



**COMMUNITY
FOUNDATION**
of the
TEXAS HILL COUNTRY

DONOR ADVISED FUND AGREEMENT

THIS AGREEMENT made and entered into on this ___ day of _____, 20__, by and between the **Community Foundation of the Texas Hill Country, Inc.** (the "Foundation"), a Texas nonprofit corporation and public charitable organization, and **Name of Donor**, hereinafter referred to as the "Donor."

The Donor has delivered a gift of \$ _____, or made the absolute transfer of property, described in Exhibit A, to the Foundation. This donation constitutes an ***outright and irrevocable*** gift by the Donor to the Foundation to be used in carrying out the Foundation's general charitable purposes as set forth in the Foundation's Articles of Incorporation and Bylaws and for the purposes and under the conditions set forth in this agreement. The purpose of this gift is to establish a donor-advised fund of the Foundation which will be known as the _____ **Fund** (the "Fund"). The Fund will be administered in accordance with the following terms and conditions.

1. The Fund is established to primarily benefit the geographical area served by the Foundation through grants made to deserving and qualified nonprofit organizations.
2. The Fund will include the property received from the Donor, such property as has been or as may be, from time to time, transferred to the Foundation by the Donor for inclusion in the Fund, such property as may, from time to time, be received by the Foundation from any other source and accepted by it for inclusion in the Fund, and all income from the foregoing property.
3. The Fund will be the property of the Foundation held by it in its normal corporate capacity, subject to its governing documents and written policies and any future amendments to the governing documents and policies of the Foundation. The Donor hereby agrees that the Fund will be administered by the Foundation subject to the Foundation's governing documents. The Fund will not be deemed a trust fund held by it in a trustee capacity.
4. Assets of the Fund may be commingled for purposes of investment with other assets of the Foundation. Control over the investment or reinvestment of such assets and the asset management of the Fund will be exercised exclusively by the Foundation.

Donor Initials

Date

Upon signing of this fund agreement the Donor wishes the monies to be invested in the (initial one):

_____ Fully Diversified Investment Account, or the
_____ Fixed Income/Cash Equivalent Account

5. The Donor has the designated right and the responsibility to recommend grants from the Fund to the Foundation at any time. Upon review of these recommendations, the Foundation will distribute grants from the Fund in accordance with the Foundation's policies and procedures.
 - a. It is understood that these recommendations are advisory in nature.
 - b. Grants will not be made for memberships, pledges, sponsorships, tickets, or for any purposes that would otherwise provide a benefit to the Donor.
 - c. It is the Foundation's policy that grants from a donor-advised fund may not be to any specific individual or to organizations that are not qualified Section 501(c)(3) public charities.
 - d. Grants from a donor-advised fund will not be made for political campaigns or legislative activities.
 - e. The Board of Trustees has the power to modify any restriction or condition on the distribution of funds for any specified charitable purpose(s) or to any specified organization(s), if in the sole judgment of the Board, such restriction or condition becomes: (i) unnecessary, (ii) incapable of fulfillment, or (iii) inconsistent with the charitable needs of the community.
6. Should the Donor desire to relinquish the ability to recommend grants from this Fund as outlined in this agreement, or fail to recommend grant distributions from this Fund for more than five consecutive years, or at the date of death of the Donor, if applicable, the Fund will then become an unrestricted charitable fund of the Foundation.
7. The Foundation will provide all appropriate accounting and related financial management services associated with the Fund. The Fund will periodically be assessed the Foundation's administrative fee, which is currently calculated as a percentage of the Fund's market value as provided by the Foundation's Investment and Spending Policies. The Fund will periodically be assessed an investment management fee that is in accordance with the fees charged by the investment managers and advisors used by the Foundation. Fees are reviewed periodically and may increase or decrease from time to time. In addition, the Foundation may require to be reimbursed from the Fund for legal, accounting, or other professional fees incurred on behalf of the Fund.

8. It is intended that the Fund will be a component part of the Foundation and not a separate trust and nothing in this agreement will affect the status of the Foundation as an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, and as an organization which is not a private foundation within the meaning of Section 509(a) of the Code. This agreement will be interpreted in a manner consistent with the foregoing intention and so as to conform to the requirement of the foregoing provisions of the federal tax laws and regulations issued pursuant thereto. The Foundation is authorized to amend this agreement to conform to the provisions of any applicable law or government regulation in order to carry out the foregoing intention. References herein to provisions of the Internal Revenue Code of 1986 will be deemed references to the corresponding provisions of any future Internal Revenue Law;

I HEREBY ACKNOWLEDGE THAT THIS AGREEMENT and the gifts it represents are absolute and irrevocable and that, after the execution of this fund agreement, I will have no right, title, interest, or incidents of ownership in the property described in Exhibit A or any additional property transferred to the Fund. Further, I will have not unilateral right to alter, amend or terminate this fund agreement.

Signed by the Donor:

Donor Name

Date

I HEREBY ACKNOWLEDGE RECEIPT OF THE ABOVE GIFT, and agree to administer this Fund in accordance with the terms and conditions set forth in this fund agreement under the provisions of the Articles of Incorporation and Bylaws of the Foundation.

Signed by the Foundation:

Austin Dickson, Executive Director
Community Foundation of the Texas Hill Country

Date

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Donor Initials

Date

Exhibit A

_____ Fund

Description of property donated: _____.

SAMPLE

Donor Initials

Date