



CALIFORNIA COMMUNITY FOUNDATION

DONOR ADVISED FUND

INSTRUMENT OF GIFT

This Agreement is made this ____ day of _____, in the year _____, between _____ (the “Donor”) and the California Community Foundation (the “Foundation”), a California nonprofit public benefit corporation having its principal office in the City of Los Angeles and State of California, to create a philanthropic and charitable fund.

1. **Creation of Fund.** The fund shall be known as the

_____ (the “Fund”).

All money and property transferred to the Fund shall be an irrevocable gift to the Foundation.

2. **Management of Fund.** The Foundation shall hold, manage, invest and reinvest the Fund, shall collect the income and shall pay and disburse the net income and principal therefore exclusively for general charitable uses and purposes, in accordance with the provisions specified in the Articles of Incorporation of the Foundation. The Articles of Incorporation have been adopted by the Board of Directors of the Foundation, and their provisions, as they may be amended from time to time, are hereby incorporated by reference and conclusively assented to and adopted. The phrase “charitable uses and purposes” shall be defined as all of those activities, uses and purposes described in Section 501(c)(3) of the Internal Revenue Code of 1986 (the “Code”).

3. **Donor Advice.** The Donors (or any person nominated by the Donors and acceptable to the Foundation) may from time to time submit recommendations to the Foundation concerning the distribution of income and principal (to the extent not disbursed pursuant to paragraph 2) exclusively for general charitable uses and purposes, either within or without the State of California. Such recommendations are not binding on the Foundation and may be accepted or rejected, in whole or in part, by the Foundation in its sole and absolute discretion.

4. **Costs of Administration.** The Foundation shall charge fees to the Fund in accordance with the Fee Schedule adopted from time to time by the Foundation’s Board of Directors. The Fee Schedule in effect as of the date of this Agreement is attached as Attachment A.

5. **Component Part and Donor Advised Fund.** It is intended that the Fund shall be a component part of the Foundation as defined in Section 1.170A-9(f)(11) of the Income Tax Regulations and that nothing in this Agreement shall affect the status of the Foundation as an organization (i) described in Section 501(c)(3) of the Code and (ii) which is not a private foundation within the meaning of Section 509(a) of the Code. The Fund shall meet the requirements of a donor advised fund under Section 4966 of the Code. Among other things, the Fund shall not (i) make distributions to individuals, private non-operating foundations, certain supporting organizations or to any organization for a non-charitable purpose; (ii) maintain excess business holdings as described under Section 4943(e) of the Code; (iii) engage in excess benefit transactions as described under Section 4958 of the Code or (iv) provide prohibited benefits as described under Section 4967 of the Code. This Agreement shall be interpreted in a manner consistent with the foregoing intention and to conform to the requirements of the foregoing provisions of the Federal tax laws and any regulations issued thereunder.

6. **Status of Foundation.** All transfers of property under this Agreement are subject to the condition that the Foundation, as of the date of transfer, is classified in good standing by the Internal Revenue Service as an organization (i) described in Section 501(c)(3) of the Code and (ii) which is not a private foundation as defined in Section 509(a) of the Code.

7. **California Law.** The Fund created by this Agreement shall be administered in and under the laws of the State of California, and this Agreement and the validity thereof shall be governed by and construed in accordance with the laws of the State of California.

8. **Variance Power.** The Fund is protected from obsolescence. If, in the sole judgment of the Board of Directors of the Foundation, the purposes for which the Fund was created ever become unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community served by the Foundation, the Foundation's Board of Directors shall modify any restriction or condition on the use or distribution of the income and principal of the Fund.

IN WITNESS WHEREOF, the Donors and the Foundation have executed this Agreement as of the date first above written.

DONOR:

By: _____

CALIFORNIA COMMUNITY FOUNDATION:

By: _____

Terri Mosqueda
Vice President, Development & Donor Relations

Administrative Fee Schedule



at a glance

The California Community Foundation (CCF) prides itself on fiscal responsibility and transparency. This schedule provides important information about the CCF administrative fees and how they apply to different CCF funds.

The California Community Foundation (CCF) charges administrative fees to cover general operating costs for gift establishment, receipt of assets and contributions, grants and fund administration, research on nonprofit agencies and issue areas and other charitable purposes. Investment management and consulting fees related to the foundation's investment pools are charged separately. Additional fees may be charged for any mutually agreed-upon extraordinary legal, banking, separately managed investment accounts or other services rendered on behalf of a fund.

FUND TYPE*	MINIMUM TO ESTABLISH	ANNUAL FEE STRUCTURE ASSET AMOUNT	RATE
DONOR ADVISED FUNDS	\$25,000	Assets up to the first \$1,000,000	1.25%
		Assets over \$1,000,000 and up to \$5,000,000	0.75%
		Assets over \$5,000,000 and up to \$20,000,000	0.50%
		Assets over \$20,000,000 and up to \$100,000,000	0.15%
		Assets over \$100,000,000	0.05%

assessed quarterly (minimum of \$750 per year)

EXAMPLE

A donor, Mrs. Suarez, has established a **Donor Advised Fund** in the amount of **\$40 million**. Based on the balance of her fund, Mrs. Suarez's fund will incur the following annual fees (see **Figure A**): 1.25% on the first \$1 million; 0.75% on amounts from \$1 million to \$5 million; 0.50% on amounts from \$5 million to \$20 million; and 0.15% on amounts from \$20 million to \$100 million. Assuming Mrs. Suarez's balance will remain at \$40 million, she will pay **\$147,500** over the course of the year for an average rate of 0.37%.

Figure A

1.25% of assets up to the first \$1,000,000	\$ 12,500/yr
0.75% of assets from over \$1,000,000 up to \$5,000,000	+ \$ 30,000/yr
0.50% of assets from over \$5,000,000 up to \$20,000,000	+ \$ 75,000/yr
0.15% of assets from over \$20,000,000 up to \$100,000,000	+ \$ 30,000/yr
	= \$147,500/yr

FUND TYPE*	MINIMUM TO ESTABLISH	ANNUAL FEE STRUCTURE ASSET AMOUNT	RATE
PRIVATE FOUNDATION ALTERNATIVE FUNDS	\$3,000,000	Assets up to the first \$3,000,000 Assets over \$3,000,000 and up to \$5,000,000 Assets over \$5,000,000 and up to \$20,000,000 Assets over \$20,000,000 and up to \$100,000,000 Assets over \$100,000,000 Assessed quarterly (minimum of \$12,500 per year)	1.25% 0.75% 0.50% 0.15% 0.05%
RESTRICTED FUNDS	\$25,000	Contact CCF for fee information Assessed annually on July 1	
RESTRICTED SCHOLARSHIP FUNDS DISCRETIONARY SCHOLARSHIP FUNDS	\$100,000	Contact CCF for fee information Assessed annually on July 1 (minimum of \$750 per year)	
COMMITTEE-ADVISED SCHOLARSHIP FUNDS	\$100,000	All amounts Assessed quarterly (minimum of \$750 per year)	1.50%
FUTURE OF L.A. FUNDS FIELD OF INTEREST FUNDS	\$25,000	Contact CCF for fee information Assessed annually on July 1	
CHARITABLE REMAINDER UNITRUSTS OR ANNUITY TRUSTS	\$100,000	Trustee fee of 0.5% of assets, plus fees charged by third-party administrator for investment management and trust administration Assessed quarterly	
CHARITABLE GIFT ANNUITIES	\$25,000	0.5% of assets, plus fees charged by third-party administrator for investment management and annuity administration Assessed quarterly	
FISCAL SPONSORSHIPS**	\$25,000	Contact CCF for fee information Assessed quarterly	
AGENCY FUNDS	\$100,000	Contact CCF for fee information Assessed quarterly	

* A pass-through fee of 3% will be charged to any fund where the funds are considered pass-through (i.e., held for less than six months).

** CCF Community Initiatives Fund (CCF CIF), a California nonprofit public benefit corporation operated, supervised and controlled by the California Community Foundation, operates as the fiscal sponsor.

IMPORTANT LEGAL DISCLOSURE

The information provided is general and educational in nature. It is not intended to be, and should not be construed as, legal or tax advice. The California Community Foundation does not provide legal or tax advice.

You should consult your tax advisor to properly determine the tax consequences of making a charitable gift to the California Community Foundation. Contributions to the California Community Foundation represent irrevocable gifts subject to the legal and fiduciary control of the foundation's board of directors.
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