



Finance Frequently Asked Questions

The SDWF is a Supporting Organization of The San Diego Foundation (TSDF). What does that mean?

The SDWF is a distinct legal, charitable entity affiliated with TSDF. However, SDWF has separate Articles of Incorporation and Bylaws for its governance. SDWF chooses to affiliate with TSDF in order to streamline operations and gain efficiencies

While SDWF supports TSDF's mission to improve the quality of life within all of our communities, it also has the distinct mission to educate and inspire women to engage in significant and sustainable philanthropy.

What support does TSDF provide the SDWF?

Since the founding of the SDWF, the San Diego Foundation has generously contributed to the operational expenses of the SDWF.

Although 10% of each SDWF member's contribution goes into the operating fund of the organization, members' contributions do not yet cover the operating expenses. TSDF provides a TSDF/SDWF negotiated subsidy to those expenses as well as office space for both staff and SDWF meetings. Details of the negotiated subsidy may be obtained from the SDWF Director, tracy@sdfoundation.org

How are SDWF Members' funds allocated?

SDWF members commit to an annual contribution of \$2,000 for a minimum of five years, totaling \$10,000. For each fiscal year, the members' contributions are allocated as follows:

45% of each contribution is allocated to the SDWF Endowment Fund to support San Diego's communities in perpetuity;

45% of each contribution is allocated to the SDWF Non-Endowment Fund for grantmaking to non-profit organizations in the San Diego region;

10% of each contribution is allocated to the SDWF Operating Fund for administrative and operational costs associated with the SDWF.

All contributions to the San Diego Women's Foundation are fully tax-deductible.

What asset pools exist under the SDWF?

The SDWF Endowment Fund, The SDWF Non-Endowment Fund, and The SDWF Operating Fund.

What is the SDWF Endowment Fund?

The SDWF Endowment Fund is comprised of 45% of the annual contribution of each SDWF member and the earnings on those contributions. The Endowment Fund is permanent with the requirement that the principal is never spent. The balance in the SDWF Endowment Fund is invested in a pool with TSDF's long-term assets and oversight is provided by the Investment Committee of TSDF.

What are the SDWF Endowment Fund Goals?

The Fund's purpose is to provide income in perpetuity for the benefit of SDWF's future and its mission. As the Endowment Fund grows to fully support ongoing SDWF operations, we anticipate that excess endowment fund earnings will be invested back into the community.

How is the SDWF Endowment Fund invested?

The SDWF Endowment Fund represents a portion of the total assets in TSDF's endowment funds and is invested in TSDF's Balanced Pool portfolio, which is structured for long-term total return. To provide diversification and to moderate risk, the investments are divided into carefully-defined asset classes. Money managers are hired by TSDF through a competitive process. The investment performance of each money manager is monitored by TSDF's Investment Committee and an independent investment consultant retained by TSDF.

What are the operating and management costs for the SDWF Endowment Fund?

TSDF charges the SDWF a support fee annually for management of the SDWF Endowment Fund. The TSDF support charge ranges between .5% and 1.5% annually. Expenses (custodial services of bank, reporting and professional money managers) are also charged to the fund. These expenses range between .25% and 1%.

What is the current spending policy for the SDWF Endowment Fund?

TSDF disburses annually 5% of principal market value of the Endowment Fund earnings. The 5% less the TSDF support fee is distributed monthly to the SDWF Operating Fund. Any investment gain over the 5% is posted to the endowment principal. Any investment loss is reflected in the SDWF Operating Fund.

What is the SDWF Non-Endowment Fund and its source of revenue?

The purpose of The SDWF Non-Endowment Fund is to provide funds for granting purposes. All contributions to the Non-Endowment Fund are available for grant distribution. The Non-Endowment Fund does not have a permanent principal. Grant recipients are selected by the SDWF membership through the SDWF granting

process. 45% of each member's annual contribution goes into the SDWF Non-Endowment Fund.

How is the SDWF Non-Endowment Fund invested?

The SDWF Non-Endowment Fund is invested in TSDF Non-Endowment Fund – Pool A, a 100% money market fund because liquidity is essential. Earnings generated are credited to this fund on a monthly basis.

How is the SDWF Operating Fund determined and administered?

The SDWF Operating Fund was established to cover the operating costs of the SDWF. Annually, an operating budget is prepared for each fiscal year and approved by the SDWF Board and TSDF's Board of Governors. Monthly reports are reviewed by the SDWF Finance Committee, the SDWF Board and used as an input for the following fiscal year's budget process.

What are the SDWF Operating Fund sources of revenue?

The Operating Fund revenue sources are:

1. Distributable Balance of the SDWF Endowment
2. Member Annual Contributions.

The Board may elect to allocate up to 10% of each member's annual contribution to The SDWF Operating Fund.

Outside of SDWF annual membership contributions, how is the SDWF and its mission supported?

1. Other Contributions

Employer matching contributions, angel gifts, and corporate underwriting are some examples of additional sources of revenue.

2. Endowment and Legacy Gifts

A lasting contribution to the SDWF may be made as an endowment or legacy gift in honor of an individual or special event or milestone.