



DONOR ADVISED FUND AGREEMENT

I. General Information

A. PRIMARY DONOR(S) *Fill in all areas.*

Individual/s Trust/Foundation Estate Corporation Other: _____

Mr. Mrs. Ms. Dr. _____
First Name Middle Initial Last Name

 Name of Trust, Foundation, Estate or Corporation (if applicable)

Mailing Address: Home Work

 Company

Street City State Zip Code

Phone: _____
Home Work

Email: _____
Home Work

Preferred contact method:

Home email Work email Home phone Work phone Mail

B. NAME YOUR FUND

Funds at the Community Foundation of Anne Arundel County are identified by a fund name. Please indicate the preferred name of your fund:

C. NAME ADDITIONAL ADVISORS

The Primary Donors listed in Section A are considered Fund Advisors and have the authority to access fund information, recommend grants, and name additional Fund Advisors and Successor Advisors. To name additional Fund Advisors, please complete the section below. If the Primary Donors do not wish to act as Fund Advisors, please indicate:

Primary Donor is not a Fund Advisor

Additional Fund Advisor 1

Mr. Mrs. Ms. Dr. _____
First Name Middle Initial Last Name

Mailing Address: Home Work

Street City State Zip Code

Phone: _____
Home Work

Email: _____
Home Work

Preferred contact method:

Home email Work email Home phone Work phone Mail

D. SUCCESSOR ADVISORS

The Founders may designate individuals to serve as Successor Advisors with the privilege of making grant distribution recommendations from the fund in the event of the Advisor’s death, resignation, incapacity, or inability to serve for any reason. When Successor Advisors assume responsibility for the fund, they in turn may name additional Successor Advisors, subject to CFAAC’s approval. Successor Advisors may be changed or added by submitting an Advisor Update Form to CFAAC.

Successor Advisor 1:

Name: _____

Relationship to Founder: _____

Current Address and Phone#: _____

Successor Advisor 2:

Name: _____

Relationship to Founder: _____

Current Address and Phone#: _____

Additional Advisors Attached.

E. ULTIMATE DISPOSITION OF THE FUND

At such time as there is no Advisor or Successor Advisor willing or able to serve, or if the Fund remains inactive (no new contributions made or grants distributed) for three years or longer, the Fund shall be administered as follows:

- A. If the fund has a value of less than \$25,000, the fund shall be retired and the balance will become part of CFAAC’s unrestricted assets for use at the discretion of CFAAC’s Board of Trustees.
- B. If the fund has a value of more than \$25,000, it shall continue as a named, permanent endowment at CFAAC, and may make distributions in support of CFAAC and its programs, other designated nonprofit organizations, or a field of interest as specified below:

1. CFAAC Sustainability Endowment _____ %

2. CFAAC Impact Funds _____ %

Distributions to invest in Anne Arundel County may be further allocated among the following six Impact Funds:

- Arts & Culture _____
- Economic Opportunity _____
- Education & Youth _____
- Environment _____
- Health _____
- Community Leadership _____

In the event any CFAAC fund designated above ceases to exist, CFAAC will use the amount designated for that CFAAC fund for a similar purpose.

3. Designated for the support of one or more _____ %
nonprofit organization(s):

Name of Organization(s)

II. Fund Information

A. ENDOWDED VS. NON-ENDOWDED

Donors may choose to make their Donor Advised Fund endowded (permanent) by limiting the amount available for grant distributions to CFAAC’s spending policy.

- I would like my fund to be able to make grant distributions from the entire balance.
- I would like my fund to be permanent and limit the amount available for grantmaking to CFAAC’s spending policy.

Note that all distributions are subject to the variance power contained in CFAAC’s Bylaws.

B. ANONYMITY

Donors may choose to grant anonymously on a case by case basis through the grant recommendation process. Alternatively, should donors prefer a default anonymity for all grants made from the fund, please indicate below:

- Donor and Advisor name anonymous
- Fund name anonymous
- Completely anonymous in all CFAAC publications
- Instruct grantee to omit fund name from external communications
- Instruct grantee to omit Advisor name(s) from external communications

C. INTEREST AREAS

Please mark your philanthropic interests:

- | | |
|---|--|
| <input type="checkbox"/> Arts and Culture | <input type="checkbox"/> Human Services |
| <input type="checkbox"/> Civic Engagement | <input type="checkbox"/> Nonprofit Capacity Building |
| <input type="checkbox"/> Economic Development | <input type="checkbox"/> Parent/Alumni Giving |
| <input type="checkbox"/> Education | <input type="checkbox"/> Recreation |
| <input type="checkbox"/> Environment | <input type="checkbox"/> Religious Giving |
| <input type="checkbox"/> Health | <input type="checkbox"/> Workforce Development |
| <input type="checkbox"/> Housing | <input type="checkbox"/> Youth Development |
| <input type="checkbox"/> Other: _____ | |

III. Gift Information

The Community Foundation of Anne Arundel County (CFAAC) recommends that donors work with a legal, tax, or financial professional to determine the best charitable gifting asset for their needs. For **wiring instructions or review of an asset**, please call CFAAC at 410.280.1102.

Cash:

By check: \$ _____ By wire: \$ _____ Bank: _____

Securities:

\$ _____

Approximate Value	Approximate # of Shares	Name of Security	CUSIP/Symbol
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_____ Broker Name	_____ Firm	_____ Phone Number
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Complex Assets:

\$ _____ Description: _____

Donors may add to their funds at any time using a variety of assets, including cash, securities, restricted stock, partnership interests, and real estate. All contributions made to CFAAC become assets of CFAAC and are irrevocable as tax deductible contributions. CFAAC reserves the right to review and approve all contributions.

A. ESTATE PLANS

If you plan to name this fund as a beneficiary in your estate plan, please indicate the type of planned gift:

- Bequest
- Charitable remainder trust
- Charitable gift annuity
- Other:
- IRA/Retirement plan assets
- Life insurance
- Charitable lead trust

B. HOW YOU LEARNED ABOUT CFAAC

- Professional Advisor

Name: _____
 Firm: _____
 Address: _____
 Phone: _____
 Email: _____

- CFAAC Publications
- CFAAC Website
- CFAAC Events
- Media Coverage
- Current Donor Name: _____
- Family/Friend Name: _____
- CFAAC Employee Name: _____
- Other: _____

C. FUND ACCESS

Donors may authorize someone other than a Fund Advisor to receive quarterly statements and have read-only access to fund information online.

- Professional Advisor listed above
- Other
 - Name: _____
 - Address: _____
 - Phone: _____
 - Email: _____
 - Relationship to Donor: _____

IV. Investment

A. INVESTMENT SELECTION

Donors may indicate investment preferences for the Fund. Please select one of the three investment options:

- _____ **Preservation**
_____ **Conservative**
_____ **Balanced**

For more information on investments please see section V or call 410.280.1102.

V. Policies and Procedures

Donor Advised Fund Policies and Procedures

All gifts are subject to the Community Foundation of Anne Arundel County's (CFAAC) Policies and Procedures and may be amended from time to time at CFAAC's sole discretion.

PRIMARY DONOR

The Primary Donor is defined as the person who established the fund and is responsible for the initial contribution. If the Primary Donor is not an active Fund Advisor, the named Fund Advisors may act on the Primary Donor's behalf. For these Terms and Conditions, CFAAC will communicate with the Primary Donor or Fund Advisor(s) as appropriate.

FUND ADVISORS

Upon establishing a Donor Advised Fund, the Primary Donor may give one or more Fund Advisors the authority to access information regarding the fund and make grant recommendations. Fund Advisors will be able to access quarterly statements electronically and will receive statements sent by mail as well. A Primary Donor is automatically a Fund Advisor unless otherwise indicated in writing by the Primary Donor.

APPOINTMENT OF ADDITIONAL AND SUCCESSOR ADVISORS

Requests to appoint additional Advisors, Successor Advisors, or changes in the Fund Advisors must be communicated to CFAAC in writing. Such requests will be accepted from the Primary Donor, or other Fund Advisors if the Primary Donor is not a current Advisor. There is a limit to one generation of Successor Advisors unless a request in writing is submitted to permit additional generations of Successor Advisors. Should the Fund Advisor be deceased, unwilling, or unable to serve or cannot be located, and a Successor Advisor has not been named and there is no written succession plan on file at CFAAC, the balance of the fund will be handled as described in section I, paragraph E of this agreement.

Donor Advised Funds created by organizations, rather than by individuals, are often advised by an appointed committee with an identified process for selecting new members. As with funds created and advised by individuals, additional Advisors, Successor Advisors, or changes in the Fund Advisors must be communicated to the Foundation in writing by the organization and/or the appointed committee.

MAKING GRANT RECOMMENDATIONS

An unlimited amount of grants of \$250 or more may be recommended to a qualified 501(c)(3) public charity or a 509(a)(1) traditional charity in the United States. Such recommendations may be accepted or rejected, in whole or in part, by CFAAC in its sole and absolute direction. Grant recommendations are processed within seven business days of receipt, provided that CFAAC has received, or has in its files, all necessary documentation from the organization. CFAAC will contact the donor if there is a delay in processing the grant request.

Grants will be designated for general operating support unless otherwise noted by the Fund Advisor. Grant recommendations can be submitted by emailing a staff member of CFAAC or by an online submission via [FundWeb](#). Alternatively, donors may fax or mail a Grant Recommendation Form, available on the website, to CFAAC. Donors receive confirmation via email or mail that grant suggestions have been approved and disbursed.

GRANT LIMITATIONS

CFAAC verifies that all organizations recommended for grants are classified as public charities under Section 501(c)(3) of the Internal Revenue Code and, if needed, will request documentation from the organization. In the event that a matter of concern should surface, CFAAC will advise the Primary Donor prior to approving the grant.

U.S. Government regulations do not permit grants for memberships, sponsorships, tickets, or for the fulfillment of a donor's, Fund Advisor's or related party's pledge. Grants may not be made to individuals and cannot provide a benefit to the Primary Donor, Fund Advisor or any family member or related parties. Donors and family members may not receive grants, loans or similar payments from a Donor Advised Fund. Any grant that provides personal benefit risks significant penalties to the donor and CFAAC. Donor Advised Fund grants may not go to private, non-operating foundations. Grants requiring expenditure responsibility are not permitted from a Donor Advised Fund.

INTERNATIONAL GRANTS

Grants to international organizations with a U.S. 501(c)(3) determination are subject to CFAAC's standard due diligence procedure. Grants to international organizations without U.S. 501(c)(3) determination may also be possible after completing an alternate qualifying process through a third party agency for additional fees. Contact CFAAC at 410.280.1102 for more information.

ANONYMITY

CFAAC's IRS Form 990 is accessible through public online resources, but does not disclose individual giving amounts or activity. CFAAC offers various levels of anonymity as part of the grant recommendation process. Primary Donors may indicate a default preference for anonymity when completing the Fund Agreement.

ENDOWED FUNDS

Primary Donors may request to make their Donor Advised Fund endowed (permanent) by limiting the amount available for grant distributions to CFAAC's spending policy as it is in effect. Distributions will be made under the terms of CFAAC's spending policy for endowed funds as it is amended from time to time. The Fund will be managed using a total return concept of endowed management based on CFAAC's spending policy rate, and adjusted from time to time by CFAAC's Board of Trustees. CFAAC's spending policy for endowed funds is designed to maintain and, if possible, increase the real value (as adjusted by inflation) of the fund while at the same time providing a relatively stable but predictable level of funding available for grantmaking. Distributions may be made annually according to CFAAC's spending policy without regard to the recorded principal value of the fund. CFAAC's Board of Trustees reviews the spending policy annually and approves the spending rate for the following year. CFAAC's current spending policy rate is 4% for 2016. Should the fund be endowed, Successor Fund Advisors may not change the distribution arrangement selected by the Primary Donor.

LOW BALANCE FUNDS

CFAAC periodically reviews funds with balances under CFAAC's \$10,000 minimum, and will contact the Primary Donor to offer assistance, including the option to make additional contributions to the fund to bring the fund up to the minimum or grant out the fund balance and close the fund. Should a non-endowed fund, with a balance below CFAAC's \$10,000 minimum become inactive for two years, neither receiving additional contributions nor making any grants, Fund Advisors will be notified with 90 days warning that the fund may be terminated and the balance moved to CFAAC's permanent Sustainability Endowment Fund.

LOW ACTIVITY FUNDS

CFAAC encourages the Primary Donor to retain an active role in their Donor Advised Fund. In order to carry out its mandate of distributing philanthropic dollars to the community, CFAAC periodically reviews the grantmaking activity of all Donor Advised Funds. Should a fund with a balance of more than \$10,000 not make any grants after two years, CFAAC will contact the Primary Donor to discuss intentions for the fund.

In the event that the Fund Advisor(s) cannot be located or is/are unresponsive after another year, making the fund inactive for a total of three years, the fund will be considered terminated and transferred to the permanent CFAAC Sustainability Endowment Fund.

INVESTMENTS

CFAAC offers several investment options to donors. IRS regulations permit Advisor(s) to indicate investment preferences for the fund. Primary Donors may request to change the investment allocation in writing at any time, subject to the approval of CFAAC. CFAAC will consider a balance reallocation request no more than once per year and reserves the right to manage the timing of any transfers. The following is a brief description of the investment options:

Preservation: For shorter-term assets (less than 12 months) or in cases where monies will be contributed and granted out within a short period of time. This pool is a cash account made up of money market funds and very short term bonds.

Conservative: For longer-term assets when a conservative strategy is preferred. This option is best suited to long-term expendable funds with a lot of grant activity. This pool is generally targeted at 37 percent equities and 63 percent fixed income.

Balanced: For long-term assets (greater than 3 years and preferably more than 5 years) expendable and endowed funds. This pool is invested for growth and income. The current target is 60 percent equities and 40 percent fixed income. This is the foundation's main investment pool.

CFAAC retains final discretion regarding the investment of the fund. The Primary Donors understand that investments will be administered in accordance with CFAAC's investment policies as determined by its Board of Trustees. The Primary Donors understand that investments are subject to the risk of market and interest rate fluctuation, and that any investment gain or loss generated will be credited or charged to the fund.

Investment information, performance, and fee information is available at www.cfaac.org or by calling 410.280.1102.

INVESTMENT RETURNS

Investment returns are allocated pro-rata to funds on a monthly basis. Due to the inflows and outflows within each fund, the returns are allocated using the average of the daily balances.

ADDITIONAL CONTRIBUTIONS

Once a fund is established, donations may be added to the fund at any time by any individual or organization. There is no minimum contribution amount.

GIFT ACKNOWLEDGEMENT

All gifts are acknowledged in accordance with Internal Revenue Code requirements. Generally, the IRS requires taxpayers to complete and file a Form 8283 with their federal income tax return for gifts of property valued at \$5,000 or more. It is the donor's responsibility to obtain a qualified appraisal for all gifts other than cash and marketable securities for tax deduction purposes.

DONOR FUNDRAISING

CFAAC maintains rigorous donor fundraising policies in accordance with IRS guidelines and excludes any type of public fundraising and events. Please contact CFAAC prior to making any third party solicitation.

FEES

CFAAC assesses a fee to help defray the costs associated with the administration and investment of the fund. Fees cover grant and fund administration, such as due diligence procedures, the receipt and acknowledgement of contributions, processing and payment of grants, and compliance with federal and state reporting requirements. Fees also support online fund access through FundWeb and most of the CFAAC's extensive donor services designed to enhance advisors' giving and philanthropic experience. A schedule of fees is available in section VI.

CONTROL OF ASSETS/MATERIAL RESTRICTION

In order for a contribution to be treated as a charitable gift, the IRS requires that CFAAC retain ultimate control over investments, administration, and granting activity. Additionally, the IRS requires all such funds be free of material restrictions imposed by donors in a manner consistent with the requirements of Section 1.507-2 of the Treasury Regulations.

VARIANCE POWER

All contributions to CFAAC are subject to CFAAC's variance power, as stated in page 11 of CFAAC's Bylaws, which gives the Board of Trustees of CFAAC the right to redirect the use of any fund under certain conditions to better meet the changing needs of the community.

ASSIGNMENT

The rights and obligations with respect to a fund may not be transferred nor assigned without the prior written consent of the Primary Donor and CFAAC. The advised function of any fund cannot be assigned or varied without the prior written approval of CFAAC.

DISPUTES

The fund agreement (including these Policies and Procedures) between a Primary Donor and CFAAC is governed by the laws of the State of Maryland without regard to its conflicts of law principles. Venue for any disputes arising out of or in connection with a fund shall be sited in the federal or state courts located in Maryland.

CONFLICT OF TERMS

In the event of an inconsistency between these Terms and Conditions and any terms and conditions appearing elsewhere in connection with any component fund, these Terms and Conditions as interpreted by CFAAC shall govern, and CFAAC reserves the right to take any actions at any time which, in its discretion, it deems reasonably necessary or desirable for the proper administration of any component fund.

PRIVACY POLICY

CFAAC deeply values its relationship of trust with its donors and Fund Advisors. CFAAC's Confidentiality Policy governs the maintenance of personal data and provides that CFAAC will not sell, trade or exchange information about its donors or Fund Advisors, and will honor the wishes of those who prefer to remain anonymous in all communications materials. The full policy is available by calling CFAAC at 410.280.1102.

VI. Fund Fees

Unless otherwise noted, fees are assessed bi-annually in June and December and are calculated as follows: Average month-end balance of the previous six months multiplied by the annual fee percentage and divided by two. Additional terms may be set for some funds, such as those requiring additional or special services. All funds are subject to a minimum annual fee of \$250 for the first five years and \$500 thereafter. New funds are assessed a set-up fee of \$250. CFAAC reserves the right to increase or decrease fees from time to time and will notify donors of fee increase in advance.

Unrestricted and Field of Interest Funds

The fee for these funds is 1.5% per year for endowed and 2% per year for non-endowed funds. If the fund is designated for an Impact Area or unrestricted fund, the fee is 1%.

Endowed Donor Advised and Corporate Advised Funds

Fund Size	Annual Fee
Up to \$1,000,000	1.50%
\$1,000,001 to \$5,000,000	1.00%
\$5,000,001 to \$10,000,000	0.75%
Amount over \$10,000,000	0.50%

Non-Endowed Donor Advised and Corporate Advised Funds

Fund Size	Annual Fee
Up to \$500,000	2.50%
\$500,001 to \$1,000,000	2.00%
\$1,000,001 to \$5,000,000	1.50%
\$5,000,001 to \$10,000,000	1.00%
Amount over \$10,000,000	0.50%

Scholarship Funds

The minimum initial and on-going fund value for scholarship funds is \$250,000. The minimum annual administrative fee is \$2,500. Annual fees will be determined on a case-by-cases basis and determined by the value of the fund and the level of service required for non-endowed and endowed scholarships funds.

Organizational Endowment Funds

The fund minimum for organization endowment funds is \$25,000. Only endowed funds will be accepted. A fee of 1% per year will be assessed.

Endowed Designated Funds

<i>Fund Size</i>	<i>Annual Fee</i>
Up to \$1,000,000	1.50%
\$1,000,001 to \$5,000,000	1.00%
\$5,000,001 to \$10,000,000	0.75%
Amount over \$10,000,000	0.50%

Non-Endowed Designated Funds

<i>Fund Size</i>	<i>Annual Fee</i>
Up to \$500,000	2.50%
\$500,001 to \$1,000,000	2.00%
\$1,000,001 to \$5,000,000	1.50%
\$5,000,001 to \$10,000,000	1.00%
Amount over \$10,000,000	0.50%

Non-Endowed Designated Legacy Funds

The minimum value for non-endowed designated funds legacy (funds that are established through a will or bequest in which the total value of the fund will be immediately dispersed to pre-approved, qualified 501c3 organizations) is \$250,000. A 1% administrative fee will be assessed at the time the fund is created and an additional 1% of the total value of the fund will be granted to CFAAC to support its grantmaking. The minimum administrative fee is \$2,500 and will not exceed \$10,000.

Charitable Remainder Trusts (where CFAAC is trustee)

A 1% fee will be assessed when the trust is created. Additional fees will be charged to cover legal fees to draw from the trust and for annual tax preparation.

Online Giving

Funds that accept credit card donations via phone or online by using CFAAC's website must pay the transactional fees charged by the financial institution.

VI. Signatures

- I/We acknowledge that I/we have read and agree to the Community Foundation of Anne Arundel County's *Policies and Procedures* (see pages 6 - 11) and agree to the policies described therein. I/We understand that the transfer of the property described above is an irrevocable gift to CFAAC and is not refundable to me/us or to any designated Successor Advisors.

Fund Advisor(s)

Print Name

Signature

Date

Print Name

Signature

Date

Community Foundation of Anne Arundel County, Inc.

Melissa H. Curtin, Executive Director

Date