and maximum tax advantages, make grants on a flexible time table, build your charitable legacy, and increase your philanthropic funds for grant making.



"We Americans bear an awesome burden to preserve liberty. If liberty dies in America, it will be dead for all time everywhere."

— **WALTER WILLIAMS**
2017 BRADLEY PRIZE WINNER



“The health of a democratic society may be measured by the quality of functions performed by private citizens.”

— ALEXIS DE TOCQUEVILLE

OUR UNIQUE BLEND OF PRIVATE FOUNDATION AND DAF ADVANTAGES

The Bradley Impact Fund gives donors a unique blend of advantages that enhance their charitable giving. The Fund offers:

- **All of the competitive advantages of a donor-advised fund (DAF).** As part of the fastest-growing category in charitable giving, the Bradley Impact Fund provides important advantages related to tax benefits, transfer of complex assets, and donor privacy. Our donors also appreciate the flexibility in investment and grant advisement options as they establish their charitable legacy.
- **All of the advantages of a private foundation.** The Bradley Impact Fund in cooperation with The Bradley Foundation, performs professional evaluation of potential grantees to ensure donor contributions make the desired impact. We invest in organizations involved in generating policy ideas, fostering public policy debate, and leading successful implementation at the state and local levels.

In addition to these advantages, our donors can engage with a vibrant, well-informed community of like-minded philanthropists. The Impact Fund’s resources and events help donors build their knowledge and connect with conservative thought leaders, grantee organizations and others who share their interests and commitment to American values.

Bradley Impact Fund

PERSONAL GIVING ACCOUNT

PROGRAM DESCRIPTION

PURPOSE

The following sections describe policies, rules and regulations of a Bradley Impact Fund Personal Giving Account.

PUBLIC CHARITY STATUS

The Bradley Impact Fund is classified as a 501(c)(3) public charity under the Internal Revenue Code. As such, contributions to the Bradley Impact Fund offer immediate and maximum tax benefits.

ELIGIBLE DONORS

The Bradley Impact Fund accepts contributions from individuals, families, companies, public charities, estates, trusts, and private foundations.

CONTRIBUTION ACCEPTANCE INFORMATION

The minimum initial contribution is \$5,000. Additional contributions may be made at any time. Acceptable asset types include:

- Cash
- Marketable securities
- Life insurance policies, IRAs, bequests and deferred giving vehicles
- Closely held stock
- Real estate (not subject to a mortgage)
- Art and collectibles

Note that IRS requires donors to obtain, at their own expense, an independent qualified appraisal of contributed assets other than cash or marketable securities. Before accepting a contribution, the Bradley Impact Fund reviews each asset, and may ask for additional information. Assets that carry unusual potential liability may be declined. The Bradley Impact Fund typically liquidates all non-cash gifts as soon as reasonably possible, and credits a Personal Giving Account only after those assets have been liquidated and the Bradley Impact Fund has received and invested the proceeds. The Personal Giving Account is credited the sale total net of sale expenses.

Donors with questions about the acceptability of an intended contribution should contact the Bradley Impact Fund prior to arranging for transfer of the assets. Upon acceptance of a contribution, the Bradley Impact Fund sends the donor an acknowledgement letter containing all information necessary to document the contribution for tax purposes.

ANNUAL GRANTS

The Bradley Impact Fund encourages donors to actively manage their Personal Giving Account by distributing a minimum of 5% of the Account's aggregate assets annually. Grant recommendations must be at least \$50.

NAMING THE ACCOUNT

Many donors name their Bradley Impact Fund Personal Giving Account after themselves or family members, for example: The Joseph and Jill Smith Fund, or The Smith Family Charitable Fund. Others name their Personal Giving Account for a purpose, such as: The Joseph Smith Fund for Freedom.

DEFINING PHILANTHROPIC STRATEGY AND DONOR INTENT

The Bradley Impact Fund's professional staff works with donors to refine and document their donor intent so their charitable giving aligns with their principles and the Bradley Impact Fund's mission. We also guide donors in creating their own strategic approach to advancing American values and ideals. As part of this step, donors have the option to name successor advisors, including children, other family members, and future generations. They may also name charitable organizations as beneficiaries of their legacy.

DONOR/ADVISOR

Each Bradley Impact Fund Personal Giving Account must have at least one person serving as initial donor (for married donors, typically both spouses serve). The donor is entitled to advise the Bradley Impact Fund on certain aspects of the Account, including:

- Grant recommendations
- Account investments
- Defining your donor intent
- Account termination
- Naming a successor advisor, or selecting another disposition plan

SUCCESSION PLAN

The donor may specify a succession plan for their Bradley Impact Fund Personal Giving Account. The death of the initial donor, or another event if so specified, triggers the enactment of the Account's succession plan. Many donors choose a succession plan that allows the Account to continue, by either naming a Successor Advisor, or naming charitable organizations to receive annual distributions from the Account. Another option is to terminate the Account, and name charitable organizations that will receive liquidated distributions. Others choose to submit a more customized succession plan. Donors should discuss complex succession plans with the Bradley Impact Fund to ensure alignment with your intent.



INTERESTED PARTIES

Donor may designate an interested party who may view account activity without the ability to recommend grants or make changes on the account.

INVESTMENTS

The Bradley Impact Fund enables donors to select from professionally-managed investment fund options. Donors with Personal Giving Accounts over \$1M may also choose to manage their assets themselves or appoint their own manager. Selecting an investment offering is a highly personal choice. Many different factors may impact a donor's decision, including time horizon, risk tolerance and how quickly a donor plans to make grants.



Bradley impact Fund offers four investment options to Personal Giving Account holders:

- **Short Duration Model:** Emphasize preservation of capital and provision of liquidity for planned or unplanned disbursements. There is no consideration for capital appreciation.
- **Moderate Income Model:** Emphasizes current income with minimal consideration for capital appreciation and usually has less exposure to more volatile growth assets.
- **Growth & Income Model:** Emphasizes a blend of current income and capital appreciation and usually has some exposure to more volatile growth assets.
- **Aggressive Growth Model:** Emphasizes capital appreciation with minimal consideration for current income and usually has significant exposure to more volatile growth assets.

STATEMENTS

The Bradley Impact Fund provides quarterly statements for Personal Giving Accounts which include:

- A summary of the Account's financial status
- A record of contributions to the Account
- A record of grants made from the Account

SELF-SERVICE DONOR PORTAL

Donors can view investment pool performance in real-time through the Bradley Impact Fund's online self-service donor portal at <https://bif.donorfirstx.com/>. With this convenient and secure portal, donors have 24/7/365 access to their Account. They can manage contributions, research charitable organizations, recommend grants, access and track contribution and grant history, and more.

*“I know in my heart
that man is good. That
what is right will always
eventually triumph.
And there’s purpose
and worth to each and
every life.”*

— RONALD REAGAN

GRANTS TO CHARITABLE ORGANIZATIONS

In choosing organizations to fund, donors may make grants to any of more than 350 local, regional, and national organizations that have received grants from the Bradley Foundation. Donors can also recommend grants to nonprofits in their community, including those they have supported in the past, subject to Bradley Impact Fund review and approval. Our expert staff members are always available to advise donors on the nonprofits that best align with the values and priorities they share with the Bradley Impact Fund.

The Bradley Impact Fund only approves grants that are used exclusively in furtherance of charitable purposes. Per IRS regulations related to donor-advised funds, donors, donor advisors, and related persons may be subject to excise taxes and other penalties if they receive more than an incidental benefit from a donor-advised fund (IRC 4967). A benefit is more than incidental if, as a result of a distribution from a DAF, such person receives a benefit that would have reduced or eliminated a charitable contribution deduction if the benefit was received as part of the transaction.

Impermissible benefits include grants to an individual for any purpose, including travel, study, school tuition or scholarships. The Bradley Impact Fund does not permit or endorse charitable fundraising activities such as golf-tournaments, dinners, balls or auctions. The Bradley Impact Fund will not reimburse any person for any expense related to such events. Grants may not be used for employer-sponsored disaster-relief fund. Grants also may not be used for lobbying, political contributions, to support political campaign activities, or any other non-charitable purpose.





GRANT PROCEDURES

Donors may use the Bradley Impact Fund’s self-service portal to recommend grants online. Hands-on client service support is always available as well for donors who prefer direct consultation.

The Bradley Impact Fund Grants Committee, comprised of Bradley Impact Fund staff and directors, reviews each grant recommendation. Upon approving a recommendation, the Bradley Impact Fund liquidates Account investments, prepares a check, and sends it to the charitable organization. A letter attributing the grant in the name of the Account accompanies the check. A copy of this letter is also accessible on the Bradley Impact Fund’s donor portal. (If the donor prefers anonymity, grants can be sent without identification of the fund and/or donor.)

Grants are processed on an ongoing basis. Normally, the Bradley Impact Fund distributes checks within seven days of receiving a grant recommendation. If the Bradley Impact Fund experiences a problem approving a particular grant recommendation, the donor will be contacted in a timely manner to discuss the matter.

ADMINISTRATIVE FEE

The Bradley Impact Fund is able to charge a flat administrative fee that is significantly less than most donor advised funds. The one-time, upfront fee is charged at the time of contribution and is applicable to any 3-year pledged commitment.

Amount	Range	Allocation
First \$1,000,000	\$1-\$1,000,000	0.8%
Next \$1,500,000	\$1,000,001-\$2,500,000	0.5%
Next \$2,500,000	\$2,500,001-\$5,000,000	0.25%
Next \$5,000,000	\$5,000,001-\$10,000,000	0.20%
Over \$10,000,000	\$10,000,001+	Contact Staff



OTHER CONSIDERATIONS

Although the Bradley Impact Fund Personal Giving Account Program provides the donor a great deal of latitude in tailoring charitable giving to meet their individual needs, it must be understood that:

- Personal Giving Accounts will be operated exclusively for charitable purposes and per IRS rules. Any non-charitable distribution from an Account, for example, a grant resulting in the donor or family member receiving more than an incidental benefit, could result in federal tax penalties to the donor and the Bradley Impact Fund.
- Personal Giving Accounts will be administered in accordance with the provisions of this Program Description and the Bradley Impact Fund Personal Giving Account Terms and Conditions which may be updated from time to time.
- Each Personal Giving Account will be treated as a component fund of the Bradley Impact Fund.
- Contributions, once received and accepted by the Bradley Impact Fund, become the property of the Bradley Impact Fund and cannot be returned to the donor.
- The Bradley Impact Fund Board of Directors has the right to modify any restriction on any Account if it determines such restriction becomes, in effect, unnecessary, incapable of fulfillment, or inconsistent with charitable need.
- All recommendations from the donor concerning grants, investments or administration of any Personal Giving Account are advisory only. The Bradley Impact Fund's Board of Directors is free to accept or reject, in whole or in part, all such recommendations.
- The Bradley Impact Fund reserves the right to modify the Personal Giving Account Program.
- A grant will not be made to satisfy any donor financial obligation, such as an enforceable pledge, in which the donor has made a legally binding obligation.



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