

# Investing in the Community is Our Business

In philanthropy, return on investment is measured in two distinct ways. Donors want to see that their gift makes a difference—that it helps children learn to read, connects new immigrants with jobs and stability, expands cherished arts and cultural organizations to new audiences. They also want to know that their charitable dollars are invested wisely, funding effective programs today and earning good financial returns for tomorrow.

At Minnesota Community Foundation and The Saint Paul Foundation, our unique combination of financial and community expertise enables our donors to earn high marks on both measures, significantly increasing the value of their charitable giving in terms of real dollars and lasting impact.

## STRONG FINANCIAL RETURNS

Investment management is a fundamental competency for the Foundations because we manage more than \$1 billion in assets. This asset base gives us access to the nation's best available managers, allowing us to deliver returns that typically outperform the market index over the long term. Our staff, independent consultants and committee of local experts focus on making the best investment choices for our donors and the community.

"The Foundation has had a dramatic effect on our family's philanthropy. Strategically, they've enriched our Board's understanding of various areas of interest to us — be it strengthening education, preventing teen suicide, or working with at-risk youth. They are a wealth of information and provide us with the tools and resources we need to make good decisions about where to give. That's not insignificant."

SCOTT JONES

Chairman, Jones Consulting Group, Red Wing, Minnesota  
The Jones Family Foundation of The Saint Paul Foundation

*Let us help you create an investment that will impact the community today  
and increase your philanthropic contributions for years to come.*

# Benefits of Investing with Minnesota Community Foundation and The Saint Paul Foundation

For more than 65 years, donors have trusted the Foundations to invest their philanthropic dollars wisely. Our track record demonstrates healthy, long-term growth that outperforms the market index and remains solid over time.

Whether you choose to make an unrestricted gift to the Foundations or to establish a Donor Advised Fund, Field of Interest Fund or Designated Fund, you access the Foundations' expertise and strength in investment.

## Your Gift is Pooled with Others for Greater Growth and Investment Power

When you make a gift to Minnesota Community Foundation or The Saint Paul Foundation, we invest your funds with those of thousands of other donors who are also enriching the community. Combining our endowment with our Donor Advised Funds, our client foundations and other funds, totals more than \$1 billion in assets. And unlike a one-time gift to a charitable organization, your dollars continue to grow while the return is invested in the community.

## Your Gift is Managed by Committed Financial Experts

**The Foundations' Investment Committee** is a dedicated team of financial experts who establish the investment policy and strategy, and monitor investment performance. Each member offers broad investment expertise, and together they bring more than 50 years of experience in the financial sector along with a commitment to philanthropy.

## Maximize Your Philanthropy

In addition, the Foundations' staff includes charitable planning professionals who offer information and guidance to help donors create funds that maximize their philanthropic legacy. Collectively, all donor funds work in concert to provide the greatest possible return and impact on the community.

## Ways to Give

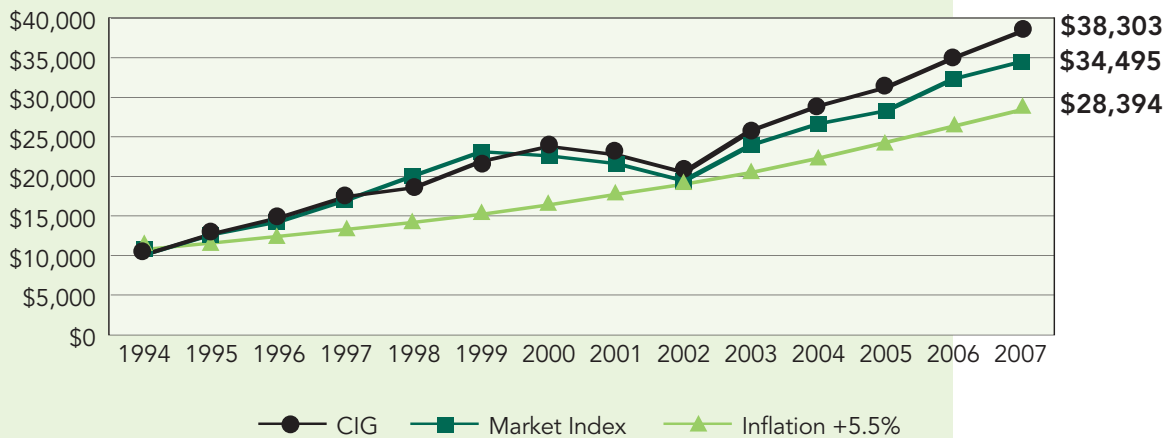
You can make a gift to Minnesota Community Foundation or The Saint Paul Foundation in a variety of ways:

- Appreciated securities
- Cash
- Real estate
- Life insurance
- Retirement plan assets

## A Proven Track Record for Our Endowment

With the exception of Donor Advised Funds (see back page), all permanent funds are invested in a portfolio specifically designed for endowment management. The portfolio seeks to maintain the endowment's purchasing power by earning the highest possible return with reasonable risk. Our strategy is to be diversified by asset class and investment style; employ managers who are experts in their assignments; and set a target allocation of 67 percent equities and alternative investment vehicles, and 33 percent fixed income and real estate.

**Community Investment Group (CIG)  
Change in Value \$10,000 Invested at Inception**



## The Power of One Philanthropic Investment

In 1989, a couple started a fund with the Foundation worth \$97,000. Since then, they have made more than \$128,000 in charitable grants. In addition, the Foundation's investment performance has grown their initial \$97,000 fund to \$202,000 to date—more than doubling their philanthropic capabilities today and into the future.



"The power of the investment performance of the Foundation cannot be overstated. It creates a multiplying effect in that we are able to give not only what we originally gave but also the gains created by this impressive investment strategy. The strategy is vetted by a well-qualified Investment Committee as well as the Board of the Foundation. The results consistently outperform industry benchmarks."

SCOTT JONES

Chairman, Jones Consulting Group, Red Wing, Minnesota  
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# Customizing Your Investment: A Donor Advised Fund

A Donor Advised Fund gives you many of the same benefits and rewards of a private family foundation without the administrative and reporting responsibilities, allowing you to focus on giving rather than paperwork. You have the flexibility to name your Fund after a family member or cause; select donor advisors who can help determine where funds will be directed; and tap the Foundations' expertise for assistance with grantmaking. Housed at the Foundation, your Fund continues to support the issues you care about for years to come.

## CUSTOMIZING YOUR INVESTMENTS

With a Donor Advised Fund, you also have the flexibility to match an investment strategy with your charitable giving strategy by recommending your investment mix from our investment portfolios:

- The **Balanced Portfolio** seeks to maintain the purchasing power of the fund by investing in a portfolio consisting of 42 percent domestic stocks, 15 percent international stocks, 18 percent alternative investments and 25 percent fixed income. This portfolio seeks to earn the highest possible return with reasonable risk.
- The **Diversified Equity Portfolio** seeks to provide long-term growth of capital through a target allocation of 75 percent domestic stocks and 25 percent international stocks. This portfolio provides an opportunity for long-term fund growth and will advance and decline with the global stock market.
- The **Fixed Income Portfolio** seeks a competitive level of current income, commensurate with current market conditions, as is consistent with relative stability of principal. The portfolio is invested entirely in intermediate bond mutual funds. This portfolio may be best suited for donors who desire a high level of current income and don't want to be subject to the risk of the stock market.
- The **Money Market Portfolio** seeks to preserve the donor's principal by investing solely in money market funds. This portfolio should be considered by donors who want to preserve the principal of their contributions.

If you would like more information, please contact our Development Office.



**MINNESOTA COMMUNITY FOUNDATION**

What's your vision?

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