



## Corporate Advised Fund Sample Agreement

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

The Corporation agrees to create and maintain with the Foundation a Corporate Advised Fund ("the **Fund**") 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 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 monies from the **Fund** for public, educational and charitable uses and purposes.

### 4. Creating Impact

In an effort to leverage the contributions of the Donor, and others who have established

Funds' at the Foundation, the Foundation administers a **Community Impact Fund** that pools resources from multiple donors. Distributions from the **Community Impact Fund** are made to charitable projects in the Richmond area that address key issues in a number of fields. It is understood and agreed by all parties that five percent (5%) of each contribution to the **Fund** shall be transferred to the **Community Impact Fund**, administered by the Foundation and described further in Addendum B of this Agreement.

## **5. Fund Advisors**

The Foundation acknowledges that the persons listed in **Addendum A** of this Agreement shall serve as the Advisory Committee and have authority to make recommendations for grants from the **Fund**. The Corporation shall appoint a Lead Advisor who will coordinate grant recommendations with the Foundation. The Corporation may remove any member of the Advisory Committee and change the Lead Advisor by giving written notice to the Foundation.

It is understood that in the event that the Corporation ceases to exist, the Foundation's Board of Directors shall make decisions without an Advisory Committee in accordance with its "Inactive Fund Policy". Any balance remaining in a **Fund** that no longer has an Advisory Committee will progress to a permanent **Legacy Fund** bearing the name of the Corporation. Grants will be based upon the Corporation's charitable intent.

## **6. 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**.

## **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.

## **8. Responsibilities**

The Foundation shall assume responsibility for check writing, bookkeeping, investment management, tax reporting, auditing and evaluation of projects, and furnishing to the Corporation 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 will constitute our entire agreement concerning the **Fund**.

SIGNED:

\_\_\_\_\_  
Corporation Representative

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

ACCEPTED:

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

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

Addendum A  
Advisory Committee to the **Fund**

The Advisory Committee shall have authority to make recommendations for grants from the **Fund**. The Corporation shall appoint a Lead Advisor who will coordinate grant recommendations with the Foundation. The Corporation may remove any member of the Advisory Committee and change the Lead Advisor by giving written notice to the Foundation.

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

**Initial Lead Advisor**

\_\_\_\_\_  
Name

\_\_\_\_\_  
Position

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

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

\_\_\_\_\_  
Work Phone Cell Phone

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

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

**Advisory Committee Member**

\_\_\_\_\_  
Name

\_\_\_\_\_  
Position

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

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

\_\_\_\_\_  
Work Phone Cell Phone

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

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

**Advisory Committee Member**

\_\_\_\_\_  
Name

\_\_\_\_\_  
Position

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

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

\_\_\_\_\_  
Work Phone Cell Phone

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

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

**Advisory Committee Member**

\_\_\_\_\_  
Name

\_\_\_\_\_  
Position

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

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

\_\_\_\_\_  
Work Phone Cell Phone

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

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

## Addendum B

### **Community Impact Fund**

In an effort to leverage the contributions of the Corporation, and others who have established Funds' at the Foundation, the Foundation administers a **Community Impact Fund** that pools resources from multiple donors. Distributions are made to charitable projects in the Richmond area that address key issues in a number of fields listed below. By leveraging the contributions of many donors, the Foundation can multiply the impact of each donor, and also respond more quickly to community needs. The experience gained by the Foundation in making grants from the **Community Impact Fund** also helps better inform the Corporation in making recommendations for distributions from their own Corporate Advised Fund.

### **Community Impact Fund Focus:**

**1. Quality Education:** Access to quality education is a defining characteristic of a sustainable community. It includes access to preschools, high performing elementary, middle and high schools, and high quality after school programs. Quality education includes both quality instruction and quality facilities.

### **2. Economic Development:**

*Individuals and Families:* Increasing family income and wealth is important to creating a thriving community and economic stability. Economic stability is a combination of adequate income and financial management skills.

*Community:* Stimulating local economic activity is another important goal especially when it connects the target community to the regional economy and beyond through commercial revitalization and access to resources like New Markets Tax Credits.

**3. The Physical Environment:** Creating capital investments in a neighborhood changes the physical environment from one of neglect to one of community strength and vibrancy and supports the other pillars. The physical environment includes parks and recreation centers, landscaping and lighting, schools, and housing stock.

**4. Health:** Access to health care, mental health services, nutritious foods and healthy environments all combine to make a community healthy and active. Healthy children have more regular school attendance, leading to better student performance. Healthy adults increase their economic viability. Healthy communities participate in community recreational activities more frequently.

**5. Public Safety:** Many things besides law enforcement go into making a community feel safe. Environmentally sound design, safe walkways to schools and community centers, well supervised playing fields and other elements all combine to create an overall sense of safety and wellbeing.