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November 2022

Amigos de los Rios Endowment Plan & Value Statement

Final presentation prepared by UCLA GRC for Amigos de los Rios

GRC

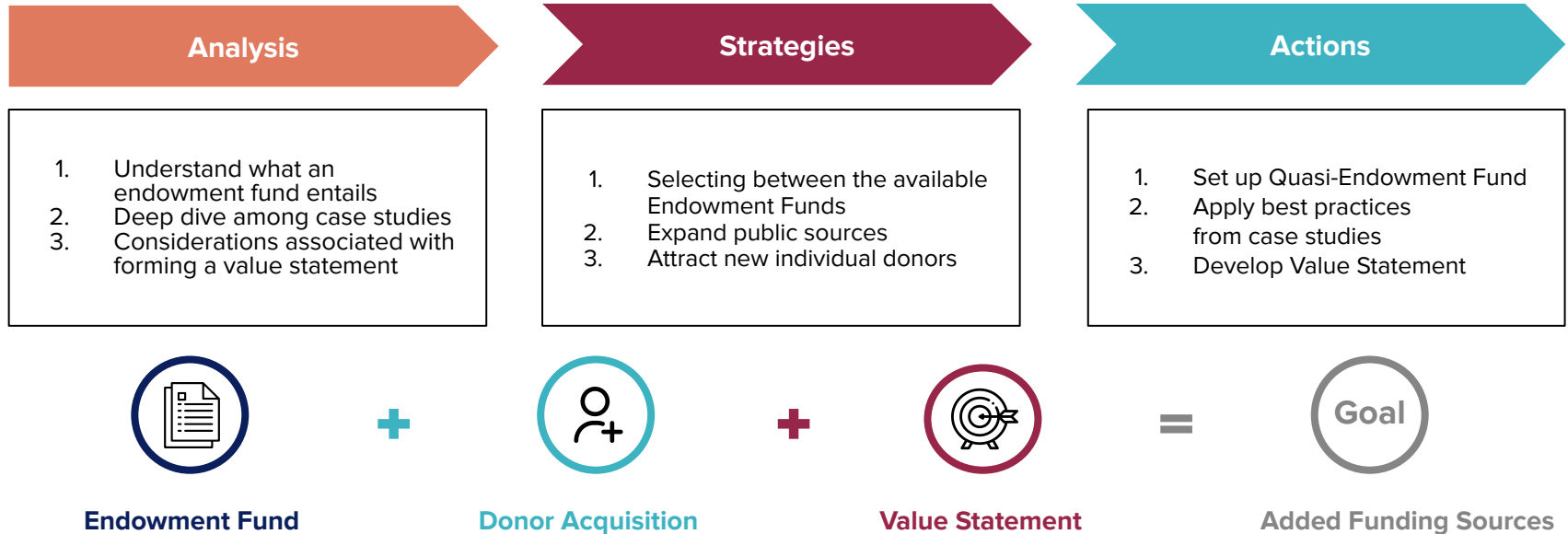
GLOBAL
RESEARCH AND
CONSULTING GROUP

Agenda

- Executive Summary
- Endowment Fund Overview & Recommendations
- Donor Acquisition & Case Studies
- Value Statement Insights
- Next Steps

Executive Summary

*Amigo de Los Rios is seeking ways to improve their **funding availability** due to prolonged periods in between grants and to minimize the variability in funding sources during periods of grant absence*

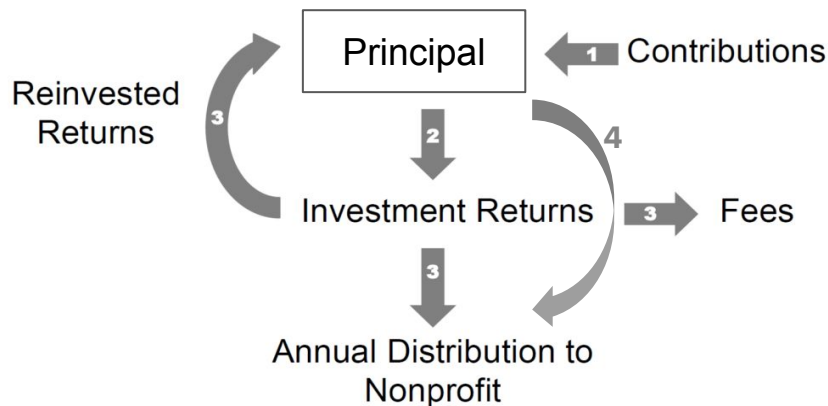




Endowment Funds Overview & Recommendations

Endowment funds are essential in the long term to support nonprofit organizations

Endowment Fund Flow Chart



Commonly used by Universities, Nonprofits, Hospitals and Charitable Giving Organizations

How much do you need in an endowment?

No minimum amount. Based on your operating budget and investment returns, you can estimate how much you'll need to start the fund.

Type	Amount
Operating Budget	\$20,000
Investment Return Rate	10%
Endowment Fund Amount	\$200,000

Quasi Endowment Fund is increasingly popular for nonprofits due to its flexibility

Type	Ownership	Fund Principal	Duration	Flexibility	Regularity	Risk	Ease of Set up
True/ Restricted	Created only by donor stipulation	Held for Perpetuity	Long Term	Rigid	Very Common	Not Risky	Difficult
Term	Created by donor stipulation	Held for a period of time / until an event (death)	Limited Term	Rigid	Rare	Not Risky	Difficult
Quasi	Established by the Nonprofit	Board is authorized to terminate restrictions	Long Term	Flexible	Increasingly Common	Higher Risk	Easy

Our Recommendation:

Quasi Endowment Fund is more common among nonprofits now due to its flexibility in withdrawal and usage policy.

Endowment Funds will require standard structure and policies

Endowment Fund Structure

Board of Directors

Establish a new committee to govern the endowment with separate board of directors, mission statement, and internal policies.

Investment Manager

An endowment is often managed by an independent investment manager under the guidance of the board's investment committee and in accordance with the board's investment policy.

Endowment Donors

The best candidates for endowment gifts are current and former board members, consistent long-term donors, committee members and volunteers.

Key Internal Policies

Investment policy: Outlines types of investments allowed and investment manager restrictions in meeting return targets.

.....

Usage policy: Identifies the fund's purpose and ensures grantmaking is adhering to these purposes, both appropriately and effectively.

.....

Withdrawal policy: Establishes the amount an organization or institution is permitted to take out from the fund at each period or installment based on the needs of the organization and the amount in the fund.

Typically, there are four main steps to establish a flexible quasi endowment

Based on the previous rationales, we recommend to establish a quasi endowment. Below are tips and procedures on how to set up a quasi endowment - there are usually 4 steps

Step 1

Establish Policies

Establish both an endowment policy and a quasi-endowment policy.

A quasi-endowment policy will look much like the one for legally binding endowed funds, but will stipulate that the funds are not subject to a binding spending restriction.

Step 2

Create Parameters

Clearly delineate what funds can and cannot become a part of the principal of the quasi-endowment fund

Outline the mechanism by which the restrictions placed on the endowment by the board can be reversed

Step 3

Establish Criteria

Some boards structure their quasi-endowments so that interest and dividends must accumulate until they reach a certain point, at which time the income can begin to be used.

Step 4

Investment Plan

Outline how the quasi-endowment fund will be invested and who will oversee the investments.

Eg. a committee, a bank trust department or an investment broker might be the designated responsible parties.

Consulting/AM firms can help establish endowment fund and oversee investing process

Services Breakdown

Investment Consulting, Fiduciary Governance, & Endowment Fund Establishment



Parameters for ideal partnerships with investment firms

Successful track record of managing endowments

Provision of diverse services and valuable resources

Industry-specific knowledge that is relevant and necessary

Leading companies in the industry

- **Benefactor:** <https://benefactorgroup.com>
 - Nonprofits: fundraising and endowments
- **PNC Financial Services Group:** <https://www.pnc.com>
 - Nonprofits / for profit: manage endowments
- **eCIO:** <https://www.getecio.com>
 - For nonprofits: investments and endowments
- **GreenSpring Advisors:** <https://greenspringadvisors.com>
 - For nonprofits: investment advisory services



Donor Acquisition & Case Studies



Enhance donation process on website

Consider expanding donation options and implementing membership tiers

Expand Donation Options



Trust for Public Land
Payment, National Dates

- **Various payment methods:** credit card, Paypal, lyft round up
- **Provides distinct amounts to donate** in addition to custom: \$35, \$60, \$100, \$250
- Leverage **Giving Tuesday:**
 - Emphasize why need support of donors now
 - Gifts will be **triple matched** up to a maximum of \$250k
 - Time sensitive with countdown timer down to the second

Specific & Purposeful Donations



Emerald Necklace
Conservancy
Designated Donations

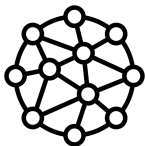
- **Drop down menu** on donation page to select where donation goes
 - Emerald Fund
 - Justine Mee Liff Fund
 - Olmsted Now: Greater Boston's Olmsted Bicentennial
 - Olmsted Tree Society
 - Charlesgate Alliance
- Provided **links** to the side of donation page to inform donors on what they are giving to
 - Each link leads donor to separate page that details background, initiatives, and impact

Memberships & Benefits



Tree People
Annual Membership Tiers

- **Seedling Level (\$25+) & Green Leaf (\$100+):** access to newsletter, events, and volunteer opportunities
- **Gold Leaf (\$500+):** +invitation to special events and 10% merch discount
- **Sycamore (\$1,000+):** +dedication certificate and private family or friends hike
- **Grove (\$1,500+):** +option to dedicate tree in Cinader Grove, including a plaque featured in donor wall
- **Western Redbud (\$5,000+):** +acknowledgement in TreePeople publications and voucher for one free item from store



Revamp Social Media Platforms

Expand network and influence on LinkedIn to reach target audience

Increase Post Engagement

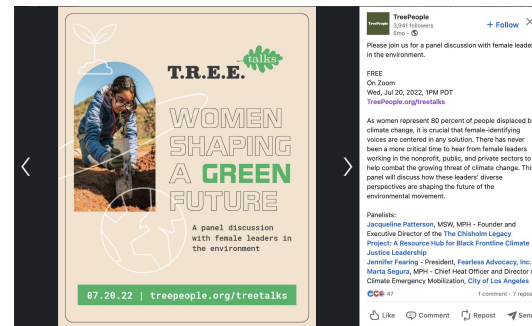
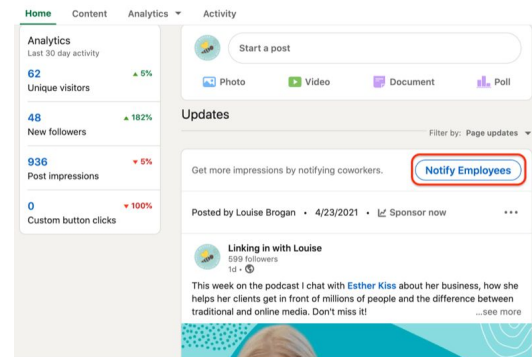
- Share content **weekly, notify employees** and encourage them to **like/comment**
 - Raise active interactions
 - Posts can appear in employees' network feed
- **Boost organic reach** and increase the chances of getting followers

Leverage Influencers' Network

- **Comment on trending posts** in tagged community hashtags
 - Examples: #trees, #nature, #volunteer, #environment
- **Mention influencers** in posts and kindly ask if they can share their insights
 - Examples: event sponsors, existing partners, panelists
- Organize **virtual events or webinars** and invite industry experts if possible
 - Example: TreePeople T.R.E.E. Talks Women Shaping a Green Future

Connect with High Net Worth Individuals

- Start with existing network and utilize **second-degree and third-degree connections**
- Reach out to **financial planners and CPAs** and ask if their clients are interested in donating
- Send **personalized messages** during outreach
 - Include value statement
 - Create visual presentations such as video messages





Explore Creative Initiatives and Partnerships for Donation

Appeal to more donors through quantifiable impact and tangible benefits

Tribute Giving & Gift Membership



Additional Forms of Financial Giving

- **Tribute Giving:** donating in honor of someone (ex: memorial gift)
 - \$35, \$50, \$100, \$250, \$500, \$1000, custom
 - **\$5** minimum donation
- **Gift membership:** donating to the organization and designating someone to receive membership
 - **9** tiers ranging from \$50 to \$25,000
 - Up to **30** membership benefits (limited to first time members only)
 - Gifts are **100%** tax deductible

Tax-deductible Gifts



The Painted Turtles Stock/Security, Car/Truck

- **Gifts of Stocks or Securities**
 - Donors can choose to donate **publicly traded stock in a corporation, shares in a mutual fund, or bonds**
 - **Benefits:** a tax deduction for the current, full market value of the securities, option to donate in memory/honor of someone
- **Donate a Car, Truck, or RV**
 - Donors can sell vehicles to **directly support camp programs**
 - **Benefits:** free, easy, and tax-deductible

Business & Sports Partnerships



One Tree Planted Achieve Sustainability Goals

- **Business Partnership Case Study: Toblerone**
 - Plant one tree for every product sold and additional trees through custom fundraising microsite
 - Helped to plant **over 95,000 trees** in the Andes Mountains of South America.
- **Sports Partnership Case Study: Major League Baseball**
 - Planted **5,000 trees** in a California post-wildfire restoration project for the home runs hit in the 2022 MLB Home Run Derby



Sponsorship & Community Opportunities Establishing Partnerships and Retaining High-Net-Worth Individuals

Non-profit Partnerships



- **Network Partner Access & Advocacy Program**
 - Established in 2013 and served as a network to incorporate new donors
 - Designated to expanding sponsorship opportunities
- **Shared Endowment Fund with Houston-Galveston Area Council**
 - Built mutual beneficial relationship to promote organization's network growth

- **Inland Empire Grant Collaborative**
 - Resources for non-profit to apply for fund raised by individuals or companies, as well as a resource to access public funds

High-Net-worth Individuals



- **San Marino Public Library Foundation**
 - Established by a small group of local volunteers in 1995 as a program to support the public library of the City of San Marino
 - Personal and Community interest based organization
 - Community participation and involvement of the next generation sustains donor relationships

- **Wealth Engine**
 - Provides access to donor screening tool that screens **300 million profiles** and **122 million households** to find donors with similar philanthropic interests



Sponsorship and Community Opportunities

Creating a Tiered Sponsorship Strategy with Strong Incentive Structure

Sponsorship Strategy

Annual Luncheon/ Gala or any event that creates a place where sponsors can be recognized officially is used to create a incentive structure for the sponsorship. Sponsors are made up of corporate sponsors, foundations and high net worth individuals.

Tiered Sponsorship Strategy

Emerald Necklace (Boston)

- Rose Garden: 50,000
- Back Bay Fens: 25,000
- Franklin Park: 15,000

Amigos De Los Rios

- SoCalGas: 40,000
- Wildspaces: 30,000
- Rose Foundation, REI: 10,000 - 20,000
- Golden State National Park: <5,000

Strong Incentive Structure

Emerald Necklace (Boston)

- Six tickets to the biennial Emerald Evening
- A curated walk on the Emerald Necklace with the Conservancy President for up to 20 guests
- Special recognition in the Conservancy eNews

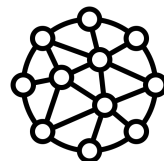
Tree People

- 24 tickets with premium valet parking
- An exclusive guided hike or lunch and learn with CEO
- Title Sponsor Listing on all media
- 100 trees planted in recognition with certificate

From evaluating the case studies, there are 3 main measures to take in order to raise a significant amount of money for the endowment fund



Improve Donation Process



Scale up Social Media



Other Initiatives

Course of Action

- Make the **donation link** more noticeable and accessible on website
- **Customize** donation amounts and consider offering memberships
- Provide donors more specific ways to give

- **Organically** increase public engagement through communal effort of staff and volunteers
- Tap into **influencers'** following base
- **Actively** make connection requests & prepare for a mini pitch

- Consider tribute giving/gift membership
- Launch new programs or campaigns with **tangible** goals
- Collaborate with local organizations with similar missions to apply for **joint funding**

Impact

- Elevate potential audience's willingness to donate
- Increase donors' stickiness and commitment to the organization


- Expand influence and network to reach more members from target audience
- Draw the attention of high net worth individuals

- Raise possibility of success with securing funds
- Gain long-term partners
- Retain target audience



Value Statement

Snapshot of the Value Statement and supporting documents



EMERALD NECKLACE
AMIGOS DE LOS RIOS

AMIGOS DE LOS RIOS VALUE STATEMENT
prepared by UCLA GRC

With actions and decisions rooted in improving public health and caring for the ecosystem, Amigos de los Rios is fundamentally driven by civic engagement, climate change resiliency, and environment preservation. These core values guide us in our work and help us ensure that future generations can enjoy parks and green space.

YOUTH LEADERSHIP DEVELOPMENT THROUGH ENVIRONMENTAL STEWARDSHIP

Through transforming school grounds into green lands in Southern California, we work to educate the youth on the importance and benefits of green spaces and provide leading experiences for youth to preserve lands.


PROACTIVE COMMUNITY-BASED RESPONSE TO CLIMATE CHANGE

With droughts and other effects of climate change becoming more severe, we work to offset these repercussions by liaising between public agencies and the community to facilitate a collaborative effort.

PROTECTION OF NATURAL RESOURCES FOR MULTIGENERATIONAL LEGACY

Given the importance of our precious natural resources, we commit to creating a space where these resources are protected and last for generations to come.

amigosdelosrios.org



EMERALD NECKLACE
AMIGOS DE LOS RIOS

AMIGOS DE LOS RIOS: MEASURING IMPACT
prepared by UCLA GRC

SUBGOAL 1: SCHOOLS & EDUCATION

Increasing number of schools with natural areas and promoting greater stewardship through educational programs


EXAMPLE OUTPUTS

- 20% uptake of students involved in environmentally-conscious volunteer groups
- 15 schools across Southern California with a green schoolyard
- 5,000 students with access to green infrastructure
- 0.3°F of temperature lowered on average across campuses
- 50% improvement in stormwater capture

OUTCOMES

- Healthier lifestyles, better understanding of preservation, increased environmental engagement from students
- Lower temperatures by turning heat islands into regenerative open spaces
- Improved physical and mental health of teachers and students
- Improvement in attendance and teacher retention rate

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EMERALD NECKLACE
AMIGOS DE LOS RIOS

AMIGOS DE LOS RIOS: MEASURING IMPACT
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SUBGOAL 2: RESILIENT COMMUNITIES

Identify opportunities and promote strategies to help communities adapt to climate change


EXAMPLE OUTPUTS

- Increased reuse of water to support restoration of 5 sensitive landscapes in stress during 2022
- Implemented local water harvesting measures in 2 underserved communities

OUTCOMES

- Leveraged Cap and Trade Program to benefit communities
- Improved nature stabilization and ecosystem conservation
- Increased carbon offsets and sequestration
- Conservation of water resources
- Wetland enhancement and restoration

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EMERALD NECKLACE
AMIGOS DE LOS RIOS

AMIGOS DE LOS RIOS: MEASURING IMPACT
prepared by UCLA GRC

SUBGOAL 3: EXPAND ACCESSIBILITY

Increase access to nature by constructing green infrastructure within 1 mile radius of all residents in the 13 underserved communities

EXAMPLE OUTPUTS

- 150,000 residents now within 1 mile radius of nature-based infrastructure
- 30 miles of bicycle pathways built across 13 underserved communities
- 13 new parks for leisure and recreation completed in underserved communities

OUTCOMES

- Improving equitable access to green infrastructure
- Healthier lifestyles through promoting active transportation
- Lower temperatures by turning heat islands into regenerative open spaces
- Improved physical and mental health of residents

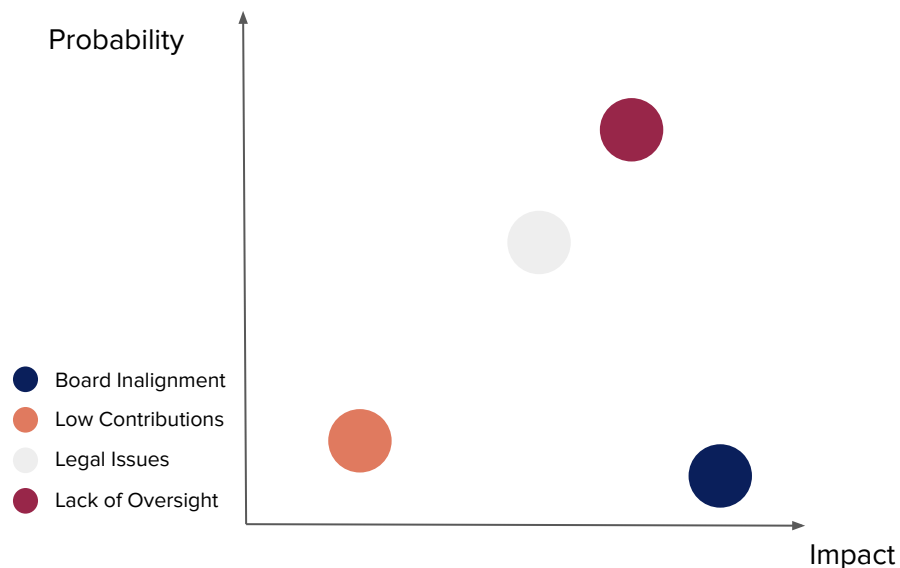
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Looking Forward

Anticipating and addressing key risks can help drive the endowment fund process

Prospective Challenges



Key Mitigants

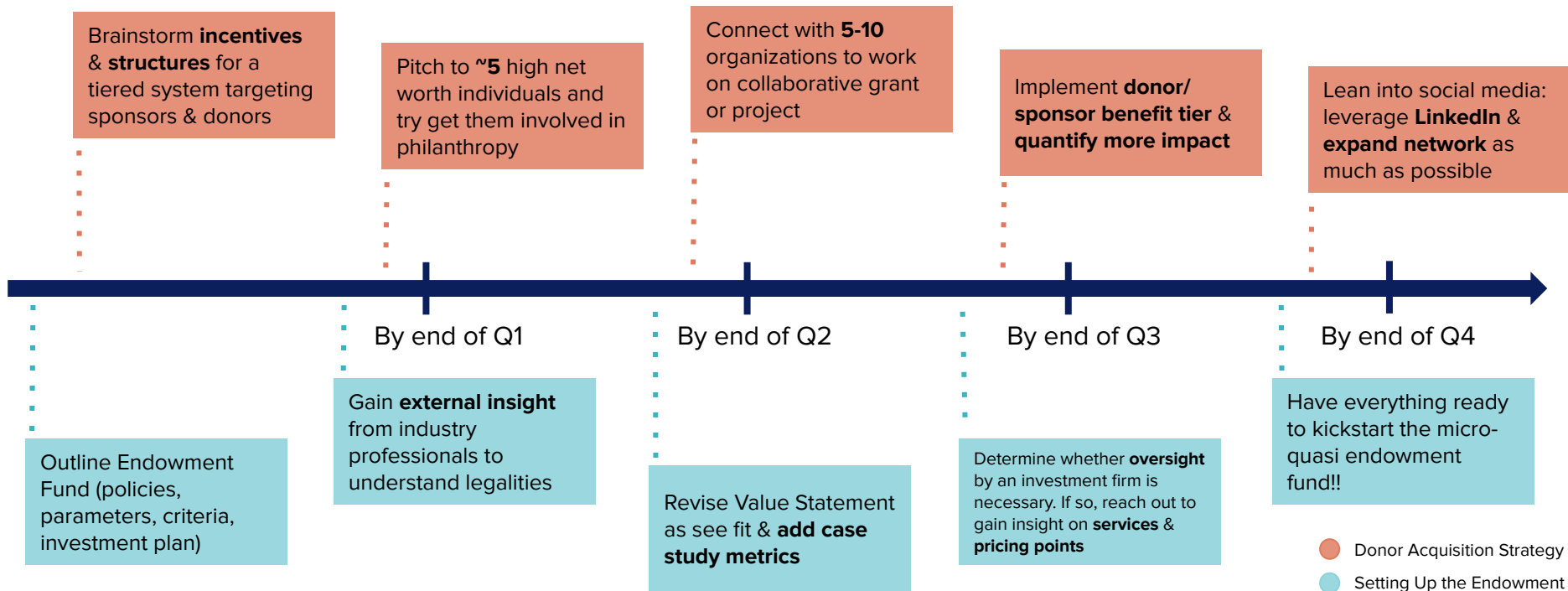
Consider reaching out to subject matter experts for advice and insight

Ensure transparency and agreement on core values

Connect w/ firms in the industry to gain more perspective on overseeing the fund

Push for greater visibility of broader mission, goals, and donor benefits

2023 Sample Timeline to Set Up Endowment Fund and Engage More Donors



The logo for Global Research and Consulting Group (GRC) features the letters 'GRC' in a bold, white, sans-serif font. A thin white vertical line is positioned to the right of the letters, separating them from the company's full name.

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Thank you!

Let us know if you have any questions.