

Fund Agreement for Donor Advised Funds

Marietta Community Foundation, Inc.

Agreement Establishing the

Name of Fund

This agreement is made and executed this ____ of _____, 2023, by and between **Donors** (“Donors”) and Marietta Community Foundation (“Foundation”) to evidence the absolute transfer by the Donors of the property to the Foundation for its public charitable purposes. The purpose of this transfer is to establish a spendable donor advised fund to be administered in accordance with the provisions set forth below.

- 1. Name of Fund.** The Fund established with the property transferred hereunder shall be known as the _____ (“Fund”).
- 2. Contributions.** The Donors hereby irrevocably give, assign, and transfer to the Foundation the property described in EXHIBIT A attached hereto and made a part hereof. Said transfer is to create a permanent endowment with opportunity for the Donors and/or other supporters to make further contributions to the established Fund at any time. The Foundation hereby accepts the property transferred and affirms that it will hold, in perpetuity, such and any additional property transferred to the Fund.
- 3. Investment Advisor.** The Fund shall be a component fund of Marietta Community Foundation, Inc., subject to the Articles of Incorporation and Code of Regulations (“Articles and Regulations”) creating Marietta Community Foundation, Inc., as now or hereafter amended. Control over the investment or reinvestment of such property and the asset management of the Fund will be exercised exclusively by Marietta Community Foundation, Inc. Marietta Community Foundation, Inc., shall have the right to designate and change investment advisors at any time. Marietta Community Foundation, Inc., shall provide to the Donors an accounting of fund activity on at least an annual basis.
- 4. Purposes.** Under any and all circumstances, the principal and income of the Fund must be devoted exclusively to public charitable uses or purposes as defined in the Articles and Regulations.
- 5. Distributions.** During their lifetimes, Donors reserve the privilege of making written recommendations concerning distributions from the income and/or principal of the Fund. Such recommendations must be made in accordance with the Foundation’s Donor Advised Fund Guidelines. The Foundation Board will give careful and thoughtful attention to all such advice and recommendations. However, in accord with provision of the Internal

Donor Initials _____

Revenue Code that governs community foundations, such advice and recommendations will be solely advisory and not binding upon the Foundation. All grants made by the Foundation from this Fund will acknowledge this Fund as their source.

In accordance with its “power of variance,” the Foundation Board of Directors bears responsibility for redirecting distributions from this Fund if the Donors’ stated intent becomes unnecessary, impractical, incapable of fulfillment, or inconsistent with the charitable needs of the local community. In all such cases, The Foundation Board of Directors will seek an alternative use consistent with the Donors’ charitable goals.

6. ***Not a Separate Trust.*** The assets of the Fund will be the assets of Marietta Community Foundation, Inc. and not a separate trust. The Fund shall be organized and administered so that the Federal Income Tax status of Marietta Community Foundation, Inc. as a public charitable organization under Section 501(c)(3) of the Internal Revenue Code, as amended, will not be adversely affected. This Agreement will be interpreted in a manner consistent with the Federal Income Tax provisions and regulations that govern the operation of the Foundation, and it may be amended from time to time by the Foundation’s Board to conform to such provisions and regulations.
7. ***Irrevocable Gift.*** The Donors understand and declare that this Agreement and the donations it represents are absolute and irrevocable and that, after the execution of this instrument, the Donors shall have no right, title, interest, or incidents of ownership in the property described in EXHIBIT A or any additional property transferred to this Fund. Further, the Donors shall have no unilateral right to alter, amend or terminate this agreement.
8. ***Inactive Funds Policy.*** Should there be no grant distributions for three consecutive years, the fund will become inactive. The Foundation will take steps to activate the fund, including sending notifications to the fund advisor each quarter for a period of one year.

If these attempts to activate the fund are unsuccessful and no grant distributions have been made within the period of one year, then the Board of Directors of Marietta Community Foundation may transition the fund to an unrestricted fund, while still recognizing the donors by keeping the original name of the fund.

9. ***Fund Minimums.*** The Foundation requires a minimum amount of \$2,500 to open a separate component fund. Donors agree to maintain the minimum of \$2,500 throughout the lifetime of the fund.

Donor Initials _____

**EXHIBIT A:
PROPERTY DESCRIPTION**

Property contributed by:

**(Name)
(Address)
(Phone)
(Email)**

to the:

Name of Fund

of Marietta Community Foundation

Pursuant to Establishment of Fund Agreement
Executed the _ of _____, **2023**.

Property Description:

(
(
(

Donor Initials _____

**EXHIBIT B:
STARTER FUNDS**

Donor advised funds may need time to build their fund to the \$2,500 minimum balance before making grants to the community.

The creation of starter funds is subject to the Foundation's approval.

- 1. Fund Establishment:** The starter fund will consist initially of no less than \$1,000, with a pledge to pay the remaining balance within a 36-month period commencing as of the date of this Agreement. Alternatively, Donors may initiate the starter fund with a contribution of \$500 alongside the establishment of a recurring gift of at least \$60 per month, helping to reach the minimum balance more efficiently within the 36-month period.
- 2. Additional Contributions:** Donors are obligated to contribute at least once every 12 months to the starter fund until the stipulated minimum balance is achieved, or the starter fund is formally closed.
- 3. Fund Activation and Management:** Upon reaching the minimum balance and activating the fund for grant disbursement, the Foundation shall promptly inform the Donors, providing requisite information and guidelines for formulating grant recommendations. Additionally, no administrative contributions will be levied, and the funds shall remain uninvested until the activation of the fund.
- 4. Closure Notification:** In the event the starter fund fails to attain the \$2,500 minimum balance within 36 months from the effective date of this Agreement, the existing balance shall be transferred to the Friends of the Foundation Fund, leading to the permanent closure of the starter fund. In such a scenario, the Donor shall bear no further obligation for additional contributions. The Foundation shall communicate in writing to the Donors regarding the transfer and subsequent closure.

Donor Initials _____

**EXHIBIT C:
ADMINISTRATIVE CONTRIBUTIONS**

While Marietta Community Foundation, Inc. is entitled to assess reasonable administrative contributions against the Fund for investment, custody, and administrative services, **at the present time, no administrative fees are assessed.**

Donors have the option of donating to the Friends of the Foundation Fund.

The Friends of the Foundation Fund is directed solely toward the administrative costs of operating the Foundation. In using a separate fund for overhead costs, the Foundation ensures that more unrestricted funds can be used to award grants that address local community needs.

The Board of the Foundation gratefully acknowledges the decision of _____, *Donor name*

the donor, to allocate a contribution on an annual basis in the amount of:

- | | | |
|---|------|---|
| <input type="checkbox"/> \$250.00 lump sum amount | plus | <input type="checkbox"/> 5 percent of annual income earned |
| <input type="checkbox"/> \$_____ lump sum amount | | <input type="checkbox"/> 10 percent of annual income earned |
| | | <input type="checkbox"/> 20 percent of annual income earned |
| | | <input type="checkbox"/> ____ percent of annual income earned |

to the Friends of the Foundation Fund from the _____ fund. *Fund name*

The vitality of the Friends of the Foundation Fund is highly important to the long-term success of the Foundation. Every donor is appreciated and makes a difference. To express our distinct gratitude for those who have chosen to invest sizeable funds in the Foundation's operations, we publicly recognize ~~donors~~ *friends* whose lifetime contributions to the fund accrue \$1,000 or greater.

Please print your name below as you wish for it to appear. If you wish to remain anonymous, please indicate as such.

Name to be listed

I wish to remain anonymous.

Donor Initials _____

**EXHIBIT D:
INVESTMENT & SPENDING**

INVESTMENT ALLOCATION:

_____ *Growth & Income Strategy*

<u>Asset Class</u>	<u>Min.</u>	<u>Max.</u>
Equities	30.0%	45.0%
US Equities	75.0%	100.0%
International Equities	0.0%	25.0%
Alternative	0.0%	10.0%
Fixed Income	50.0%	78.0%
Cash	0.0%	2.0%

_____ *Growth Strategy*

<u>Asset Class</u>	<u>Min.</u>	<u>Max.</u>
Equities	55.0%	75.0%
US Equities	75.0%	100.0%
International Equities	0.0%	25.0%
Alternative	0.0%	5.0%
Fixed Income	20.0%	43.0%
Cash	0.0%	2.0%

_____ *Fixed Income Strategy*

<u>Asset Class</u>	<u>Min.</u>	<u>Max.</u>
Cash	0.0%	100.0%

SPENDING:

_____ All spendable

_____ Income Earned

_____ Spending Policy (Currently 5% of 3-year average of total net assets)

Contact MCF at heather@mcfohio.org or 740.373.3286 if you have questions or need additional information regarding investment options, allocation, or historical performance.

Donor Initials _____

**EXHIBIT E:
SUCCESSION & LEGACY PLANNING**

SUCCESSION

Option 1: _____

Should Donors decease, any principal and accrued earnings or income shall become a part of the unrestricted funds of Marietta Community Foundation. The name of this fund shall be carried forward in honor of the Donors.

Option 2: _____

In the event of the death or incapacity of the initial advisors, _____ shall become a successor advisor(s) to the Fund during the period of such incapacity or, in the event of death, during the lifetime of the successor advisor(s), with authority to recommend distributions from the Fund. If more than one successor advisor is named, _____ shall be the contact for the foundation and the one from whom recommendations will come.

Successor Advisor Contact Information:

Name: _____
Relationship: _____
Address: _____
Phone: _____
Email: _____

Name: _____
Relationship: _____
Address: _____
Phone: _____
Email: _____

LEGACY

If you have named the Fund (or Foundation) as a beneficiary to a retirement account, life insurance policy, or as part of your estate, you are invited to join the 1788 Legacy Society.

The mission of the 1788 Legacy Society is to endow the future of Washington County by preserving its unique culture, history, and tradition.

Please list your name below as you would like it to be listed. If you wish to remain anonymous, please indicate as such.

Name to be listed

I wish to remain anonymous.

Donor Initials _____

**EXHIBIT F:
AUTHORIZATION**

IN WITNESS WHEREOF this instrument has been executed by the Donors and on behalf of the Foundation on the day and year first written above.

Donor

Date

Donor

Date

MARIETTA COMMUNITY FOUNDATION, INC.

By: _____
Roland Riggs, Board Chair

By: _____
Heather Allender, President & CEO

Donor Initials _____