



\_\_\_\_\_ (“Donor/Founder”) and GREATER HOUSTON COMMUNITY FOUNDATION, a Texas charitable organization as defined in Section 501(c)(3) of the Internal Revenue Code (“GHCF”), hereby agree to establish a charitable fund, subject to the following conditions:

The establishing gift and any subsequent gifts to GHCF for the purpose of establishing the

\_\_\_\_\_ (“Fund”) will constitute an irrevocable gift. GHCF has exclusive legal control over the assets in the Fund to be used exclusively for charitable purposes and not for the benefit of the Donor/Founder or for any other purpose conferring private benefit. The Fund shall include the initial contribution, any additional cash, marketable securities or bequests, and, with the consent of GHCF, any other property, which may hereafter be transferred to GHCF as an additional contribution to the Fund.

### **FUND ADMINISTRATION AND INVESTMENT**

The Fund is intended to be and shall be administered as a component fund of GHCF and shall be subject to the Certificate of Formation, Bylaws, Fund Terms and Conditions, and other rules, regulations and procedures of GHCF which are now in effect and which may be adopted or amended, or both, hereafter. The establishing gift and any subsequent gifts to GHCF may be commingled for investment purposes with other investments of GHCF and shall be invested in accordance with GHCF’s rules and procedures. GHCF’s investment managers charge investment management fees against investment assets. Unless requested by the Donor/Founder not to publicize the Fund’s name, the name of the Fund may be listed in GHCF’s newsletters, annual report, website or other informational venues.

### **PURPOSE OF FUND**

Upon recommendation of the Donor/Founder, a portion of the fund’s spendable balance shall be distributed from time to time by the GHCF Governing Board (“Board”). The Internal Revenue Code prohibits grants to individuals from donor advised funds. Also prohibited are grants for political contributions or to support political campaigns. Grants may not result in benefits, goods, or services to the Donor/Founder, any fund advisor, members of their families, and businesses they control. Distributions may be made only to charitable organizations that are tax-exempt under the Internal Revenue Code Section 501(c)(3) and which have been classified under Code Section 509 as not being a private foundation. Distributions also may be made to governmental agencies and most religious organizations. GHCF’s policy prohibits distributions to nonprofit organizations in satisfaction of a donor’s legally enforceable pledges, to non-operating private foundations, for political purposes, or to certain fraternal and civic organizations (e.g., Chambers of Commerce, Rotary, Kiwanis, or Lions Clubs). Fund advisors are prohibited from receiving tangible or incidental benefits as a result of grants from the Fund.



## RECOMMENDATION AND GUIDELINES

Donor recommendations to the Board shall be advisory only. The Board shall make an independent investigation or evaluation of all recommendations for distributions from the Fund based on the usual reasonable standards and guidelines applied by the Board to all proposals. Donor(s)' advice to the Board shall not limit or restrict the powers of the Board. In its due diligence review of Donor(s)' recommendations, the Board will seek to confirm and document the tax exempt status and fiscal integrity of proposed recipients.

- a. The Board is authorized to interpret or amend the provisions of this agreement in order to conform to the provisions of applicable law or government regulations that are necessary or advisable to carry out the Donor/Founder general charitable intent.

## ADVISOR AND SUCCESSION PLANNING

Additional advisors to the Fund may be named in writing by the Donor/Founder and shall have all rights and privileges with regard to the Fund as designated by the Donor/Founder.

Succession planning is optional; however it, is recommended to address the long-term future of the assets in the Fund. If adding beyond current advisor(s), please consult with the GHCF Philanthropic Services Department about your preferred grant making plans.

## FEES AND COSTS

An annual administrative fee, charged monthly, of the current fee schedule will be charged against the Fund's balance. While the need to do so is rare, GHCF reserves the right to deduct extraordinary costs incurred as a result of fund activity. This may include legal and professional costs, taxes, special pass-through fees (see Fund Terms and Conditions) or transaction costs. Investment management costs are netted against investment income or loss in GHCF's portfolio prior to the allocation of investment income or loss to the Fund. GHCF reserves the right to change its fee or fee minimum policies at any time.

## FUND TERMS AND CONDITIONS

The provisions of the current GHCF "Fund Terms and Conditions" document are incorporated in their entirety into this agreement.



## DONOR/FOUNDER INFORMATION

For the purposes of this document, the term Donor(s) encompasses and applies to the lifetime of the individual(s) who establishes the fund and to the lifetime of the individual(s)' named as Advisor(s) to the Fund.

### DONOR/FOUNDER #1: *(Who is establishing this fund?)*

Name: \_\_\_\_\_ Birthdate: \_\_\_\_\_

Business: \_\_\_\_\_

Work Phone: \_\_\_\_\_ Home Phone: \_\_\_\_\_ Cell Phone: \_\_\_\_\_

Home Address: \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Work Address: \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Preferred Email: \_\_\_\_\_

Preferred Mailing Address: Work Home

Current Donor Advisor Primary Fund Donor Advisor

*(Questions related to the fund will be directed to this contact first. The donor/founder may appoint a new Primary Fund Advisor at any time, by providing to GHCF a written document to that effect.)*

### DONOR/FOUNDER #2:

Name: \_\_\_\_\_ Birthdate: \_\_\_\_\_

Business: \_\_\_\_\_

Work Phone: \_\_\_\_\_ Home Phone: \_\_\_\_\_ Cell Phone: \_\_\_\_\_

Home Address: \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Work Address: \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Preferred Email: \_\_\_\_\_

Preferred Mailing Address: Work Home

Current Donor Advisor Primary Fund Donor Advisor



## DONOR/FOUNDER INFORMATION

This fund agreement shall constitute the entire agreement of the parties and supersedes all prior agreements and understandings, both written and oral, among the parties with respect to the subject matter hereof. Information regarding fund terms and conditions is contained in the Fund Terms and Conditions document herein.

*Receipt and acceptance by the Donor(s)/Founder(s) and GHCF are hereby recognized.*

Donor(s)/Founder(s):

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(Signature)

(Date)

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(Print Name)

(Date)

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(Signature)

(Date)

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(Print Name)

(Date)

Greater Houston Community Foundation:

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(Signature)

(Date)



## INITIAL ASSET ALLOCATION RECOMMENDATION

Name of Fund:

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I recommend that the assets of my Fund be allocated as follows: (Please choose one option for management of fund assets.)

Option 1: (one pool)

Growth and Income

Growth

Income

Passive Growth

Passive Income

Money Market

Option 2:

I'd like my funds assets to be managed by a third party money manager. (Please consult with the GHCF Philanthropic Services Department for further guidance). \*Option available to funds with an asset size of \$500,000 or larger.

As required by IRS regulations, I acknowledge and agree that:

My above recommendation is advisory only and GHCF may, at its sole and absolute discretion, follow or decline to follow my recommendation; GHCF may, at any time, at its sole and absolute discretion, change the investment of all or any portion of the assets in my Fund; if my recommendation is accepted, the investments will be administered in accordance with the investment policy of GHCF; all pools are subject to market and interest rate fluctuation risks, and any gain or loss generated by the above investments will be credited or charged to the Fund; and an asset allocation is no guarantee of future results.

Donor(s)/Founder(s):

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(Signature) (Date)



Two fees apply to GHCF Donor Advised Funds- Administrative Fee and Investment Management Fee. These annual fees are charged to the fund on a monthly basis.

**I. ADMINISTRATIVE FEE\***

ASSETS IN \$	RATE
First \$100,000	1.50%
Next \$400,000 (up to \$0.5M)	1.25%
Next \$500,000 (up to \$1M)	1.00%
Next \$2.0M (up to \$3M)	0.85%
Next \$2.0M (up to \$5M)	0.65%
Next \$5.0M (up to \$10M)	0.40%
Next \$10M (up to \$20M)	0.30%
Next \$20M (up to \$40M)	0.20%
Assets above \$40M	0.15%

\*Charges 1/12 monthly

**II. INVESTMENT MANAGEMENT FEE**

Funds invested in GHCF investment pools:

Fee pricing on investments will vary based on the pool selected by the donor. Fees on the investment pools currently range from .06% to 0.96%.

Funds invested with third party managers:

Fee pricing on investments will be determined by the third party manager.

**MINIMUMS**

Minimum Administrative Fee:

- Funds invested in GHCF pools—\$500 (\$5000 minimum balance required)
- Funds invested with third party manager—\$6,500

Minimum Initial Gift:

- Funds invested in GHCF pools—\$10,000
- Funds invested with third party manager—\$500,000