



## Sample Donor Advised Endowed Fund Agreement

This Agreement is made on \_\_\_\_\_ (month/date/year), by and between \_\_\_\_\_ ("Donor"), and the Richmond Community Foundation, a California nonprofit public benefit corporation ("Foundation").

The Donor agrees to create a Donor Advised Fund ("the **Fund**") with the Foundation under the following terms and conditions:

### 1. Name

The Fund shall be known as **The** \_\_\_\_\_ **Fund**, and shall be identified as such by the Foundation and its Board of Directors in the course of administration and distribution thereof.

### 2. Contributions

The Foundation acknowledges receipt of \_\_\_\_\_ as the initial contribution to the **Fund**. It is anticipated by all parties to this Agreement that from time to time other assets acceptable to the Foundation may be donated to the **Fund**. Such additional contributions shall be appropriately acknowledged by the Foundation. If contributions other than cash are made to the **Fund**, such contributions must first be approved by the Foundation. All additional contributions shall be administered and distributed in accordance with the terms and conditions of this Agreement.

### 3. Fund Assets

It is understood and agreed to by all parties that all assets contributed to the **Fund** shall become an irrevocable gift to the Foundation and legal control and responsibility for the Fund rests with the Foundation. In carrying out such responsibilities, the Foundation shall hold, manage, invest, and reinvest the **Fund**, and shall collect the income and shall pay and disburse moneys from the **Fund** for public, education and charitable uses and purposes.

### 4. Fund Advisors

The Foundation acknowledges that the persons listed in Addendum A of this Agreement shall have authority to make recommendations for grants from the **Fund**. At any time that the **Fund** has multiple Advisors, the Donor shall select a Lead Advisor

who will transmit grant recommendations to the Foundation. The Donor may name one or more Successor Advisors to the **Fund** to act upon the death, resignation, refusal, removal, or inability to act of the last named Advisor(s). It is understood that in the event that no Advisor is able and willing to act, the Foundation's Board of Directors shall make decisions without an Advisor in accordance with its "Inactive Fund Policy".

## **5. Distributions**

The initial Donor is recognized by the Foundation as the **Fund's** Lead Advisor. Alternatively, a designated Lead Advisor may be named to make periodic recommendations that will be reviewed consistent with the Foundation's policies. It is understood that such recommendations shall be advisory only, will not be binding upon the Foundation and will not be the sole criteria used by the Foundation in determining whether to make distributions from the **Fund**.

## **6. Distribution Amount**

The amount available for distribution from the **Fund** shall be calculated following the close of the Foundation's fiscal year on June 30. The calculation shall be based on the average ending balances of the **Fund** over the past 20 quarters, or if the **Fund** has not existed for 20 quarters, on the average ending balances of the **Fund** on June 30 for as many prior quarters as the **Fund** has existed. Currently, the Foundation's "Spending Policy" objective is to distribute up to 5% of the average ending balance of the Fund, as calculated above. Distributions shall not commence until the **Fund** has been invested for one complete fiscal year – July 1 to June 30. Please note that the Foundation may change the *Spending Policy* from time to time at its sole discretion.

## **7. Variance Power**

The undersigned acknowledges that the Board of the Foundation has the power and the duty to modify any restriction or condition on the distribution of funds for any specified charitable purpose or organization, if, in the sole judgment of the Foundation's Board, (without approval of any participating trustee, custodian or agent), such restriction or condition becomes, in effect, unnecessary, incapable of fulfillment or inconsistent with the charitable needs of the community or area served.

## **8. Responsibilities**

The Foundation shall assume responsibility for check writing, bookkeeping, investment management, tax reporting, auditing and evaluation of projects, and furnishing to the Donor and/or their Lead Advisor quarterly reports of all **Fund** income and expenses.

## **9. Fund Investment**

The Fund's assets may be combined with other Foundation assets for investment purposes. However, the Foundation shall keep separate accounts of this Fund, and investment returns (including interest, dividends and capital appreciation) on the Fund's assets shall inure to the benefit of the Fund.

## **10. Administrative Fees**

The Foundation shall charge the **Fund** an annual administrative fee, which shall be based upon the prevailing Administrative Fee Schedule of the Foundation. The fee is intended to cover administrative services. If the Directors determine that the actual cost

of administering the Fund exceeds the fee set forth by the prevailing Administrative Fee Schedule, the Directors may set a different administrative fee based on such actual costs.

Fees for management of **Fund** assets by outside investment managers shall be deducted at cost from gross income after income is credited to the **Fund** account. Extraordinary costs associated with the acquisition of any contribution to the **Fund** also shall be deducted from gross income after income is credited to the **Fund** account.

**11. Component Part**

It is intended that the **Fund** shall be a component part of the Foundation and not a separate entity for tax purposes, and that nothing in this Agreement shall affect the status of the Foundation as a charitable organization described in Section 501(c)(3) of the Code, and as an organization that is not a private foundation within the meaning of Section 509(a) of the Code. This Agreement shall be interpreted to conform to the requirements of the foregoing provisions of the federal tax laws and any regulations issued pursuant thereto.

This letter and Addendum A will constitute our entire agreement concerning the **Fund**.

SIGNED:

\_\_\_\_\_  
Donor Name, Donor

Date:\_\_\_\_\_

\_\_\_\_\_  
Donor Name, Donor

Date:\_\_\_\_\_

ACCEPTED:

\_\_\_\_\_  
Joan Davis  
*President and Chief Executive Officer*  
*Richmond Community Foundation*

Date:\_\_\_\_\_

Addendum A  
Advisors to the **Fund**

An Advisor is a person currently authorized to recommend grants from the above-established **Fund**. If more than one Advisor is named, grant recommendations will be coordinated through the Lead Advisor and then submitted to the Foundation. Any Advisor may recommend to the Lead Advisor distributions from the **Fund**.

Please provide the name, mailing address, phone numbers, e-mail address, and birth date for each Advisor.

**Donor or Initial Lead Advisor**

\_\_\_\_\_  
Name

\_\_\_\_\_  
Relationship

\_\_\_\_\_  
Mailing Address

\_\_\_\_\_  
City State Zip

\_\_\_\_\_  
Home Phone Cell Phone

\_\_\_\_\_  
Email Address

\_\_\_\_\_  
Date of Birth

**Additional Advisor (if needed)**

\_\_\_\_\_  
Name

\_\_\_\_\_  
Relationship

\_\_\_\_\_  
Mailing Address

\_\_\_\_\_  
City State Zip

\_\_\_\_\_  
Home Phone Cell Phone

\_\_\_\_\_  
Email Address

\_\_\_\_\_  
Date of Birth

**Additional Advisor (if needed)**

\_\_\_\_\_  
Name

\_\_\_\_\_  
Relationship

\_\_\_\_\_  
Mailing Address

\_\_\_\_\_  
City State Zip

\_\_\_\_\_  
Home Phone Cell Phone

\_\_\_\_\_  
Email Address

\_\_\_\_\_  
Date of Birth

**Additional Advisor (if needed)**

\_\_\_\_\_  
Name

\_\_\_\_\_  
Relationship

\_\_\_\_\_  
Mailing Address

\_\_\_\_\_  
City State Zip

\_\_\_\_\_  
Home Phone Cell Phone

\_\_\_\_\_  
Email Address

\_\_\_\_\_  
Date of Birth

## Successor Advisors

The Donor may name one or more Successor Advisors to the Fund to act upon the death, resignation, refusal, removal, or inability to act of the last named Advisor(s). At any time that the **Fund** has multiple Advisors, the **Fund** Advisors shall select a Lead Advisor who will transmit grant recommendations to the Foundation. It is understood that in the event that no Advisor is able and willing to act, the Foundation's Board of Directors shall make decisions without an Advisor in accordance with its "Inactive Fund Policy".

### Lead Advisor

\_\_\_\_\_  
Name

\_\_\_\_\_  
Relationship

\_\_\_\_\_  
Mailing Address

\_\_\_\_\_  
City State Zip

\_\_\_\_\_  
Home Phone Cell Phone

\_\_\_\_\_  
Email Address

\_\_\_\_\_  
Date of Birth

### Additional Advisor (if needed)

\_\_\_\_\_  
Name

\_\_\_\_\_  
Relationship

\_\_\_\_\_  
Mailing Address

\_\_\_\_\_  
City State Zip

\_\_\_\_\_  
Home Phone Cell Phone

\_\_\_\_\_  
Email Address

\_\_\_\_\_  
Date of Birth

### Additional Advisor (if needed)

\_\_\_\_\_  
Name

\_\_\_\_\_  
Relationship

\_\_\_\_\_  
Mailing Address

\_\_\_\_\_  
City State Zip

\_\_\_\_\_  
Home Phone Cell Phone

\_\_\_\_\_  
Email Address

\_\_\_\_\_  
Date of Birth

### Additional Advisor (if needed)

\_\_\_\_\_  
Name

\_\_\_\_\_  
Relationship

\_\_\_\_\_  
Mailing Address

\_\_\_\_\_  
City State Zip

\_\_\_\_\_  
Home Phone Cell Phone

\_\_\_\_\_  
Email Address

\_\_\_\_\_  
Date of Birth