



Agency/Nonprofit Fund Contribution Form

This document may be completed electronically using Adobe Acrobat® Reader..

Name(s) _____

Address _____

Street City State Zip

Alternate Address: Business Seasonal

Street City State Zip

Telephone _____

Work Home Cell

Email: _____ Alternate email: _____

How did you hear about the Community Foundation? Whom may we thank for referring you to the Foundation?

1. _____ (the "Charity") desires to retain the services of the Community Foundation of North Central Massachusetts (the "Foundation") to manage and invest certain assets of the Charity, for public, educational and charitable purposes.

2. The Charity delivers the sum of \$ _____ and/or the following described property _____ (description of assets given) to the Foundation; with the request, subject to the Articles of Organization and By-Laws of the Foundation, as they currently exist or may hereafter be amended, that the funds or property thus transferred be used to establish or add an Agency Fund (funds \$10,000 or greater only), to be known as the: _____ Fund (Name of Fund).

The purpose of the fund is:

3. The Foundation shall hold, manage, invest and reinvest the Fund, (according to the Foundation's Investment Policy Guidelines) shall collect the income, and shall pay and disburse amounts to the Charity in accordance with the policies of the Foundation upon request of the Charity.

4. The Foundation shall at all times act as the agent of the Charity for this investment and management purpose, and so long as the Charity has an IRS charitable tax exemption, the Charity's Board of Directors may direct the expenditure of any or all of the principal or income from the Fund in accordance with this agreement. The principal and accumulated income and interest of the Fund shall at all times be owned by the Charity. The Fund

may be returned to the Charity with a written request from the Charities Board of Trustees and a copy of the minutes voting to withdraw the full amount. If the Fund is an Endowed Fund for the charity, in order to do our due diligence with regard to donor intent, we will request documentation that the Fund in its entirety will remain an endowed fund.

5. Grant recommendations may be made from time to time, for the Foundation's approval,
by _____ (Board President and/or Treasurer.)
6. The investment objective requested is: (Review our investment results carefully and check one of the following)
- Medium Term Fund (3-5 Years)** – The primary investment objective of this Fund is to provide payouts with moderate year to year volatility. This Fund may experience some reduction of purchasing power over time due to inflation. This Fund is appropriate for endowed funds that require minimal, or no, nominal growth (before inflation) after payouts, or non-endowed funds that have a time horizon that is between three and five years. This Fund will most likely experience moderate fluctuations to principal.
- Long Term Fund (5+ Years)** – The primary investment objective of this Fund is preservation of purchasing power to provide a relatively stable, inflation adjusted, annual payout to support grant-making or other donor missions. This Fund is appropriate for endowed funds or non-endowed funds with time horizons beyond five years. There will be some inevitable volatility in principal value from this strategy, but it may offer the potential for a sustainable payout plus inflation protection, understanding that this may result in a less stable payout from year to year.
7. Distributions will be made from the Fund in accordance with the Foundation's Investment, Distribution & Fee Guidelines (on page 4), which may be modified by the Board of Trustees from time to time. Distributions will be made in accordance with one of the following: (Please check one.)
- Distributions to be made from the annual distributable amount determined in accordance with the Foundation's spending rule as in effect. (Endowed Fund); or
- Distributions to be made from the principal of the fund may be used for charitable purposes, subject to the terms in item 10, below.
- Note: All distributions are subject to the variance power contained in Article II (1) of the Articles of Organization of the Foundation.*
8. I/We hereby acknowledge that I/we have been offered copies of and have reviewed the following documents:
- a. The Foundation's Investment Policy Statement (Initial) **X** _____
 - b. The Foundation's Articles of Organization (Initial) **X** _____
 - c. The Foundation's By-Laws. (Initial) **X** _____
 - d. Performance Report of three fund options (Initial) **X** _____
9. Administrative Fee charges will be assessed on an annual basis as per the Foundation's Guidelines, which are subject to reasonable modification by the Board of Trustees.
10. Distributions can be taken from the fund once it has reached \$10,000. (See the Foundation's Investment, Distribution and Fee Guidelines). Once you have reached a balance of \$10,000, it needs to be maintained at all times. If for some reason the fund is not funded with a total of at least \$10,000, the Foundation will meet

with the donor or the advisors to discuss dissolving of the fund and distributing the entire fund for charitable purposes.

11. Timeframe of the Fund: (Check One) On-Going _____ # of Years
12. The donor hereby authorizes the Foundation to pay its administrative fees and investment management expenses from the fund in accordance with the Investment, Distribution and Fee Guidelines of the foundation in effect from time to time. (Initial) **X** _____
13. The gift or property described above will be transferred to the foundation using the following method: (*Please check one of the following:*)

Check	Securities-Gift Account Transfer *
Securities-Certificates Transfer *	Other: _____
Securities-Electronic Transfer *	

(* Please contact the Community Foundation for instructions on securities transfers.)

14. Amendments. This agreement may be amended from time to time by a document in writing signed by the Foundation and by the donor(s) if they are living or the acting fund advisors.
15. Charity Name: _____.
16. 501(c) 3 public charity tax ID# _____.

DONOR RECOGNITION:

Please publish my Fund Name in your publication(s) as it appears on page 1, under "Name of Fund".

Please do not publish my name in your publication(s).

Please do not publish my name in your publication(s), however, you may use my name to invite others to join the Foundation.

I would like my name and my Fund to remain anonymous

Person(s) will be using the online access to your fund and making grant distributions:

Name: _____

Email: _____

Name: _____

Email: _____

Person who can have read-only access;

Name: _____

Email: _____

What are your charitable interests?

Arts and Culture

Education

Environment

Health and Human Services

Housing and Community
Development

Civic Engagement

Workforce Development

Nonprofit Sector

Other:

INVESTMENT, DISTRIBUTION, AND FEE GUIDELINES

Investment Options

The donor may select an investment objective that best suits the fund's intended purpose. The Foundation provides information on performance, asset allocation, and fees for each of the three investment options. An explanation for each option follows:

Short Term Fund (Less than 3 years) – The primary investment objective of this Fund is stability of principal. This fund is appropriate for non-endowed funds or other situations where funds can be withdrawn with little or no advance notice, and/or in situations where only minimal fluctuations to principal can be tolerated. Agencies and donors with time horizons under three years should consider this strategy.

Medium Term Fund (3-5 Years) – The primary investment objective of this Fund is to provide payouts with moderate year to year volatility. This Fund may experience some reduction of purchasing power over time due to inflation. This fund is appropriate for endowed funds that require minimal, or no, real growth after payouts, or non-endowed funds that have a time horizon that is between three and five years. This fund will most likely experience moderate fluctuations to principal.

Long Term Fund (5+ Years) – The primary investment objective of this Fund is preservation of purchasing power to provide a relatively stable, inflation adjusted, annual payout to support grant-making or other donor missions. This Fund is appropriate for endowed funds or non-endowed funds with time horizons beyond five years. There will be some inevitable volatility in principal value from this strategy but it may offer the potential for a sustainable payout plus inflation protection, understanding that this may result in a less stable asset balance from year to year.

Distribution Policies

Endowment Funds

The Foundation, maintaining exclusive legal control of all contributed assets, has adopted a total return approach to investment management under the Uniform Management of Institutional Funds Law for Permanent Endowment Funds. This allows the Foundation to capture more of the historically higher appreciation in the equity markets. "Total return" is a term used to describe the total change in fund value over a given time period that results from both income (interest and dividends) and capital appreciation (realized and unrealized gains).

Under this approach, a fund's income for grant making and/or distributions will be calculated by using a "**spending rule**" – a fixed annual rate established by the Foundation's Board of Trustees and defined as a percentage of the market value of the assets in the fund. For example, a spending rule for a given year might be

5% of the four-year average of a component fund's asset value. The amount available for grant making determined by this spending rule can include interest and dividend income, as well as realized and unrealized gains. Currently the spending rule is 4.5% of the average market value over the past 20 quarters. No distributions are allowed for one year from the time the endowment fund is established. Grants from Field of Interest Permanent Endowment Funds will be made at the June Trustees' meeting.

It is important to note that depending on market conditions, in some years the spending rule may require the distribution of a portion of the principal balance in a fund.

Donor Advised and Scholarship Funds

The Foundation will from time to time receive advice from donors or their designees regarding disbursements from donor advised, or scholarship funds. This advice will be considered upon written request to the Foundation. The President and/or the Executive Committee of the Foundation are authorized to consider this advice and make distributions. (Please note that IRS regulations prohibit distributions to fulfill pledges and/or to secure benefits from the distribution recipient. With regard to Donor Advised Funds, all disbursements must be for the benefit of a charitable organization.)

As Founder of a Donor Advised Fund or Scholarship Fund you may appoint new advisors at any time by submitting them in writing to the Foundation.

Reports

The Foundation will provide donors or designees with quarterly statements on your Fund's activity and investment performance. You can access your monthly fund performance by going to our website at CFNCM.org and creating a user name and password to view your fund balance, performance and initiate distributions/grants.

Administrative Fees

Distributions will be made from the Fund in accordance with the Foundation's spending rule as stated here in the Investment, Distribution & Fee Guidelines, which may be modified by the Board of Trustees from time to time. Administrative tasks associated with the management of funds include investigation of grants, receipt and acknowledgement of contributions, payment of grants, oversight of investment management, and compliance with federal and state reporting requirements. To support these activities, the Foundation currently charges fees on funds. The fee is calculated as 1/12th% of the fund's market value at the end of each month.

The tiered fees are broken down as follows:

<u>Type of Fund</u>	<u>Fees</u>
(Endowed or non-Endowed Funds)	
Donor Advised Funds:First \$5,000,000	1.25%
Amounts over \$5,000,000	0.50%
Scholarship Funds:	1.25%
Agency Funds:	1.00%
Fiscal Sponsor:Additional 4% on all transactions	1.00
(Endowed Funds)	
Designated and Field of Interest Funds:First \$2,000,000	1.25%

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