

Transforming Charitable Giving:
From Donor
Advisors to Donors
in Movement



Seeding Justice was born out of an imperative to **redistribute wealth and power** to the communities most impacted by injustice.

DONOR-ADVISED FUNDS

Donor-advised funds (DAFs), which were created to be a mutually beneficial solution for donors to get tax breaks and non-profits to get funding, are at odds with that imperative.

With no legal requirement to ensure those dollars get to nonprofits, DAF dollars simply sit and grow. In fact, as of 2020, **more than \$1 trillion dollars has been parked in donor-advised funds**, lying dormant in companies and community and family foundations across the nation.

DONOR-IN-MOVEMENT FUNDS

It's clear that donor-advised funds aren't doing what they were created to do.

With the racial wealth gap growing, and the rights of our communities and our environment under constant attack, **we need a better solution.**

At Seeding Justice, we've reimagined Donor Advised Funds with a new program where donors AND community benefit. **We call them Donor-in-Movement Funds.**

Donor-in-Movement Funds still provide all the same tax benefits

to donors but they also guarantee that those dollars reach non-profits within 12 months.

When you open a Donor-in-Movement Fund at Seeding Justice, half of the funds go directly to our participatory grantmaking program — where those fighting on the frontlines for justice decide where those dollars are invested.

Forty percent goes to mission-aligned groups of your choosing AND ten percent goes to support our operations.

50%
of DMF funds to grassroots grantmaking committee



10%
of DMF funds to Seeding Justice for operating costs

40%
of DMF funds to groups of donor's choosing



Traditional Donor-Advised Fund

Distribution of Funds

- Control over distributions resides solely with the donor
- Donor not required to make distributions, and when requirements exist, they only require 5% distribution
- No time clock on distribution

Donor Benefits

- 100% tax-deductible donation, whether funded with a one-time gift or multiple gifts over time
- Don't need to keep track of various donations made to separate organizations
- Ability to make distributions over time
- Ability to make distributions anonymously
- Ability to donate stock, which some smaller organizations cannot accept
- Ability to continue contributing to fund over time

Recipients of Funds

- Groups the donor feels an affinity toward. Most foundations only make distributions to 501(c)(3) or fiscally sponsored organizations, if at all

Donor Involvement

- Donors are ... donors.

Donor Education & Engagement

- Limited, if at all

Seeding Justice Donor-in-Movement Fund

- Distribution control resides with both the donor and Seeding Justice Participatory Grantmaking Committee
- Distributions made annually, ensuring resources reach the communities that need them most urgently

• Same as Donor-Advised Fund ... AND:

- 50% of distributions to groups and communities most impacted, where resources are most needed
- Joining the movement to transfer wealth and shift power

- Grassroots groups making the most impact within social justice movements
- Groups other foundations won't fund because of perceived "risks"
- Groups working toward systemic—not just individual—transformation
- Groups the donor feels an affinity toward in alignment with Seeding Justice's values

• DMF holders are:

- Partners
- Advisors
- Activists
- Donors

- Access to Grantee Directory from Seeding Justice and seven other social justice funders in Pacific Northwest
- Periodic sessions on current issues and events
- Opportunity to participate in Seeding Justice-organized events
- Opportunity to connect with and learn from experts, activists, and organizers

