



Hampton Roads Community Foundation

Inspiring Philanthropy. Changing Lives.

donor advised fund agreement

Thank you for choosing the Hampton Roads Community Foundation to assist you with your charitable giving. We are committed to connecting you with the community and to the causes you care about. Our staff is available to assist you at any time with a wide variety of services, from grantmaking to planned and charitable giving.

This form should be used by a donor wishing to make a gift now to establish the fund and who wants to remain actively involved in the fund's grantmaking over time. Our *Procedures for Establishing and Operating Permanent Donor Advised Funds* will provide you with all the basic information on our Donor Advised Fund program and how it works. If, however, you have any questions about this agreement or the attached procedures, please call us at 757-622-7951.

1 donor information

Donor 1

Full Name (First, Middle, Last)		Preferred Salutation (e.g. Mr. James L. Smith or Jim Smith)	
Home Address	City	State	Zip
Date of Birth	Send mailings to my:	Home <input type="checkbox"/> Office <input type="checkbox"/>	
Business or Organization Name		Position	
Business Address	City	State	Zip
Home Phone	Business Phone	Email	

Donor 2

Full Name (First, Middle, Last)		Preferred Salutation (e.g. Mr. James L. Smith or Jim Smith)	
Home Address	City	State	Zip
Date of Birth	Send mailings to my:	Home <input type="checkbox"/> Office <input type="checkbox"/>	
Business or Organization Name		Position	
Business Address	City	State	Zip
Home Phone	Business Phone	Email	

2 advisor information

Advisor 1*

Check here if advisor 1 is same as the donor 1. You do not need to repeat the information.

Full Name (First, Middle, Last)		Preferred Salutation (e.g. Mr. James L. Smith or Jim Smith)	
Home Address	City	State	Zip
Date of Birth	Send mailings to my:	Home <input type="checkbox"/> Office <input type="checkbox"/>	
Business or Organization Name		Position	
Business Address	City	State	Zip
Home Phone	Business Phone	Email	

*** ALL CORRESPONDENCE WILL BE SENT TO ADVISOR 1, UNLESS OTHERWISE SPECIFIED**

Advisor 2

Check here if advisor 2 is same as the donor 2. You do not need to repeat the information.

Full Name (First, Middle, Last)		Preferred Salutation (e.g. Mr. James L. Smith or Jim Smith)	
Home Address	City	State	Zip
Date of Birth	Send mailings to my:	Home <input type="checkbox"/> Office <input type="checkbox"/>	
Business or Organization Name		Position	
Business Address	City	State	Zip
Home Phone	Business Phone	Email	

3 name your fund

Please choose a name for your fund. Your fund name will appear in foundation materials including our annual report and on our Web site. If you wish your fund to be anonymous, please name it accordingly. (i.e. ABC Fund).

Grants made to charities are accompanied by a letter which includes the fund name (e.g. The John H. Smith Family Fund) and the recognition option you select (e.g. advisor name and address etc.). However, you may also recommend that specific grants be sent anonymously.

4 contributions

The minimum initial contribution is \$25,000. Additional gifts can be made in any amount at any time by the Donor(s) or others. If making a contribution of multiple securities or assets, please attach pages as needed. If transferring stock electronically, please call the Foundation for DTC instructions.

- | | |
|---|---|
| <input type="checkbox"/> Check for \$ _____ | <input type="checkbox"/> Real Estate (Attach detail of property)* |
| <input type="checkbox"/> Publicly Traded Securities ____ Shares
of _____ | <input type="checkbox"/> Closely held stock, Partnership or LLC interest, etc.
(Attach detail of asset)* |
| <input type="checkbox"/> Other _____ | |

*Please contact the Foundation in advance to discuss the details of these types of gifts.

5 investments

The investment philosophy of the Hampton Roads Community Foundation's Master Pool emphasizes long-term results using a diversified portfolio of several different asset classes and strategies. Our objectives are to obtain investment results that will:

- provide reasonable funding for grants over the long-term
- insulate the value of the corpus against inflation, net of charitable distributions and expenses; and,
- provide necessary funding to meet expenses.

Unless indicated below, this fund will be invested in the Master Pool.

Donors may recommend that the fund be invested in the American Funds Portfolio. If you want more information on this option, please check here.

Donors with funds greater than \$1 million may recommend an outside investment manager. If you wish to discuss this option further, please check here.

All investment options are reviewed and approved by the Foundation's investment consultant and investment committee.

6 fees

The fund will be charged an annual administrative fee in accordance with the *Policy on General Support from Component Funds*, adopted and amended from time to time by the Foundation.

7 succession plan

Successor Advisors:

Donors may designate individuals as Successor Advisor(s), who have privileges to make recommendations appropriate for the fund. A Donor may change this designation any time by sending a written request to the Foundation. *If you do not wish to name Successor Advisors, continue to the next page.*

Successor Advisor(s) have privileges to make recommendations appropriate for the fund. You may have one successive generation of advisors. All fund correspondence will be sent to Successor Advisor 1, unless otherwise specified. If more than two advisors are desired, please attach additional information to this form. Furthermore, it is the responsibility of the designated Successor Advisor(s) to contact the Foundation at such time as he/she becomes Advisor(s) to the fund. If we do not hear from the Successor Advisor(s) and are not able to locate him or her within six months of becoming Advisor(s) to the fund, assets will be transferred as stipulated in the succession plan described below.

Successor Advisor 1

Full Name (First, Middle, Last)		Preferred Salutation (e.g. Mr. James L. Smith or Jim Smith)	
Home Address	City	State	Zip
Date of Birth	Send mailings to my:	Home <input type="checkbox"/> Office <input type="checkbox"/>	
Business or Organization Name		Position	
Business Address	City	State	Zip
Home Phone	Business Phone	Email	

Successor Advisor 2

Full Name (First, Middle, Last)		Preferred Salutation (e.g. Mr. James L. Smith or Jim Smith)	
Home Address	City	State	Zip
Date of Birth	Send mailings to my:	Home <input type="checkbox"/> Office <input type="checkbox"/>	
Business or Organization Name		Position	
Business Address	City	State	Zip
Home Phone	Business Phone	Email	

I/We, as the Donor(s), request that the Successor Advisor(s) named assume this responsibility:

on the following date / /

on the death or resignation of the present Advisor(s)

After the Advisory Period:

You may request that portions of your fund be administered in any or all of the following ways upon the death, resignation or incapacity of the fund's last surviving Donor Advisor(s), or if named above, Successor Advisor(s).

- Create a named fund within the Hampton Roads Community Foundation's unrestricted pool to help meet the greatest needs of southeastern Virginia.

- Create a designated fund for the benefit of the organization(s) named below
List organizations here: _____

- Transfer the fund's assets to an existing fund within the Hampton Road Community Foundation as named below.*
List fund name here: _____

* Accounting procedures do not allow assets from this fund to be distributed to an organization's endowment fund held at the Hampton Roads Community Foundation. If you would like to support a specific organization's endowment, create a designated fund for the organization's benefit.

- Create a named scholarship fund. *Please contact the Foundation to discuss your goals for the scholarship fund to ensure that the criteria meet Internal Revenue Service requirements.* The criteria will be developed cooperatively with the Foundation and will be set forth in an addendum to be made part of this fund agreement prior to its execution.

- Create a named field of interest fund to help meet the greatest needs of southeastern Virginia in the following fields.
 - Human Services
 - Education
 - Health
 - Environment
 - Civic Engagement
 - Arts and Culture

8 charitable interests

To help us serve you better please indicate your philanthropic interests. Please check all that apply:

- Human Services
- Education
- Health
- Other interest: _____
- Environment
- Civic Engagement
- Arts and Culture

- Check here if you would like to learn about funding opportunities in your areas of interest.

9 professional advisor

If you are working with a legal, financial, tax or estate planning advisor to establish this fund, please complete the following.

Advisor Name

Firm Name

Mailing Address

City State Zip

Business Phone

E-Mail Address

10 referral

How did you learn about the Hampton Roads Community Foundation? (Please list contact so we may thank him or her.)

- Advisor: _____
- Family/friend/donor: _____
- Foundation employee: _____
- Web site/media: _____
- Other: _____

Would you be willing to be profiled in Foundation materials, (i.e. annual report, newsletter)? Yes No

11 motivation

What motivated you to establish this fund? (Please check all that apply)

- Involve multiple generations in giving
- Benefit the community
- Simplify my annual charitable giving
- Learn about a specific issue
- Memorialize/honor someone
- Reduce tax burden
- Other _____

12 signatures

Donor(s) listed in Section 1 must sign below.

Policies and Procedures

The undersigned have received and reviewed the *Procedures for Establishing and Operating Permanent Donor Advised Funds* and agree to its terms and conditions described therein. The undersigned understand that any contribution, once accepted by the Foundation, represents an irrevocable gift to the Foundation and is not refundable. The undersigned will notify the Foundation in writing of any changes to the information in this application.

Advisory Privileges

The undersigned understand that any recommendations made regarding charitable distributions from the fund are advisory and that final judgment rests with the Board of Directors whose charge is to see that all distributions affirm the charitable purpose for which the fund was created and are within the broad charitable purposes of the Foundation. The Hampton Roads Community Foundation has exclusive legal control over the contributed assets.

Spending Policy

The amount available for distribution for charitable purposes shall be determined each year on the basis of the Foundation's spending policy for permanent funds.

Investments

The Board of Directors shall have full authority and discretion as to the investment of the assets of the Fund.

Variance Power

It is understood and agreed that all funds held in the Fund shall be subject to the terms of the charter and by-laws of the Hampton Roads Community Foundation. Further, the undersigned understand that the Board of Directors may modify the purpose of any gift if, in its sole judgment, such purpose becomes undesirable, impracticable or impossible of fulfillment.

Donor 1

Signature

Name (Please Print)

Date

Donor 2

Signature

Name (Please Print)

Date

Hampton Roads Community Foundation

By

Title

Date

Hampton Roads Community
Foundation
101 W. Main Street, Suite 4500
Norfolk, VA 23510
(p) 757-622-7951
(f) 757-622-1751
www.hamptonroadscf.org



Hampton Roads Community Foundation

Inspiring Philanthropy. Changing Lives.

Procedures for Establishing and Operating Permanent Donor Advised Funds

authorization

The Hampton Roads Community Foundation (the “Foundation”) has authorized the establishment of Donor Advised Funds by resolution of the Board of Directors adopted on December 18, 2000 and last amended September 11, 2007. These procedures may be amended from time to time when deemed necessary or desirable.

definition

A Donor Advised Fund at the Hampton Roads Community Foundation is a permanent component fund where, for a limited period of time, the Donor (or persons designated by the Donor) may make non-binding recommendations to the board of directors of the Foundation suggesting charitable organizations to receive grants from the fund. At the end of the advising period, the fund will be classified as an unrestricted, field of interest, scholarship or designated fund as established in the fund agreement.

nature and terms of contributions

Each Donor Advised Fund will be subject to the terms of the articles of incorporation and by-laws of the Hampton Roads Community Foundation. Contributions to Donor Advised Funds represent irrevocable gifts subject to the legal and fiduciary ownership and control of the Foundation’s board of directors. The Hampton Roads Community Foundation has exclusive legal control over the contributed assets. A Donor may not impose any material restriction or condition that prevents the Foundation from freely and effectively employing the contributed assets, or income derived therefrom, in furtherance of a charitable purpose of the Foundation.

role of donors

The Foundation welcomes the involvement and recommendations of its Donors with respect to distributions from Donor Advised Funds, but such recommendations are advisory only and are in no way binding upon the Foundation.

starting a donor advised fund

The minimum amount to establish a Donor Advised Fund is \$25,000. Gifts may be added to the fund at any time and in any increments by the Donor or other donors to assure the continuation and growth of the fund.

spending policy

Each year the Foundation calculates an amount available for distribution for all component funds, including Donor Advised Funds. Currently, the spending policy is to distribute 4.5% of the average asset value over twelve trailing quarters, or the number of quarters since the Fund was established if less than twelve. The Foundation reviews this spending policy annually.

distributions

Advisor recommendations on grant distributions will be considered if offered through a completed Donor Recommendation Form submitted in writing, by fax, by e-mail or online through Fund Xpress. Grant recommendations should be of a minimum amount of \$250 per grantee organization. Unless otherwise requested on the Donor Recommendation Form or in the establishing agreement, any distribution from a Donor Advised Fund will identify the grantee organization and the name of the Fund from which the distribution is made. Grants of \$25,000 or less to organizations described in Section 501(c)(3) and 170(b)(1)(A) of the Internal Revenue Code may be approved by the president/CEO of the Foundation. Recommendations for grants over \$25,000 may have to await board approval at the next regularly scheduled quarterly board meeting. Donors will receive a quarterly fund statement, generally within 30 days of the close of the quarter, which provides a summary of a fund’s asset value and any activity in the fund.

Procedures for Establishing and Operating Permanent Donor Advised Funds (cont'd)

evaluation of donor recommendations

In evaluating recommendations for distributions from Donor Advised Funds, the Foundation staff investigates all prospective grant recipients. The Foundation also provides a list of charitable organizations that have been previously approved by the Board of Directors for distributions to facilitate grantmaking. All distributions from Donor Advised Funds must be either approved or ratified by the Foundation's board of directors.

restrictions on distributions

Fund distributions will not be made for any purpose or to any organizations that would provide more than an incidental benefit to the Donor, Advisor or any related party in exchange for, or in connection with, the recommended distribution. Distributions from Donor Advised Funds may not be used to satisfy pledges made by Donors, Advisors or related parties. Distributions may not be made to the Donor, Advisors or related parties as grants, loans, compensation or similar payments. It is the Foundation's policy that distributions from Donor Advised Funds may not be made to individuals, to organizations for the benefit of specific individuals or to certain supporting organizations described under Section 509(a)(3) of the Internal Revenue Code. Distributions to international organizations or agencies may require approval of the Foundation's Board of Directors before any distribution is made.

additional advisors

The privilege of making recommendations shall be extended to those individuals listed in the agreement establishing the fund. Generally, advisory privileges are limited to one generation of successor(s) beyond the Donor(s) establishing the fund. All requests to change or add advisors must be communicated in writing by the Donor(s) establishing the fund.

conflict of terms

In the event of inconsistency between these procedures and any procedures, terms, or conditions appearing elsewhere in connection with any fund, these procedures, as interpreted by the Foundation, shall govern, and the Foundation 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 fund or the Foundation.



Hampton Roads
Community Foundation

Inspiring Philanthropy. Changing Lives.

Policy on General Support from Component Funds

The Foundation depends on annual support from administrative fees assessed on component funds to provide general philanthropic services to the community and to support its community leadership activities. In keeping with the charitable purposes of the Foundation, our objective is to keep operating expenses at a moderate level and to provide a high quality service to all donors and charitable organizations.

Services provided by the Foundation to donors include administrative, audit, grantmaking, grantee accountability and reporting functions specific to each component fund. Foundation staff also research program models to assist donors in the design of a focused or special purpose grant program. In cases where special grant administrative services may be required, direct costs to the Foundation will be reimbursed by the fund in addition to the annual contribution made for general support.

Services provided by the Foundation to charitable organizations include information and referral and community workshops on Foundation programs and related matters.

Annual support from component funds is based on the type of fund established. The support contribution percentage shown below is applied to the trailing twelve-quarter average asset value or the number of quarters the fund has been in existence if fewer than twelve. Typically, the support contribution is calculated as of September 30 of the prior year; however, if the fund is received in the fourth quarter of a given year, the December 31 asset value will be used to calculate the support contribution of the fund for the first year.

Any direct costs incurred to evaluate, acquire or sell a complex gift asset, such as real estate, partnership interest, or closely held stock, will reduce the net proceeds credited to the beneficiary fund.

Fund Type	Fee
Unrestricted Fund	1.00%
Field of Interest Fund	1.00%
Designated Fund	.75%
Permanent Organizational Fund	.75%
Scholarship Fund	1.00%
Current Use Fund*	2% of gifts plus investment earnings
Endowed Donor Advised Fund*	
First \$100,000	1.00%, \$500 minimum
Next \$400,000	.85%
Next \$500,000	.70%
\$1 million- \$4,999,999	.65%
\$5 million +	.50%
Supporting Organizations	
\$2.5–10 million	.75% to .50% (plus direct costs)
\$10-25 million	.50% to .35% (plus direct costs)
\$25 million +	.35% to .15% (plus direct costs)

*International Grant Recommendations: A fee to cover legal expenses will be assessed based on actual costs for determining charitable status of any recommended organizations outside the U.S. In addition, the Foundation charges the fund a \$50 fee per grant made to charitable organizations outside the United States.