

# THE PHILADELPHIA FOUNDATION

The Power of Endless Possibilities.™

## DONOR-ADVISED FUND AGREEMENT (Endowed)

THIS FUND AGREEMENT (“Agreement”) is made this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ between THE PHILADELPHIA FOUNDATION, a community foundation (“Foundation”), and \_\_\_\_\_ (“Donors”), to establish a donor-advised fund of the Foundation.

### 1. Creation of the Fund.

Initial Contribution. The Donors hereby contribute \$ \_\_\_\_\_ to the Foundation to create the \_\_\_\_\_ Fund (“Fund”). The Donors or any other person may make a subsequent contribution to the Fund. All contributions to the Fund shall be administered pursuant to the terms and conditions of this Agreement. The Fund shall be held by The Philadelphia Foundation, Inc.

### 2. Purpose of Fund.

(a) The purpose of the Fund is to support \_\_\_\_\_.

(b) In the event that the Donors or their successor advisors are no longer advising on distributions from the Fund, the Fund shall be used by the Foundation for the purposes described in section 2(a).

(c) In the event that it becomes unnecessary, undesirable, impractical or impossible to utilize funds for such purposes described in section 2(a), the Foundation shall have the right to utilize the Fund for such other charitable purposes as it deems appropriate in accordance with its governing instruments.

### 3. Distributions from the Fund.

(a) No distributions shall be made from the Fund until after the first time it reaches a balance of \$10,000.00. The minimum fund balance of \$10,000.00 must be reached within a period of three years from the date this agreement is signed by the Donor.

(b) The Foundation shall make distributions from the Fund in accordance with a Spending Policy adopted by the Foundation’s Board of Managers for component funds of the Foundation. The Spending Policy is designed to allow the funds to be invested on a “total return” basis to maintain and, if possible, increase the real value (as adjusted for inflation) of the funds, while at the same time providing a relatively steady and predictable level of funding for grantees. The Spending Rate in effect on the date hereof provides for the Foundation to spend annually 5% of the average fair market value of the Fund calculated over 20 trailing quarters. The administrative fee of 1% (or \$250 minimum) is included in this spending policy.

(c) The Foundation has a non-discrimination policy that is applicable to all grantees. The Foundation will not issue grants to any organization which discriminates on the basis of race, color, religion, national

origin, sex, gender identity, sexual orientation, age, disability, or any other legally protected characteristics.

#### **4. Donor-Advised Fund.**

(a) The Donor(s) or successor advisors as indicated on Addendum (A) may advise the Foundation in writing from time to time on the distribution of the Fund. In addition, the Donor may designate in writing one or more persons to advise the Foundation in the event of the withdrawal, incapacity or death of the Donor.

(b) If more than one person shall have the right to advise the Foundation at any time, and the Donor shall not have designated a Spokesperson as the advisor, those who have a right to advise shall unanimously notify the Foundation in writing of the Spokesperson who shall communicate with the Foundation on their behalf. The Foundation 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 the Foundation on the distribution of the Fund for three consecutive years, the Foundation may deem that no one has an interest in advising with respect to the Fund, and may terminate such rights after written notice to the last known address of the last designated spokesperson.

#### **5. Administration.**

(a) The Fund is intended to be a component part of the Foundation.

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

(c) No distribution shall be made from the Fund to satisfy a pledge or other commitment of the Donor, advisors, parties related to the Donor, or any other person with the right to advise the Foundation on distributions from the Fund.

(d) No distribution shall be made from the Fund to individuals, either in the form of checks written directly to an individual or to an entity for the benefit of a specified individual.

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

(g) Charges shall be assessed against the Fund consistent with the charges assessed from time to time against similar funds of the Foundation. The foundation reserves the right to increase fees provided the changes are consistent with similar funds. Currently, a fee of 1% (\$250 minimum) shall be assessed annually on the Fund according to the Spending Policy in effect at the time of this signing as indicated on 3(b). In addition, all contributions will be charged a processing fee, currently 1% of each new gift.

#### **6. Gift Irrevocable; Limited Power of Amendment.**

Gifts to this Fund are irrevocable. The parties or authorized representatives may amend this Agreement by mutual written consent. In addition, for the purpose of ensuring that the Fund qualifies as a

component part of the Foundation for federal tax purposes, the Foundation acting alone shall have the power to modify the terms of this Agreement.

**7. Controlling Law.**

This agreement shall be governed in all respects by the laws of the Commonwealth of Pennsylvania. IN WITNESS WHEREOF, the Foundation and the Donor have executed this Agreement.

Attest:

**THE PHILADELPHIA FOUNDATION**

\_\_\_\_\_

By: \_\_\_\_\_  
Authorized Officer

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

Witness:

**DONORS**

\_\_\_\_\_

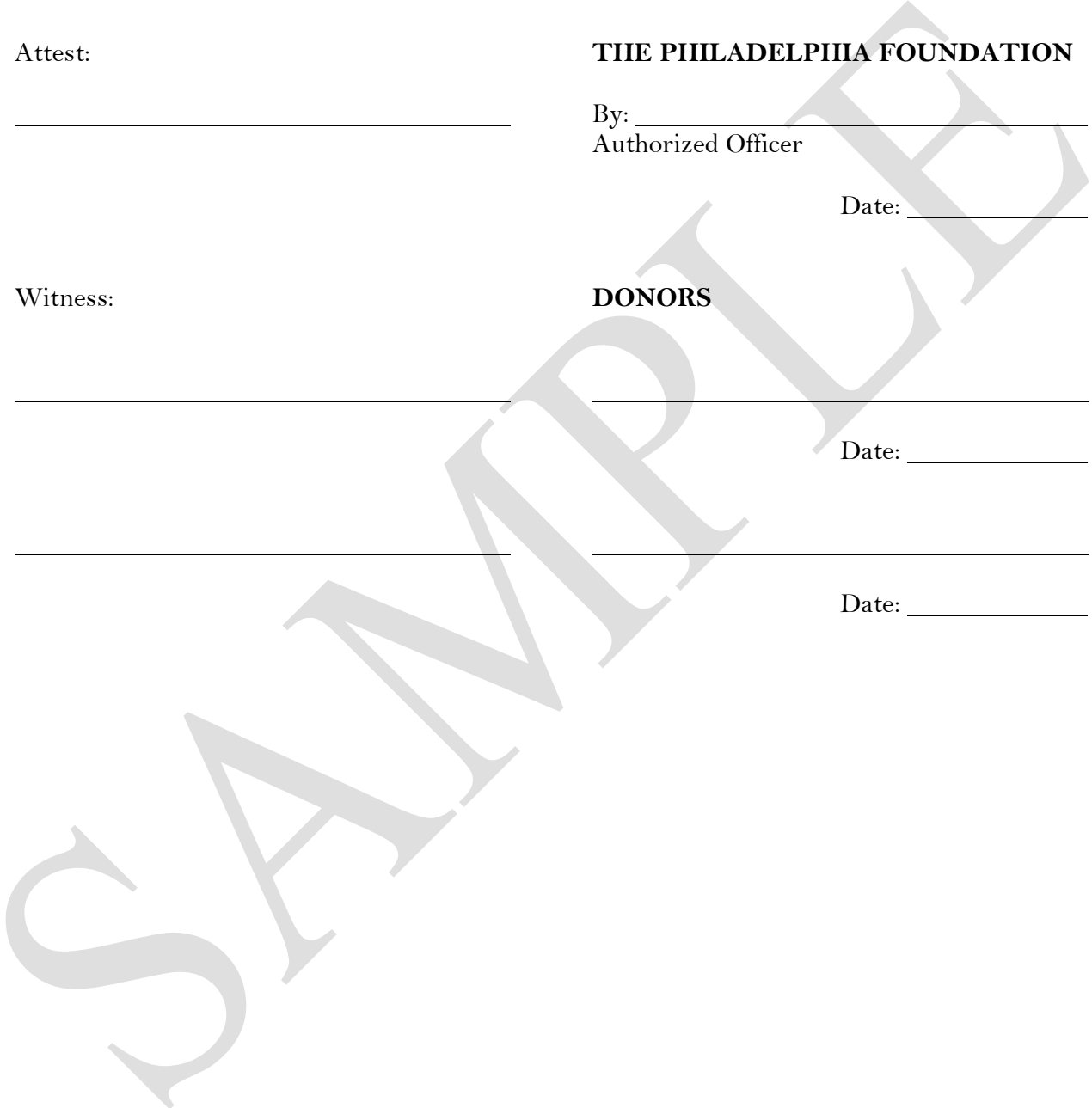
\_\_\_\_\_

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

\_\_\_\_\_

\_\_\_\_\_

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



## Addendum A: Advisors

*When choosing a successor advisor for a donor advised fund, please consider the following:*

The Donors may advise the Foundation in writing from time to time on the distribution of the Fund. In addition, the Donors may designate in writing one or more persons to advise the Foundation in the event of the withdrawal, incapacity or death of the Donors.

A donor advised fund allows for successor advisors so long as they are alive when the fund is established and are 18 years of age when they become a successor advisor. Should a minor child be named, he/she may not participate individually on behalf of the fund, but may do so in conjunction with a named advisor of legal age who will have authority to submit grant recommendations on their behalf.

The Philadelphia Foundation limits the number of successor advisors on a donor advised fund to two after which time the Fund becomes either a designated, field of interest or unrestricted fund of The Philadelphia Foundation, as determined by the founding donor.

If multiple successor advisors are named, one must be designated as the primary advisor. The primary advisor should confer with the any other advisors to the fund before grant recommendations are submitted.

In the event that no one advises the Foundation on the distribution of the Fund for three consecutive years, the Foundation may deem that no one has an interest in advising with respect to the Fund, and may terminate such rights after written notice to the last known address of the Donors or designated Spokesperson.

The Donors designate \_\_\_\_\_ as Advisor(s) to the Foundation. \_\_\_\_\_ shall be Spokesperson.

In the event of the withdrawal, incapacity or death of the Advisor(s), \_\_\_\_\_ shall serve as successors to advise the Foundation on the distribution of the Fund. If more than one person has been designated, \_\_\_\_\_ shall be the Spokesperson.

The Donors retain the right to revoke this designation and to designate different persons to advise the Foundation in writing at any time in the future.

Information for All Persons Named Above:

Name	_____	
Address	_____	
Home Phone	_____	Other Phone _____
Employer	_____	Title _____
E-mail	_____	Date of Birth _____

Name	_____	
Address	_____	
Home Phone	_____	Other Phone _____
Employer	_____	Title _____
E-mail	_____	Date of Birth _____

Name \_\_\_\_\_  
Address \_\_\_\_\_  
Home Phone \_\_\_\_\_ Other Phone \_\_\_\_\_  
Employer \_\_\_\_\_ Title \_\_\_\_\_  
E-mail \_\_\_\_\_ Date of Birth \_\_\_\_\_

Name \_\_\_\_\_  
Address \_\_\_\_\_  
Home Phone \_\_\_\_\_ Other Phone \_\_\_\_\_  
Employer \_\_\_\_\_ Title \_\_\_\_\_  
E-mail \_\_\_\_\_ Date of Birth \_\_\_\_\_

Donor \_\_\_\_\_ Date \_\_\_\_\_

Donor \_\_\_\_\_ Date \_\_\_\_\_