

# Donor Advised Fund Exhibit (\$1,000)

## Modeled Reconstruction of Valley Rock Foundation's DAF Activity (2016-2024)

	<u>Reconstructed</u>		<u>Modeled</u>		<u>Investment</u>	<u>Modeled Total</u>	<u>S&amp;P 500</u>	<u>Calculated</u>	<u>Illustrative Ending</u>
	<u>Beginning</u>	<u>Contribut-</u>	<u>Investable</u>		<u>Management</u>	<u>Investable</u>	<u>Total</u>	<u>Appreciation</u>	<u>Balance (Applying</u>
<u>Year</u>	<u>Balance</u>	<u>ions</u>	<u>Balance before</u>	<u>Total Grants</u>	<u>Fees (2.0% of</u>	<u>Balance (After</u>	<u>Annual</u>	<u>Amount based</u>	<u>S&amp;P 500 Proxy</u>
			<u>Grants &amp; Fees</u>		<u>Balance)</u>	<u>Grants &amp; Fees</u>	<u>Return</u>	<u>on S&amp;P 500</u>	<u>Returns)</u>
2016	\$6,437	\$0	\$6,437	\$974	\$129	\$5,334	12.0%	\$640	\$5,974
2017	\$5,974	\$10,117	\$16,092	\$194	\$322	\$15,576	21.8%	\$3,396	\$18,971
2018	\$18,971	\$2,000	\$20,971	\$2,223	\$419	\$18,329	-4.4%	-\$806	\$17,523
2019	\$17,523	\$3,027	\$20,550	\$1,718	\$411	\$18,421	31.5%	\$5,803	\$24,223
2020	\$24,223	\$0	\$24,223	\$533	\$484	\$23,206	18.4%	\$4,270	\$27,476
2021	\$27,476	\$0	\$27,476	\$11,345	\$550	\$15,581	30.9%	\$4,815	\$20,396
2022	\$20,396	\$0	\$20,396	\$408	\$408	\$19,580	-18.1%	-\$3,544	\$16,036
2023	\$16,036	\$0	\$16,036	\$258	\$321	\$15,457	26.3%	\$4,065	\$19,523
2024	\$19,523	\$0	\$19,523	\$4,772	\$390	\$14,360	25.0%	\$3,590	<b>\$17,950</b>
<b>Totals</b>				<b>\$22,425</b>	<b>\$3,434</b>				

### Sources/Assumptions/Notes:

1. All contribution numbers are from the Valley Rock Forms 990's; all grant numbers are taken from the NCF Forms 990's
2. It is assumed that: a) all contributions shown on the foundation's Forms 990 occurred on January 1 of the year after the contribution was recorded on the foundation's Form 990; and b) all grants recorded on NCF's Form 990 for each year were paid out on January 1 of the same year they were recorded. This conservatively reduces time in market for investible funds (i.e., actual returns are higher)
3. Public disclosures by major donor-advised fund sponsors indicate fees commonly range from 1% to 2% annually. This analysis applies a conservative 2.0% assumption in order to avoid understating expenses. (Actual DAF administrative and investment fees may differ.)
4. Because National Christian Foundation does not publicly disclose donor-level grant attribution, this analysis assumes that all grants to the listed recipient organizations originated from Valley Rock's DAF account. This assumption is based on the consistent affiliation of the recipient organizations with Valley Rock principals. This is a conservative approach since it is very possible that we overcounted the gifts from the foundation's DAF account. For example, we don't know if all of the grants to Westmont College that are included in NCF's Forms 990 came from the foundation's DAF account, but we assumed that they all did. We also included a \$3 million gift to the Salvation Army in 2021 because the Whites were recently recognized by this organization; however, we do not know if this gift came from them.
5. It is possible that Valley Rock gave grants to other 501c3's from its DAF account that were not ever included in their grantmaking from the foundation. If that were to be the case, it would likely be (totally or partially) offset by the conservatism built into the model as explained in 2. and 4. above
6. The S&P 500 total return is used solely as a broad market proxy. Actual DAF investment allocations are not publicly disclosed and may differ materially

### Conclusion:

Under the stated modeling assumptions (including reported grants, estimated management fees, and an S&P 500 total return proxy), the reconstructed balance associated with funds originally transferred from Valley Rock is approximately \$18 million as of 2024. Because donor-advised fund sponsors do not publicly disclose donor-level account balances, this figure represents a reconstruction based on publicly available information and is presented for illustrative purposes only.

