

This agreement (“Agreement”) is made to create a donor advised fund between \_\_\_\_\_ (collectively, “Donor”) and Benton Community Foundation (“BCF”). The terms of this Agreement may be subject to approval by BCF’s Board of Directors and acceptance of the Donor’s gift described herein below; thus, this Agreement shall be effective only upon signature of BCF’s President & CEO.

Upon the effective date of this Agreement, Donor shall transfer to BCF the following gift:

This gift constitutes an irrevocable gift to BCF and is subject to the following terms and conditions:

1. Establishment of Fund. A donor advised fund shall be established as a fund on the books of BCF and known as the \_\_\_\_\_ (the “Fund”). *[OPTIONAL LANGUAGE FOR PAYMENT OVER FIVE YEARS OF GIFTS TO ESTABLISH MINIMUM BALANCE OF NAMED FUNDS: Donor understands and agrees that s/he has five (5) years from the date of the Agreement to raise the minimum balance of \$15,000 required to establish the Fund. All gifts (or the net sales process of the gifts) received for this purpose shall be irrevocable and will be held in a temporarily restricted account until the minimum balance is achieved. Fees shall be deducted monthly from the temporarily restricted account as set forth in Paragraph 2. In the event that total gifts are less than \$3,000 on the 1st anniversary of the date of this Agreement; \$6,000 on the 2<sup>nd</sup> anniversary of the date of this Agreement; \$9,000 on the 3<sup>rd</sup> anniversary of the date of this Agreement; \$12,000 on the 4<sup>th</sup> anniversary of this Agreement; or \$15,000 on the 5<sup>th</sup> anniversary of this Agreement, the account may be closed and the gifts to the account will be treated as unrestricted gifts for use as determined by BCF’s Board of Directors. If circumstances so warrant, BCF staff will work with Donor to ensure that Donor has reasonable time to achieve each financial benchmark prior to account closure. No distributions shall be made from the account until the principal balance of the Fund is at least fifteen thousand dollars (\$15,000). Once the minimum balance is achieved, a donor advised fund shall be established as a fund on the books of BCF and known as the (name of fund) (the “Fund”).*

The Fund shall include the gift transferred with this Agreement, any other gift that donor and/or others may later transfer to BCF for inclusion in the Fund subject to acceptance by BCF board. Assets of the Fund may be commingled for purposes of investment with other assets of BCF. BCF has the sole responsibility to manage and invest the funds and may retain firms or individuals to assist in this responsibility.

2. Administrative Fees. Annual administrative fees will be assessed to the Fund as provided in Schedule A. This fee schedule is subject to periodic review and revision by BCF’s Board of Directors from time to time, but increases in fees, if any, will be effective only upon thirty (30) days written notice by BCF to the Donor.

3. Designation of Fund Advisor. The Donor hereby appoints that individual named in Schedule B as the donor advisor (the “Advisor”) who is authorized to recommend grants from the Fund. The Donor may also appoint one successor advisor who is authorized to act in the event the named advisor is unable or unwilling to act. Changes to the advisor of the Fund may be made only in writing by the original donor(s).

4. Donor Acknowledges that Fund will be Administered Pursuant to Foundation’s Policies. Donor acknowledges that the Fund shall be administered in accordance with all BCF Policies. BCF policies shall be periodically reviewed and amended, and any such revision in effect shall control at any given time.

5. Grant Recommendations. Donor acknowledges and agrees that s/he must maintain a minimum balance of ten thousand dollars in a Donor Advised Fund for the first year after same is established (i.e. the principal of the fund is

at least \$15,000) in order to stabilize the fund in the market. The Advisor is encouraged to make grant recommendations no less than annually for grants to qualified charitable organizations (as further defined in the Fund Policy) as well as school districts, public libraries and other units of government. BCF, in accordance with tax law, retains final discretion over disbursements from all donor-advised funds. Grant recommendations received from the Donor or his/her designee shall be for awards of \$500.00 or more. Donor understands and agrees that BCF will not approve grants to non-charitable organizations, individuals, or for any purpose prohibited by the Internal Revenue Service, as further described in the Fund Policy. Donor and BCF agree that, while the Advisor is not required to recommend grants from the Fund on an annual basis, the Fund will be subject to termination as a donor advised fund if annual distributions of income have not been made for more than 24 months.

6. Termination of DAF Privileges. The Fund will terminate as a donor advised fund in the following events:

- At such time as the last person authorized to act as advisor is unable or unwilling to act in such capacity or voluntarily relinquishes the right to act as advisor.
- If the currently appointed advisor of the Fund fails to recommend grants for a period in excess of 24 months, but only after a 30 day written notice is provided to the current advisor.

Upon termination, the Fund will be closed and the balance remaining will be transferred to BCF's Leadership Fund for use as determined by BCF's Board of Directors.

7. Permission to Use Donor and Fund Name in BCF Publications. Donor (select one of the following options:) *consents/does not consent* to the legal use by the BCF (and its designees) of (*select one or both of the following options:*) *Donor's name and/or Photo and/or the name of Donor's Fund* in any form or medium, for news stories, publicity, and website posting. (*If consent is given, add the following:*) Donor waives any right to inspect or approve the finished products or the copy or printed matter that may be used with the use by BCF of Donor's *name and/or photo and/or the name of Donor's Fund*. Donor hereby releases BCF from any and all claims in connection with the use of Donor's *name and/or photo and/or the name of Donor's Fund*, including any and all claims of libel.

8. Variance Power. Donor acknowledges and agrees that, pursuant to tax law, the board shall have the power to modify any restriction or condition on the distribution of funds for any specified charitable purposes or to specified organizations set forth above, if, in the sole judgment of the board (without the approval of any 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.

9. Fund is Component Part of Foundation. Donor and BCF agree that the Fund shall be a component part of BCF and not a separate entity for tax purposes, and that nothing in this Agreement shall affect the status of BCF 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. BCF is authorized to amend this Agreement to conform to the provisions of any applicable law or government regulation in order to carry out the purposes of the Fund.

**DONOR:**

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

ACCEPTED AND APPROVED by BCF on \_\_\_\_\_.

Date: \_\_\_\_\_  
\_\_\_\_\_  
President/CEO

## SCHEDULE A

### **Annual Fees Charged to Donor Advised Funds of Benton Community Foundation**

The following annual administrative fees will be assessed to all Donor Advised Funds. This fee schedule is subject to periodic review and revision by BCF's Board of Directors from time to time, but increases in fees, if any, will be effective only upon thirty (30) days written notice by BCF to the Donor. The fees are graduated based on the size of the Fund.

|                                 |                 |
|---------------------------------|-----------------|
| The first \$2,000,000           | 1.25% per annum |
| Additional amounts >\$2,000,000 | .75% per annum  |

**DONOR:**

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

## SCHEDULE B

### Donor Appointment of Fund Advisor

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An Advisor is a person currently authorized by the Donor to recommend grants from the above-named Fund. The Advisor shall act until such time as he or she is unable or unwilling to act, or in the event that the appointment as Advisor is revoked in a writing signed by the Donor and delivered to BCF.

|  |
|--|
| Name of Advisor: _____   |
| Address: _____   |
| Relationship to Donor: _____   |
| Phone Number: _____  |
| E-Mail Address: _____  |
| May we use Advisor's Name in our Publications Regarding the Fund? <input type="checkbox"/> YES <input type="checkbox"/> NO |

In the event the Advisor named above is unable or unwilling to act, or in the event that the appointment as Advisor is revoked in a writing signed by the Donor and delivered to BCF, the following individual shall be notified by BCF to serve as Successor Advisor:

|   |
|---|
| Name of Successor _____   |
| Address _____<br><small style="display: flex; justify-content: space-between; width: 100%;">Number &amp; Street                                  City                                  State                                  Zip</small> |
| Relationship to Donor: _____  |
| Work Phone Number _____ - _____ - _____      Cell Phone Number _____ - _____ - _____  |
| E-Mail Address: _____   |
| May we use Successor's Name in our Publications Regarding the Fund? <input type="checkbox"/> YES <input type="checkbox"/> NO  |

|       |       |
|-------|-------|
| Date  | _____ |
| _____ | _____ |
| Date  |       |

**SCHEDULE C**

**Donor Advised Fund Policy**