

# FUND AGREEMENT TEMPLATE

COMMUNITY FOUNDATION OF NEW JERSEY

With this agreement I/we am/are donating and delivering to the Community Foundation of New Jersey (the "Foundation") the asset(s) described in Attachment "A." This constitutes an irrevocable gift by me/us to the Foundation. This gift is given to the Foundation subject to the following terms and conditions:

## CREATION OF FUND

A Donor Advised Fund shall be established on the books of the Foundation which shall be known as the \_\_\_\_\_ ("Fund") of the Foundation.

The Fund shall include the property delivered with this agreement, any other property which hereafter may be transferred to the Foundation by me/us (the "Donor") or any other person or organization for inclusion in the Fund, and all accumulated and undistributed income from all such property.

## MANAGEMENT OF FUND

The Fund shall be held by the Foundation in its corporate capacity and shall not be deemed a separate trust fund held by it in a trustee capacity. Consistent with the terms of this Agreement and the Internal Revenue Code of 1986, as amended (the "Code"), the Foundation shall have the ultimate authority and control over all property in the Fund, and the income derived therefrom, for the charitable, educational, scientific, literary and religious purposes of the Foundation. Contributions of property other than cash and marketable securities may be added to the Fund only with the written consent of the Foundation.

The Fund will be managed in accordance with the policies and procedures for corporate and donor advised funds, as they may be amended from time to time.

## ADMINISTRATIVE FEE

The Fund shall pay an annual administrative fee (in accordance with fee schedule set forth under Attachment "B") based upon the fair value of the Fund at the close of each month. The Foundation's Board of Trustees reserves the right to change this fee, from time to time, if necessary.

## FUND AS COMPONENT OF FOUNDATION

It is intended that the Fund shall be a component part of the Foundation and not a separate trust, and that nothing in this Agreement shall affect the status of the Foundation as an organization described in Section 501(c)(3) of the Internal Revenue Code, as amended, or as an organization which is not a private Foundation within the meaning of Section 509(a) of the Code. This Agreement shall be interpreted in a manner consistent with the foregoing intention and so as to conform to the requirements of the foregoing provisions of the federal tax laws and any regulations issued pursuant thereto. The Foundation is authorized to amend this Agreement to conform to the provisions of the Code or any applicable law or government regulation in order to carry out the foregoing intention. References herein to provisions of the Internal Revenue Code, as amended, shall be deemed references to the corresponding provisions of any future Internal Revenue Code, as amended.

PO Box 338  
Knox Hill Road  
Morristown, NJ  
07963-0338

Community  
Foundation  
of New Jersey

T 973.267.5533

# FUND AGREEMENT

COMMUNITY FOUNDATION OF NEW JERSEY

## USE OF THE FUND

All distributions shall be for charitable, educational, scientific, literary, or religious (including any combination of such purposes) and for administrative purposes, all in furtherance of the purposes of the Foundation. The distributions shall be made directly by the Foundation for these purposes or be contributions to other tax exempt organizations for such purposes. Distributions for grants, loans, compensation and similar payments, including expense reimbursements to donors, advisors or related parties are prohibited. Grants to individuals from the Fund are prohibited.

I/we (the "Donor") will submit recommendations for grants which the Foundation will duly consider. Distributions from the Fund shall be for charitable, educational, scientific, literary, or religious purposes (or any such combination of purposes) and can include allocations from both the income and principal in the Fund.

## MINIMUM ACCOUNT ACTIVITY

The Foundation does not require a fund to receive contributions into it nor to make distributions from the fund every year. However, after a three year period of inactivity, Foundation staff will attempt to contact the fund advisor(s). If after several years of inactivity and non-responsiveness from the advisor(s), the Foundation will initiate grants from the fund in accordance with its Dormant Fund Policy (see Attachment C).

PO Box 338  
Knox Hill Road  
Morristown, NJ  
07963-0338

Community  
Foundation  
of New Jersey

T 973.267.5533

[WWW.CFNJ.ORG](http://WWW.CFNJ.ORG)

SIMPLIFY YOUR GIVING. AMPLIFY YOUR IMPACT.

# FUND AGREEMENT

COMMUNITY FOUNDATION OF NEW JERSEY

## SUCCESSOR ADVISORS

I/WE NAME AS SUCCESSOR ADVISORS:

---

---

---

I/We retain the right to amend my/we successor donor advisors in the future.

If a successor advisor is not recommended, then upon the death of the last remaining donor advisor, any remaining balance will be transferred to the Foundation's discretionary funds to continue the overall mission of the Foundation.

Once the Foundation has accepted this gift, please sign the acknowledgement below to indicate the Foundation's agreement to comply with the terms and conditions set forth in this document.

## SIGNATURES DONOR ADVISORS

Signature \_\_\_\_\_

Printed name \_\_\_\_\_

Address \_\_\_\_\_

Date \_\_\_\_\_

Signature \_\_\_\_\_

Printed name \_\_\_\_\_

Address \_\_\_\_\_

Date \_\_\_\_\_

The Foundation gratefully accepts the terms and conditions as stated in this document on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

Signature \_\_\_\_\_ **Hans Decker** | President

PO Box 338  
Knox Hill Road  
Morristown, NJ  
07963-0338

**Community  
Foundation  
of New Jersey**

**T 973.267.5533**

[WWW.CFNJ.ORG](http://WWW.CFNJ.ORG)

**SIMPLIFY YOUR GIVING. AMPLIFY YOUR IMPACT.**



# FUND AGREEMENT

COMMUNITY FOUNDATION OF NEW JERSEY

## Attachment B

### DONOR ADVISED FUNDS ADMINISTRATIVE FEE SCHEDULE

FAIR MARKET VALUE (Dollars)	ANNUAL FEE
Up to One Million	<b>1 percent</b>
One Million to Five Million	<b>75 basis points</b>
Five Million and Above	<b>35 basis points</b> on the entire balance in the Fund

**MINIMUM FEE**  
\$200.00

**MINIMUM INITIAL CONTRIBUTION**  
\$25,000.00

Plus any fees paid for money management and/or custody fees.

PO Box 338  
Knox Hill Road  
Morristown, NJ  
07963-0338

Community  
Foundation  
of New Jersey  
T 973.267.5533

[WWW.CFNJ.ORG](http://WWW.CFNJ.ORG)

SIMPLIFY YOUR GIVING. AMPLIFY YOUR IMPACT.

# FUND AGREEMENT

COMMUNITY • FOUNDATION • OF • NEW • JERSEY

## Attachment C

### DORMANT FUND POLICY

The Community Foundation of New Jersey annually reviews all of its donor advised funds for inactivity. An inactive donor advised fund is defined as a fund in which there is an absence of contributions to the fund or grant awards issued from the fund for a period of three years.

After a three year period of inactivity, Foundation staff will contact the donor advisors and/or successor advisors (via letter, email and/or telephone) to educate them how to make grant recommendations and the Changemaker grantmaking by the Foundation. If there is no response from the donor advisors to the Foundation's outreach, and there has been five years of inactivity, the Foundation will begin to initiate grants from the inactive funds. If the fund balance is equal to or in excess of the minimum fund size (currently \$25,000), then the Board approved spending policy for the year in question will be applied to the fund balance and grants will be issued in support of the Foundation's Changemaker grantmaking. If the value of the fund is less than the current minimum fund size, then the fund will be terminated and the remaining balance will become available for Changemaker grantmaking. After seven years of inactivity, the entire balance of the fund will become available for Changemaker grantmaking as directed by the Foundation's Board of Trustees.

If a donor or successor advisor chooses to become involved in the activity of the fund, then the privilege to advise on the fund reverts back to them, as long as the fund was not fully liquidated. The three year rule for inactivity would resume from the last time of activity in the fund.

PO Box 338  
Knox Hill Road  
Morristown, NJ  
07963-0338

Community  
Foundation  
of New Jersey  
T 973.267.5533