

**NON-ENDOWED  
DONOR ADVISED FUND AGREEMENT**

THIS FUND AGREEMENT (“Agreement”) is made as of this \_\_\_ day of \_\_\_\_\_, 20\_\_\_ between THE DELAWARE COUNTY COMMUNITY FOUNDATION, a community foundation (“DCCF”), and \_\_\_\_\_ (“Founding Contributor(s)”), to establish a donor advised fund of DCCF.

**Background**

**Whereas** the Founding Contributor(s) desire to create a non-endowed donor advised fund within DCCF; and

Whereas DCCF is a Pennsylvania nonprofit corporation exempt from taxation under Section 501(c)(3) of the Internal Revenue Code (as currently existing and subsequently amended hereinafter called the “Code”) and classified as a public charity under Section 170(b)(1)(A)(vi), and accordingly an appropriate institution within which to establish such a fund; and

Whereas DCCF is willing and able to create this fund, subject to the terms and conditions hereof; Now therefore, the parties agree as follows:

**1. Creation of the Fund.**

Initial Contribution. Founding Contributor(s) hereby contribute \$\_\_\_\_\_ to DCCF to create the \_\_\_\_\_ (the “Fund”). The Founding Contributor(s) or any other person or organization may make a subsequent contribution to the Fund upon acceptance by DCCF. All contributions to the Fund shall be administered pursuant to the terms and conditions of this Agreement. All donations to the Fund are irrevocable upon acceptance by DCCF.

**2. Purpose of Fund.**

(a) The purpose of the Fund is to provide funds for \_\_\_\_\_.

(b) In the event that the purpose becomes unnecessary, incapable of fulfillment or inconsistent with the charitable needs of the community, DCCF shall have the right to use the funds for \_\_\_\_\_.

(c) In the event that the alternate fund use cannot be fulfilled, DCCF may, at DCCF’s discretion, move the Fund to a DCCF field of interest fund most closely reflecting, in DCCF’s discretion, the original purpose of this Fund or to the DCCF general fund.

**3. Distributions from the Fund.**

It is the general policy of the Delaware County Community Foundation, with non-endowed funds, to distribute the principal in consultation with the advisor. These recommendations, however, shall be solely advisory and may be rejected or accepted.

Use only with funds with beginning balance under \$10,000

As the initial contribution to this Fund is less than DCCF's minimum of \$10,000 for distributions, the Founding Contributor(s) agree to contribute or obtain contributions within three years of the date of this Agreement to bring the Fund balance to at least \$10,000 and agree that no distributions may be made from the Fund until the Fund balance exceeds \$10,000 (although fees will be charged and paid during such period). If the Fund balance does not reach \$10,000 within the three year period, DCCF may, at its discretion, terminate this Fund and move its balance to DCCF's field of interest fund most closely reflecting, in the Board's determination, the original purpose of the Fund, or to DCCF's general fund if no specific original purpose has been specified. If the Fund is terminated hereunder, DCCF shall not be obligated to treat the amount transferred as an endowment and may expend so much of the amount transferred as it wishes at any time.

**4. Donor Advised Fund.**

(a) The Founding Contributor(s) may advise DCCF in writing from time to time on the distribution of the Fund and on investment of the Fund in accord with investment vehicles approved by DCCF. In addition, the Founding Contributor(s) may designate in writing one or more persons to advise DCCF in the event of the withdrawal, incapacity or death of the Founding Contributor(s) so long as the successor advisors shall live. (See addendums A & B)

(b) If more than one person shall have the right to advise DCCF at any time and the Founding Contributor(s) shall not have designated a spokesperson for the advisors, a majority of those who have a right to advise shall notify DCCF in writing of the spokesperson who shall communicate with DCCF on their behalf. DCCF may rely upon such notification until changed by written notice executed by a majority of such persons, and shall not be obligated to consider advice without the designation of a spokesperson.

(c) In the event that no one advises DCCF on the distribution of the Fund for three consecutive calendar years, DCCF may deem that no one has an interest in advising with respect to the Fund, and may terminate such rights after sending two written notices (the second notice not less than thirty days after the first notice) to the last known address of the last designated adviser or spokesperson. If there is no response to the written notices, within sixty (60) days of the second notice, the Fund may, at DCCF's discretion, be moved to the DCCF general fund.

**5. Administration.**

(a) DCCF shall administer the Fund in accordance with the terms of this Agreement, under and subject to DCCF's governing instruments, as amended from time to time, and in accordance with procedures for the administration of similar funds of DCCF, including charges for DCCF services. The Fund, distributions from the Fund and investments of the Fund, shall be subject to the ultimate control and absolute discretion of DCCF.

(b) No distribution shall be made from the Fund to satisfy a pledge or other commitment of the Founding Contributor(s) or any other person with the right to advise DCCF or which would create a taxable event for DCCF or the Fund's donors or advisers.

(c) Any recipient of benefits from the Fund shall be advised that such benefits are from the Fund.

(d) The Fund is intended to be a component part of DCCF.

(e) DCCF will report to the Advisers, at least quarterly, the status of the Fund, including contributions received, net earnings, administrative fees, and distributions made during the quarter.

(f) Charges shall be assessed against the Fund consistent with the charges assessed from time to time against similar funds of DCCF. The current administrative fees on funds similar to this Fund are:

1. A one-time deposit fee of 1% or \$250 whichever is greater, is charged on initial fund deposits.
2. All subsequent additions to this fund are subject to a one time investment fee of 1%.
3. The current annual administrative fee on funds similar to this Fund is 1%.

This fee will be assessed at ¼ of the annual fee per quarter, on the fund balance at the end of each quarter.

**6. Agreement Irrevocable; Limited Power of Amendment.**

This Agreement may be amended by written agreement of DCCF and the Founding Contributor(s), or if the Founding Contributor(s) are deceased or disabled by a majority of those with a right to advise DCCF so long as no such amendment would disqualify any contribution from treatment as a charitable contribution for federal income tax purposes or jeopardize the status of the Fund as a component part of DCCF or the charitable exempt status of DCCF. In addition, DCCF shall have the power, acting alone, to modify the terms of this Agreement to the extent necessary to ensure such qualifications.

**7. Controlling Law.**

This agreement shall be governed in all respects by the laws of the Commonwealth of Pennsylvania, without regard to conflicts of law principles.

IN WITNESS WHEREOF, DCCF and the Founding Contributor(s) have executed this Agreement.

Attest: DELAWARE COUNTY COMMUNITY FOUNDATION

\_\_\_\_\_ By: \_\_\_\_\_

Title: \_\_\_\_\_

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

Witness: FOUNDING CONTRIBUTOR

\_\_\_\_\_

Date \_\_\_\_\_

Witness: FOUNDING CONTRIBUTOR

\_\_\_\_\_

Date \_\_\_\_\_

## Addendum A

### Designation of Spokesperson

I/We designate as spokesperson to advise DCCF, provided that, IF THIS AGREEMENT IS SIGNED BY TWO FOUNDING CONTRIBUTOR(S), upon the death or incapacity of the spokesperson during the life of the other Founding Contributor(s), the other Founding Contributor(s) shall become the advisor.

In the event of my/OUR withdrawal, incapacity or death of the survivor of us, We designate \_\_\_\_\_ to advise DCCF on the distribution of the Fund.

If more than one person has been designated, shall be the spokesperson.

We retain the right to revoke this designation and to designate a different [Advisor] ADVISER or persons to advise DCCF in writing at any time in the future.

Date: \_\_\_\_\_  
\_\_\_\_\_ Founding Contributor

\_\_\_\_\_  
Founding Contributor

#### Name and Address of Designated Advisor(s):

Name \_\_\_\_\_  
Address \_\_\_\_\_  
City, State, Zip \_\_\_\_\_  
Contact phone \_\_\_\_\_  
Contact Email \_\_\_\_\_

Name \_\_\_\_\_  
Address \_\_\_\_\_  
City, State, Zip \_\_\_\_\_  
Contact phone \_\_\_\_\_  
Contact Email \_\_\_\_\_

## Addendum B

### **Available Investment Pools at Date of Agreement**

The percentages listed below are the target ranges according to the DCCF Investment Policy. (The asset allocation within these investment pools is subject to change at any time)

<b>DCCF Pool Options</b>	<b>Investment Horizon</b>	<b>Cash Equivalents</b>	<b>Short-Interim Bonds</b>	<b>Fixed Income</b>	<b>Large Cap Equity</b>	<b>Small Cap Equity</b>	<b>International Equity</b>
<b>Long Term Pool</b>	5+ years	10% to 15%	0%	20% to 40%	25% to 40%	5% to 15%	15% to 25%
<b>Medium Term Pool</b>	2-5 years	15% to 25%	15% to 25%	35% to 45%	15% to 25%	5% to 15%	5% to 15%
<b>Short Term Pool</b>	6 mos. to 2 years	25% to 55%	45% to 75%	0%	0%	0%	0%

### **Choice of Investment Pool**

Non-endowed funds are expected to spend their entire balance at some time in the future. As such, non-endowed funds require more liquidity and should be invested based on the length of time they are expected to function. Only one of the three available pools may be selected for the Fund. Assets may not be divided among multiple pools

The final determination of the investments of each donor-advised fund, as well as the selection of the underlying investments in each pool, are the responsibility of and must be made by the Delaware County Community Foundation.

The Donor(s) /Advisor(s) request the following pool for the \_\_\_\_\_ Fund.

- Long Term \_\_\_\_\_
- Medium Term \_\_\_\_\_
- Short Term \_\_\_\_\_

Signature \_\_\_\_\_ Date \_\_\_\_\_