

Fund Agreement

Please Complete This Form to Establish a:

Donor Advised Fund

at

The Boston Foundation

Return to:

The Boston Foundation, 75 Arlington Street, Boston, MA 02116



- Planned Gift:** Bequest IRA/retirement plan assets
 Charitable remainder trust Life insurance
 Charitable gift annuity Charitable lead trust
 Other _____

Other:

\$ _____ Description: _____

Contributions are Irrevocable

All gift contributions made to the Boston Foundation become assets of the Boston Foundation and are irrevocable as tax deductible gifts. The Boston Foundation reserves the right to review and approve all contributions.

D. HOW DID YOU LEARN ABOUT THE BOSTON FOUNDATION?

- Professional Advisor
Name: _____
___ Estate Planning Attorney
___ Accountant
___ Financial Advisor
- Current Donor
Name: _____
- Boston Foundation Publications
(Newsletter, annual report, research)
- Media coverage
- The Boston Foundation web site
- Family/Friend
Name: _____
- Foundation employee
Name: _____
- Other _____

II. Fund Information

A. DONOR ADVISED FUND *(Minimum gift of \$10,000)*

The Primary Donor(s) may name additional Fund Advisors authorized to access fund information and recommend grants.

- Primary Donor(s) is/are the only Fund Advisors
- Name additional Fund Advisors
- 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 _____

I/We prefer to be contacted via: Email Home phone Work phone Mail

Relationship to Primary Donor: _____

Additional Fund Advisor 2

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

Mailing Address: Home Work

Street City State Zip Code

Phone _____
Home Work

Email _____

I/We prefer to be contacted via: Email Home phone Work phone Mail

Relationship to Primary Donor: _____

Attach additional advisors on a separate piece of paper.

B. INVESTMENT SELECTION

Investment performance and fee information is available at www.tbf.org or through the Development Office at 617-338-1218.

Fund for the 21st Century

The Boston Foundation's primary investment portfolio, the Fund for the 21st Century, is broadly diversified across asset classes and investment styles and recommended for longer giving timeframes.

Money Market Fund

Recommended for shorter giving timeframes.

C. GRANTMAKING ANONYMITY

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

Advisor name anonymous.

Fund name anonymous.

Both Fund name and Advisor name anonymous.

III. Signature

I/We acknowledge that I/we have read and agree to the Boston Foundation's *Terms and Conditions*, (see pages 5 to 9) and agree to the policies described therein. I/We understand that the transfer of the property described above is an irrevocable gift to the Boston Foundation and is not refundable to me/us.

For the Donor(s):

Signature

Date

Signature

Date

For the Boston Foundation, Inc.

Signature

Date

Title

Terms and Conditions

All gifts are subject to the Boston Foundation's Terms and Conditions as may be amended from time to time at the Foundation's sole discretion.

FUND PERMANENCE

Unless otherwise indicated, grants from a Donor Advised Fund will be made from both income and principal. Founding donors wishing to create a *permanent* charitable legacy may do so by electing to distribute income only, as defined by the Foundation's Spending Rule (see page 8). Should the fund be permanent, successor generation advisors to the Donor Advised Fund may not change the distribution arrangement selected by the Founding donor. Please contact the Development Office at 617-338-1218 for more information and options.

FUND ADVISOR

Upon establishing a Donor Advised Fund, the Primary Donor may choose to name one or more Fund Advisors authorized to access information regarding the fund and make grant recommendations. All Fund Advisors will receive quarterly statements by email. 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 advisors must be communicated to the Foundation in writing. Such requests will be accepted from the founding donor, or other advisors if the founding donor is not a current advisor. There is no limit to the generations of successor advisors that can be named. Should the Fund Advisor be deceased, unwilling, or unable to serve or cannot be located, and a successor advisor has not been named, the balance of the fund will be moved to The Permanent Fund for Boston, Greater Boston's endowment.

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, successor advisors must be communicated to the Foundation in writing by the organization and/or the appointed committee.

GRANTS FROM ADVISED FUNDS

MAKING GRANT RECOMMENDATIONS

Grants of \$250 or more may be recommended to a qualified 501(c)(3) public charity or operating foundation in the United States. Grant recommendations are processed within seven business days of receipt, provided that the Foundation has received, or has in its files, all necessary documentation from the organization. Grants will be designated for general operating support unless otherwise noted by the Fund Advisor. Grant recommendations can be submitted online through Advisor Xpress using a secure ID and password supplied by the Foundation. An unlimited number of grant suggestions can be made, and Advisor Xpress provides access to a list of previously approved grants to facilitate grant resubmissions. Alternatively, donors may fax or mail a Grant Suggestion Form to the Foundation. Donors receive confirmation via email or mail that grant suggestions have been approved and paid.

INTERNATIONAL GRANTS

Grants to international organizations with a U.S. 501(c)(3) determination are subject to the Foundation'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 the Philanthropic and Donor Services Office for more information.

GRANT LIMITATIONS

The Foundation must verify that all organizations recommended for grants are classified as a public charity under Section 501(c)(3) of the Internal Revenue Code and, if needed, will request documentation from the organization. Additionally, the Foundation checks for any information that might raise questions about the organization's commitment to public accountability, and/or commitment to diversity and equal opportunity, and contact the organization if additional information about its mission and purpose is needed. In the event that a matter of concern should surface, the Foundation will advise the donor prior to releasing the grant.

U.S. Government regulations do not permit grants for memberships, sponsorships, tickets, or for the fulfillment of a donor's pledges. Grants may not be made to individuals and cannot provide a benefit to the donor or Fund Advisor. Any grant that provides personal benefit risks significant penalties to the donor and the Foundation. Donor Advised Fund grants may not go to private, non-operating foundations.

GRANTMAKING ACCOUNT

In order to maintain adequate liquidity for grantmaking, an amount equal to the Foundation's Spending Rule (see page 8) is transferred out of the Fund's principal account and into the Fund's cash account on a quarterly basis. Fund advisors who have chosen Fund Permanence will have annual grantmaking restricted to the grantmaking account.

LOW BALANCE FUNDS

The Foundation periodically reviews funds with balances under the Foundation's \$10,000 minimum, and will contact the Fund Advisor 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-permanent fund, with a balance below the Foundation'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 will be terminated and the balance moved to The Permanent Fund for Boston.

LOW ACTIVITY FUNDS

The Foundation encourages Fund Advisors to retain an active role in their Donor Advised Fund. In order to carry out its mandate of distributing charitable dollars to the community, the Foundation periodically reviews the grantmaking activity of all Donor Advised Funds. Should a fund not make any grants over a five year period, the Boston Foundation will contact the advisor(s) to discuss intentions for the fund. At that time, the advisor(s) will be given the following options:

- To recommend the balance of the grantmaking account be granted to one or more 501(c)(3) public charities of their choice.
- To recommend that the balance of the grantmaking account be transferred to The Permanent Fund for Boston, to meet the most pressing needs of the Greater Boston region, or to one of the Foundation's Field of Interest Funds.
- To provide a plan for funding a specific charitable project that requires an accumulation of resources for more than a five year period.

In the event that the advisor(s) cannot be located or is/are unresponsive, the balance of the fund's current grantmaking account will be transferred to The Permanent Fund for Boston.

FUND EXPENSES

Each fund will be allocated a portion of the Boston Foundation's administrative and an investment expenses as set forth below.

ADMINISTRATIVE EXPENSES

Administrative expenses are deducted in four quarterly installments based on the Fund's principal balance on December 31 of the previous year. Expenses are reviewed annually by the Boston Foundation's Board of Directors, and are subject to change at the sole discretion of the Boston Foundation. Notice of any changes in expenses will be given prior to implementation. Contact the Development Office for current fund expenses.

Administrative expenses for Donor Advised Funds 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. Expenses also support online fund access through Advisor Xpress and most of the Foundation's extensive donor services designed to enhance advisors' giving and philanthropic experience.

INVESTMENT EXPENSES

The Boston Foundation has negotiated competitive fees from investment managers not typically available to individual investors. Funds are responsible for an allocable portion of these fees as investment expenses. Such expenses are charged directly to the earnings, with net earnings credited to the fund. Investment fees are subject to change in the sole discretion of the Boston Foundation and its investment managers. For current investment expenses, contact the Development Office.

ADDITIONAL EXPENSES

PASS-THROUGH FEE

Funds that grant out the entire fund balance within 12 months of being established may incur an additional 1% charge.

COMPLEX GIFT FEE

Gift assets that require special review, such as real estate, limited partnership interests, or closely-held stock may incur additional fees to cover tax, legal or other Foundation expenses associated with the transaction. Contact the Boston Foundation's Development Office for more information.

TAX STATUS

All funds at the Boston Foundation are component funds and assets of the Boston Foundation, Inc., and, as such, any contribution to a component fund is automatically treated as a gift to a **501(c)3 public charity**.

TAX IMPLICATIONS

As a **public charity** under Sections 501(c)(3) and 170(b)(1)(a) of the Internal Revenue Code, initial and subsequent contributions made to the Boston Foundation currently receive the maximum charitable deduction permitted under state and federal law. Each gift to the Boston Foundation is acknowledged with a receipt confirming the date of the gift for the donor's tax records.

Note: The Boston Foundation is not a licensed tax advisor. Donors should work with their financial, tax or legal professional to determine the best charitable giving strategy for their needs.

SPENDING RULE

The Boston Foundation uses a Spending Rule policy to determine the amount available for annual grantmaking from the Permanent Fund for Boston, Field of Interest Funds and Designated Funds. Donor Advised Funds are not required to adhere to the Spending Rule. Call the Development Office for the current rate and information on how the Spending Rule is calculated.

CONTROL OF ASSETS/MATERIAL RESTRICTIONS

In order for a contribution to be treated as a charitable gift, the IRS requires that the Boston Foundation 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 the Boston Foundation are subject to the Boston Foundation's variance power, as stated in the Article 4.7 of the Articles of Organization, which gives the Board of the Boston Foundation the right to redirect the use of any fund in the event that, over time, the distributions from an endowed fund have become unnecessary or incapable of fulfillment due to the changing needs of the community. For example, a fund set up early in the 20th century for research and treatment of polio, no longer considered a threat to public health, might be redirected to a more pressing current medical need in the community.

TRANSFERS

Neither party to a fund may transfer or assign a fund or its obligations to a third party without the prior written consent of the other party. The advised function of any fund cannot be assigned without the approval of the Boston Foundation.

DISPUTES

The fund agreements between donors and the Boston Foundation are governed by the laws of the Commonwealth of Massachusetts 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 of Massachusetts.

CONFLICT OF TERMS

In the event of an inconsistency between the Terms and Conditions in these Guidelines and any terms and conditions appearing elsewhere in connection with any component fund, these terms and conditions 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 component fund.

THE BOSTON FOUNDATION'S PRIVACY POLICY

The Boston Foundation deeply values its relationship of trust with its Donors and Fund Advisors. The Foundation's Confidentiality Policy governs the maintenance of personal data and provides that the Foundation 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 at: www.tbf.org/privacy.aspx.

About the Boston Foundation

The Boston Foundation, Greater Boston's community foundation, is one of the oldest and largest community foundations in the nation. The Foundation is made up of hundreds of separate charitable funds established by donors either for the general benefit of the community or for special purposes. The Boston Foundation serves as a major grantmaker, civic leader, provider of information, convener, and sponsor of special initiatives designed to address the community's and region's most pressing challenges. For more information about the Boston Foundation, visit www.tbf.org or call 617-338-1700.

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