Live Oak Waldorf School Quasi-Endowment Policy

The Live Oak Waldorf School (LOWS), a not-for-profit organization in the State of California, encourages the solicitation and acceptance of gifts to further fulfill its mission as a 501c3 to provide Waldorf Education in Placer County, CA. For 49 years we have provided a threefold learning process that engages head, heart, and hands, with our unique way of integrating academics, arts, and practical skills. The entire Live Oak community works together to advance knowledge and inspire students to be socially responsible and globally aware citizens who are enthusiastic to undertake the challenges of today's world.

I. Definition

Quasi-endowments are:

A. Funds the LOWS's Board of Directors (the "Board") rather than the donor has determined to be retained and managed as an endowment.

B. Not permanent endowments, but considered medium to long-term investments; and comprised of funds that are not donor restricted or that are use restricted but will not be immediately expended.

C. Board-designated endowments or quasi-endowments result from an internal designation and are generally not donor-restricted and are classified as net assets without donor restrictions. The governing board has the right to decide at any time to expend such funds. (https://www.irs.gov/instructions/i990sd#:~:text=Board%2Ddesignated%20endowments%20or%20quasi,time%20to%20expend%20such%20funds.)

II. Purpose of Policy

Quasi-endowments create a mechanism for LOWS to invest and build assets to be spent over time. This policy sets forth the standards for the establishment, investment, restrictions, spending, and reporting for quasi-endowments.

III. Responsibility to Donors

A. Commitment to a Donor-Centered, Philanthropic Approach. LOWS, its staff and volunteer representatives shall endeavor to assist donors in accomplishing their philanthropic objectives in a donor-centered way. In many circumstances, this may involve coordination with the donor's professional advisors, as charitable support is often integrated with a donor's overall tax, estate, and financial planning.

B. Confidentiality: Unless required by law, information concerning all transactions between a donor and LOWS shall be held by LOWS in confidence, and may be disclosed only with the permission of the donor.

C. Anonymity: Unless required by law, the LOWS shall respect the wishes of any donor offering anonymous support and will implement reasonable procedures to safeguard such donor's identity.

D. Ethical Standards: LOWS is committed to the highest ethical standards. LOWS reserves the right to refuse donations derived from assets originating from businesses that do not adhere to the moral ethos and principles upheld by our organization. LOWS will not participate in gift discussions if there is a question as to the title/ownership of the asset or the donor's competency to transfer an asset.

IV. Policies

A. Process - The Finance Committee recommends the establishment, alteration, or termination of quasi-endowments, which are ratified by the LOWS Board.

B. Investment -Once classified as a quasi-endowment, assets shall be invested in the LOWS's endowment investment pool and follows The Board adopted Investment Strategy Policy created January 2024.

C. Spending

1. Interest earnings shall be evenly dispersed to salaried faculty once the fund value has reached $500,000 or beginning July 1, 2027.
2. The LOWS Board is the body that deems what would constitute an emergency which would result in the withdrawal from the quasi- endowment principle.

D. Reporting -An annual report shall be submitted to donors by the Business Office summarizing the use of expended funds.

V. Periodic Review

A. Regular Review: The LOWS Board shall review this policy in even numbered years to ensure that they continue to accurately describe the intention of the quasi- endowment fund.

B. Special Review: The LOWS Board shall initiate a supplemental review of this policy upon the enactment or promulgation of legislation or regulatory rules affecting gift application by LOWS, or prior to the start of a formal fundraising campaign.

Adopted by the LOWS Board May 21, 2024