



## Greater Tacoma Community Foundation Donor Advised Fund Agreement

**FUND NAME** \_\_\_\_\_

**FUND CATEGORY:**

- ☐ Endowed
- ☐ Non-Endowed

**INVESTMENT PREFERENCE:**

- ☐ Low-Risk Investment Pool \$\_\_\_\_\_ or \_\_\_\_%
- ☐ Short-Term Investment Pool \$\_\_\_\_\_ or \_\_\_\_%
- ☐ Long-Term Investment Pool \$\_\_\_\_\_ or \_\_\_\_%
- ☐ Socially Responsible Investment Pool \$\_\_\_\_\_ or \_\_\_\_%
- ☐ External Investment Management (\$1,000,000 Minimum)

**DONOR/CONTACT 1<sup>ST</sup>** ☐ *Fund Advisor*

\_\_\_\_\_  
Name

\_\_\_\_\_  
Mailing Address ☐ Home ☐ Business

\_\_\_\_\_  
City State Zip

\_\_\_\_\_  
Home Phone Mobile Phone

\_\_\_\_\_  
Business Phone Fax

\_\_\_\_\_  
Email #1 Email #2

\_\_\_\_\_  
Company Name Title

\_\_\_\_\_  
Date of Birth

☐ Send reports to address above

**DONOR/CONTACT 2<sup>ND</sup>** ☐ *Fund Advisor*

\_\_\_\_\_  
Name

\_\_\_\_\_  
Mailing Address ☐ Home ☐ Business

\_\_\_\_\_  
City State Zip

\_\_\_\_\_  
Home Phone Mobile Phone

\_\_\_\_\_  
Business Phone Fax

\_\_\_\_\_  
Email #1 Email #2

\_\_\_\_\_  
Company Name Title

\_\_\_\_\_  
Date of Birth

☐ Send reports to address above

**CONTRIBUTION** INITIAL CONTRIBUTION AMOUNT: \_\_\_\_\_ \*

- ☐ Cash ☐ Life Insurance ☐ Securities  
☐ Real Estate ☐ Other: \_\_\_\_\_

\* I authorize \$ \_\_\_\_\_ / \_\_\_\_\_ % of the initial contribution amount to be directed to Greater Tacoma Community Foundation as an unrestricted gift. Unrestricted gifts to GTCF fuel the staff resources and community collaborations that make nonprofits, agencies, and individuals more effective in their work to build a thriving Pierce County.

**FUND TYPE****Donor Advised Fund**

\_\_\_\_\_ I will name one or more Successor Advisors (*\*Please see page 4*) \_\_\_\_\_ I do not wish to name a Successor Advisor

**COMMUNICATION / GRANT & COMMUNITY ACKNOWLEDGEMENT**

May we list your Fund's name in publications? (e.g. Annual Report, website, etc...) Yes \_\_\_\_ No \_\_\_\_

Would you like grant recipients to know that your Fund is the source of the grant?  
(Please notify GTCF if you have specific grants that differ from these instructions) Yes \_\_\_\_ No \_\_\_\_

From time to time we learn of compelling giving opportunities from our nonprofit partners. Would you like to be notified about these opportunities? Yes \_\_\_\_ No \_\_\_\_

**REFERRAL SOURCE**

Please tell us how you first heard about Greater Tacoma Community Foundation:

- |                          |  |       |
|--------------------------|--|-------|
| <input type="checkbox"/> | Friend or Associate                    | _____ |
| <input type="checkbox"/> | GTCF Employee                          | _____ |
| <input type="checkbox"/> | GTCF Board Member                      | _____ |
| <input type="checkbox"/> | GTCF Website                           | _____ |
| <input type="checkbox"/> | GTCF E-Newsletter                      | _____ |
| <input type="checkbox"/> | Attorney, CPA, Financial Planner, etc. | _____ |
| <input type="checkbox"/> | Other ( <i>please specify</i> )        | _____ |

## DONOR ADVISED FUND RESTRICTIONS

*(Please initial each line to indicate that you have read and understand the information)*

The IRS imposes restrictions on distributions from Donor Advised funds as follows:

- \_\_\_\_\_ Grants to individuals are prohibited from a donor advised fund, whether the check is written directly to an individual or to an entity for the benefit of a specified individual.
- \_\_\_\_\_ Grants cannot be made to a nonprofit organization to retire or reduce a pledge previously made by the donor, advisor or related party.\*\*
- \_\_\_\_\_ Grants cannot be made to a nonprofit organization, which in turn provides benefits to the same donor, advisor or related party.\*\* For example, a donor cannot claim a tax deduction for a gift to his or her donor advised fund held by Greater Tacoma Community Foundation and subsequently receive an additional tax deduction from the grant recipient organization.
- \_\_\_\_\_ A donor, advisor or related party\*\* cannot receive more than an incidental benefit from a grant recipient organization. For example, event tickets, patron recognition or special privileges would be considered more than an incidental benefit; while token gifts, such as key chains or coffee mugs are considered incidental benefits.
- \_\_\_\_\_ Donor, advisors and related parties\*\* are prohibited from receiving grants, loans, compensation or similar payments (including expense reimbursements) from a donor advised fund.

Each grantee must be able to satisfy GTCF's due diligence requirements in order to obtain the approval of the Board of Directors.

Final approval of grants recommended by advisors rests in the hands of the Board of Directors of Greater Tacoma Community Foundation.

Donor Advisors of donor advised funds may create a succession plan for the fund. Individuals named as Donor Advisors are authorized to recommend grants, change the fund name or appoint additional Advisors and Successor Advisors. The Donor and any Advisor may designate any person to be a Successor Advisor and assign the rights and duties associated with the fund upon an Advisor's death or resignation.

A Successor Advisor is authorized to recommend grants from the fund in the event the Donor Advisor(s) dies, resigns or is otherwise unable or unwilling to act in this capacity. Please identify one or two Successor Advisors on page 4. Successor Advisors must be at least 18 years old to recommend a grant. If the Successor Advisor is under 18 years of age, GTCF will work with the minor's guardian to facilitate grants from the fund. If a final Successor Advisor dies or resigns, the fund balance will become available for unrestricted use by GTCF. If the Donor Advisor has not made a grant recommendation for a three year period, GTCF will have the option to allocate the amount available for spending from the fund to unrestricted use.

**\*\*Related parties are the donor's or advisor's family members (spouse, ancestors, children, grandchildren, great-grandchildren, brothers, sisters, and any of their spouses) and 35-percent controlled entities. Thirty-five percent controlled entities are entities in which donors, advisors, or their family members (separately or collectively): (1) own more than 35% of the total combined voting power if the entity is a corporation; (2) own more than 35% of the profit interest if the entity is a partnership; or (3) own more than 35% of the beneficial interest if the entity is a trust or estate.**

**DONOR ADVISED FUND: SUCCESSOR ADVISORS****SUCCESSOR #1 INFORMATION**

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Name

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Date of Birth

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Mailing Address ☐ Home ☐ Business

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City State Zip

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Home Phone Mobile Phone

---

Business Phone Fax

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Email #1 Email #2

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Relationship to Fund Advisor(s)**SUCCESSOR #2 INFORMATION**

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Name

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Date of Birth

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Mailing Address ☐ Home ☐ Business

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City State Zip

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Home Phone Mobile Phone

---

Business Phone Fax

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Email #1 Email #2

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Relationship to Fund Advisor(s)



## ACKNOWLEDGEMENT & SIGNATURES

I acknowledge that I have read Greater Tacoma Community Foundation Fund Terms and Conditions on pages 6-9 and agree to the terms, fees, and conditions described therein. I understand any contribution, once accepted by GTCF, represents an irrevocable contribution. The GTCF Board of Directors has variance power under IRS regulations, and this gift is not refundable to me. In matters of charitable donations, donors are encouraged to review tax or estate related issues with their professional advisors.

I hereby certify, to the best of my knowledge, all information presented in connection with this form is accurate, and I will notify GTCF promptly of any material corrections.

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Signature

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Signature

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Print Name

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Print Name

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Date

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Date

## GREATER TACOMA COMMUNITY FOUNDATION SIGNATURE

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Authorized Signature

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Kathi Littmann

Printed Name

---

President & CEO

Title

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Date

### PLEASE EMAIL THIS FORM TO:

faservices@gtcf.org

### OR MAIL THIS FORM TO:

Greater Tacoma Community Foundation  
950 Pacific Avenue, Suite 1100  
Tacoma, WA 98402

If you have questions, contact:  
Philanthropic Services  
253.383.5622 | faservices@gtcf.org

I have remembered GTCF in my  
estate plan

I would like more information on how  
to include GTCF in my estate plan.

## FUND TERMS & CONDITIONS

### 1. TAX STATUS OF FUNDS:

Funds established at Greater Tacoma Community Foundation ("GTCF") are component funds of Greater Tacoma Community Foundation, a Section 501(c)(3) public charity and are tax deductible to the extent allowed by law, subject to individual and corporate limitations.

### 2. PROPERTY OF THE FUND:

The fund shall include the property received herewith, such property as may from time to time be received by GTCF from the donor for inclusion in the fund and accepted by GTCF, and all undistributed income from the foregoing property. The fund shall be the property of GTCF, held by it in its corporate capacity, and shall not be deemed a trust fund held by it in a trustee capacity. Greater Tacoma Community Foundation shall have the ultimate authority and control over all property in the fund, and income derived there from, in accordance with the Articles of Incorporation and Bylaws of GTCF, as they may be amended from time to time, and the terms of this Agreement applied in a manner not inconsistent with said Articles and Bylaws.

### 3. ENDOWED FUNDS:

Endowed funds are also referred to as "permanent" funds. Distributions from endowed funds are limited to our current spending rate and subject to our spending policy. Historically, this has been between 4-5%. View our current spending policy at: [www.gtcf.org/about/financial-information](http://www.gtcf.org/about/financial-information).

### 4. NON-ENDOWED FUNDS:

Non-endowed funds are also referred to as "non-permanent" funds. The balance of a non-endowed fund is available for spending in part or in whole at any time.

### 5. LOW-RISK INVESTMENT POOL:

This pool is designed for funds that cannot tolerate a potential loss of principal. The Low-Risk Investment Pool is invested in vehicles such as short-term Treasury Funds and other government Money Market funds. Returns are not anticipated to keep pace with any spending and administrative expenses. As such, over time, there is a high probability that a fund will decline in both nominal and inflation-adjusted terms, eventually reaching a zero balance. This pool is not recommended for endowed funds.

### 6. SHORT-TERM INVESTMENT POOL:

The goal for this pool is to provide the optimum total return and protection of principal for non-endowed or expendable funds which have an expected life from one to five years. Balances of funds which are invested for less than this period may be subject to greater than acceptable volatility of return. Such balances would have a higher erosion of principal. The primary objective is to retain principal value and offset inflation.

### 7. LONG-TERM INVESTMENT POOL:

The primary objective is to achieve an annualized total return, through appreciation and income, equal to or greater than the rate of inflation (as measured by the broad, domestic Consumer Price Index) plus any spending and administrative expenses thus, at a minimum, maintaining its purchasing power. The Long-Term Pool seeks to outperform its benchmarks over full market cycles (for measurement purposes: five years). Because the Long-Term Pool contains higher equity exposure it correspondingly entails greater year-over-year volatility. The Long-Term Investment Pool is appropriate for long-term endowment funds.

## 8. **SOCIALLY RESPONSIBLE INVESTMENT (SRI) POOL:**

The primary objective is the same as the Long-Term Investment Pool, while at the same time taking a holistic approach into responsive investing with a diversified allocation in region, market cap, economic inputs as well as SRI considerations. While there is no absolute delineations within many SRI mandates, the following are general descriptions of the broad areas of emphasis:

- Environmental issues: Environmental screening is associated with the practice of considering environmental and energy matters as a metric of corporate performance.
- Corporate Governance issues: Positive corporate governance considers the short and long-term impact of Board decisions on the shareholders of the firm.
- Social Issues: Social screening is associated with the practice of considering relationships with stakeholders such as employees, customers, communities and governments as a metric of corporate performance.
- Negative screening: Investment managers in this portfolio will make best efforts to avoid investing in companies that are involved in: meaningful revenue from manufacture or production of alcohol products, tobacco products, GMO foods, weaponry, gaming activities, pornography, or engage in animal testing or any form of stem cell research.

The SRI Pool is not intended for shorter term funds that cannot tolerate a potential loss of principal. The SRI Pool is appropriate for long-term endowment funds.

## 9. **ADMINISTRATIVE AND INVESTMENT FEES:**

The fund shall be assessed an annual administrative fee and a fee to cover investment consultant and custodian expenses. The amounts of such annual fees shall be the amounts assessed to similar funds held by GTCF based upon its administrative fee schedule in effect at the time the annual fee is assessed and the amount of investment consultant and custodian fees paid to outside parties.

### **DISTRIBUTIONS:**

10. On endowed funds, distributions from the fund are governed by GTCF's spending policy. Greater Tacoma Community Foundation reserves the right to change the spending policy from time to time at its discretion within the parameters established by law. The current spending policy may be found online at: [www.gtcf.org/about/financial-information](http://www.gtcf.org/about/financial-information). For donor advised funds, the Donor Advisor may recommend distributions to qualified charitable organizations for qualified charitable uses; the recommendation shall be submitted in writing to GTCF. It is recognized that distributions must be in furtherance of GTCF's charitable purpose, as defined in Section 1.170 A-9(e)(11) of the Internal Revenue Service Regulations, and that final control over distributions resides with GTCF through its Board of Directors.

### **INACTIVE DONOR ADVISED FUNDS:**

11. In order for GTCF to carry out its mandate to distribute charitable dollars into the community, GTCF periodically monitors fund activity. If the donor advisor has not made a grant recommendation for a two year period, GTCF will contact the advisor(s) to discuss a mutually agreed upon distribution plan to be implemented within a one-year timeframe. If the donor advisor has not made a grant recommendation within a three year period, GTCF will have the option to allocate the amount available for spending from the fund to unrestricted use.

**12. VARIANCE POWER:**

Greater Tacoma Community Foundation may modify any recommendation or condition on distribution from a fund for any specified charitable purpose or to any specified charitable organization if, in the sole judgment of GTCF, such recommendation or condition becomes unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community. Whenever possible, GTCF will confer with the donor or the donor's representative before the fund is modified and stay as close as possible to the original intent of the donor.

If GTCF ceases to be a qualified charitable organization, or if GTCF proceeds to dissolve, the assets of the fund shall after payment or making provision for payment of any liabilities properly chargeable to the fund, be distributed to \_\_\_\_\_ to be used exclusively for charitable purposes. If the \_\_\_\_\_ is not a qualified charitable organization, said assets shall be distributed in such a manner and to such an organization in the Pierce County community as satisfies the requirements of a qualified charitable organization and serves purposes similar to those of the original underlying donor intent.

**13. ADDITIONS TO THE FUND:**

Gifts may be added to the fund at any time by the donor. Other donors may also contribute to donor advised funds.

**14. FINANCIAL REPORTS:**

Greater Tacoma Community Foundation shall provide a financial status report at least annually.

**15. INVESTMENT OF ASSETS:**

Assets contributed to funds established at GTCF will be managed in accordance with GTCF's "Investment Policy Statements." All outside investment managers shall be provided with a copy of and must agree to adhere to GTCF's "Investment Policy Statements" as a condition of continued service in such capacity, and GTCF reserves the right to replace any outside investment manager in its sole discretion. Minimum fund values are required for outside investment. For more information about the requirements for using an outside investment manager, contact GTCF's Philanthropic Services Department.

**SUCCESSOR ADVISORS:**

- 16.** Once a successor advisor to a donor advised fund becomes the primary advisor, they in turn can appoint their own successor advisors. There is no limit to the number of times an advisor can appoint a successor advisor for active funds.

**DEFINITIONS AND CONSTRUCTION:**

- 17.** As used in the Agreement, a "qualified charitable organization" means an organization described in Section 501(c)(3), which is not a private foundation under Section 509(a) of the Internal Revenue Code of 1986.

It is intended that the fund shall be a component fund of GTCF and that nothing in this Agreement shall affect the status of GTCF as an entity which is a qualified charitable organization. This Agreement shall be interpreted in the manner which is consistent with the foregoing intention and so as to conform to the requirements of the Internal Revenue Code and any regulations issued pursuant thereto applicable to the status of GTCF as a charitable foundation.