



# Non-Advised Fund Agreement

- \*(Choose one)

☐ Establish a New Fund

☐ Update Fund Information
- \*TYPE OF FUND** (choose one)

☐ Designated

☐ Field of Interest

☐ Named Endowed

**\*Name of Fund**

E.G., SMITH FAMILY FUND OR ABC CORPORATE FUND

(Please provide at least one contact.)

**PRIMARY CONTACT INFORMATION**

\*FIRST NAME

\*LAST NAME

TITLE

☐ MR

☐ MS

☐ MRS

☐ DR

|

☐ MALE

☐ FEMALE

MAILING ADDRESS

☐ HOME

☐ BUSINESS

CITY

STATE

ZIP

BUSINESS PHONE

HOME PHONE

MOBILE PHONE

\*EMAIL ADDRESS

COMPANY NAME

TITLE

DATE OF BIRTH

**ADDITIONAL CONTACT INFORMATION**

\*FIRST NAME

\*LAST NAME

TITLE

☐ MR

☐ MS

☐ MRS

☐ DR

|

☐ MALE

☐ FEMALE

MAILING ADDRESS

☐ HOME

☐ BUSINESS

CITY

STATE

ZIP

BUSINESS PHONE

HOME PHONE

MOBILE PHONE

\*EMAIL ADDRESS

COMPANY NAME

TITLE

DATE OF BIRTH

\* = required

# Non-Advised Fund Agreement

## REFERRAL INFORMATION

REFERRED TO SVCF BY

RELATIONSHIP

☐ This person is my professional advisor. I would like him/her to be a fund representative.

COMPANY

MAILING ADDRESS

CITY

STATE

ZIP

PHONE

EMAIL

## SPECIAL INSTRUCTIONS

Please complete the appropriate section based on the type of fund being established.

### DESIGNATED FUND

Designated funds are created to support one specific nonprofit and may be endowed or fully expendable. The designated charitable organization must have 501(c)(3) status (or equivalent) and cannot be a private non-operating foundation. Should the organization cease to exist or dramatically change, SVCF will direct the fund's payout to another organization serving similar needs.

NAME OF ORGANIZATION

MAILING ADDRESS

CITY

STATE

ZIP

PHONE

FEDERAL TAX ID#

☐ Yes, please send this fund's primary contact an annual fund statement.

#### Spending Policy (choose one)

☐ **Fully Expendable:** Entire fund balance is available for grantmaking.

☐ Distribute \$ \_\_\_\_\_ annually.

☐ Distribute \_\_\_\_\_ % annually.

☐ Annual payout to be determined by SVCF based on community need.

☐ **Endowed:** Annual distribution is restricted to SVCF's spending policy.<sup>‡</sup>

☐ Please make all grants from the fund anonymous.

### FIELD OF INTEREST FUND

Field of interest funds support an area of interest that the founder or honoree cares about deeply. Describe your field of interest below:

#### Spending Policy (choose one)

☐ **Fully Expendable:** Entire fund balance is available for grantmaking.

☐ Distribute \$ \_\_\_\_\_ annually.

☐ Distribute \_\_\_\_\_ % annually.

☐ Annual payout to be determined by SVCF based on community need.

☐ **Endowed:** Annual distribution is restricted to SVCF's spending policy.<sup>‡</sup>

☐ Please make all grants from the fund anonymous.

<sup>‡</sup>Additional information will be required. Please contact SVCF at 650.450.5444 or [donate@siliconvalleycf.org](mailto:donate@siliconvalleycf.org).

# Non-Advised Fund Agreement

## NAMED ENDOWED FUND

A named endowed fund may be created to support the Community Endowment Fund, a permanent charitable resource for the region. SVCF will apply its annual spending policy<sup>†</sup> to support SVCF's current and future grantmaking while carrying the name of the founder's choosing. These funds must be endowed and unrestricted in nature. Please indicate the name of the fund below as you would like it to appear publicly.

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NAMED ENDOWED FUND NAME

<sup>†</sup>See Fund Terms and Conditions for additional information.

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## FUND CREATION

Initial gift to establish a fund: \$ \_\_\_\_\_

### Type of Gift:

- |  |   |
|--|---|
| <input type="checkbox"/> Check made payable to Silicon Valley Community Foundation | <input type="checkbox"/> Privately Held Securities <sup>‡</sup> |
| <input type="checkbox"/> Publicly Traded Securities <sup>‡</sup>                   | <input type="checkbox"/> Restricted Securities <sup>‡</sup>     |
| <input type="checkbox"/> Other <sup>‡</sup>  | <input type="checkbox"/> Wire <sup>‡</sup>                      |

PLEASE DESCRIBE THE GIFT (INTERFUND TRANSFER, PERSONAL PROPERTY, REAL ESTATE, TESTAMENTARY):

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\*Total Donation: \$ \_\_\_\_\_

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## Would you like to support the Community Endowment Fund?

The Community Endowment Fund is a permanent charitable resource that grows through your support and provides invaluable funding to local nonprofit organizations. When you give to the endowment, you are helping to meet the needs of our community today and for years to come by supporting Santa Clara and San Mateo counties in perpetuity.

☐ I would like to make an additional gift to the Community Endowment Fund: \$ \_\_\_\_\_

## PLANNED GIFTS

☐ I have remembered SVCF in my estate plans.

☐ I would like more information on how to include SVCF in my estate plans.

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## RECOGNITION AND THANKS

### How would you like to be recognized?

Each grant made from an advised fund is mailed with a custom grant award letter.

Specify below how you would like the name(s) of the fund advisors to appear in the custom grant award letter:

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(E.G., MR. AND MRS. MARK SMITH, JANE AND MARK SMITH, THE SMITH FAMILY, ABC CORPORATION)

☐ Please make all grants from the fund anonymous.

(Note: Anonymity can be customized on a grant-by-grant basis.)

### How would you like to be thanked by nonprofits?

An organization that has received grants from the fund may wish to send information to you directly. Please indicate your contact preference for the custom grant letter.

#### Choose one:

- ☐ Provide my home address.
- ☐ Provide my business address.
- ☐ Do not provide my address.

Mail received by SVCF for the fund will not be forwarded.

<sup>†</sup>Additional information will be required. Please contact SVCF at 650.450.5444 or [donate@siliconvalleycf.org](mailto:donate@siliconvalleycf.org).

\* = required

# Non-Advised Fund Agreement

**ANONYMITY AND PUBLICITY**

SVCF includes information about fund advisors, grantees and funds in our e-newsletters, magazine, website and other printed and online materials. If you would like anonymity, please check all that apply:

- ☐ Do not list my name on donor listings.
- ☐ Do not include the name of this fund on fund listings.

**INVESTMENT OPTIONS** (Fully expendable funds only)

Please refer to the attachments regarding investment pool information and allocation. If you need additional information, please contact SVCF.

**ENDOWED FUNDS** (Endowed funds only)

Please refer to the attachment regarding endowment pool information and allocation. If you need additional information, please contact SVCF.

- ☐ I have completed the Investment Allocation form.

**ACKNOWLEDGEMENT AND SIGNATURES**

I acknowledge I have read SVCF's Support Fees and Minimums and Fund Terms and Conditions and agree to the fees, terms and conditions described therein. I understand that any contribution, once accepted by SVCF's board of directors, represents an irrevocable gift to SVCF. SVCF's board of directors has variance power under IRS regulations, and this gift is not refundable to me.

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

*PRIMARY CONTACT SIGNATURE	
*PRINT NAME	*DATE
SVCF SIGNATURE	
PRINT NAME	TITLE
DATE	

SPECIAL INSTRUCTIONS:

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**Please return this form to:**  
Silicon Valley Community Foundation  
*Attention: Development Department*  
2440 West El Camino Real, Suite 300  
Mountain View, California 94040-1498  
  
Phone: 650.450.5444  
Fax: 650.450.5401  
donate@siliconvalleycf.org

Contact SVCF at [donate@siliconvalleycf.org](mailto:donate@siliconvalleycf.org) or 650.450.5444 if you have questions.

# Fund Terms and Conditions

## TAX STATUS OF CONTRIBUTION

Funds established at Silicon Valley Community Foundation ("SVCF") are component funds of SVCF, a Section 501(c)(3) public charity. Certain contributions other than cash or marketable securities must first be approved by SVCF. All contributions to SVCF's funds are treated as gifts to a public charity and are generally tax-deductible, subject to individual limitations. SVCF does not provide tax or legal advice; we recommend consulting a professional advisor with questions about a gift to SVCF.

## VARIANCE POWER

As required by law, all assets contributed to funds become irrevocable gifts to SVCF, and legal control and responsibility for the funds rest with SVCF. All funds established at SVCF are subject to SVCF's variance power, subject to individual limitations, as set forth in SVCF's bylaws. Variance power gives SVCF the authority to modify any restriction or condition on the distribution of funds for any specified charitable purposes or to specified organizations if, in the sole judgment of SVCF's board of directors, such restriction or condition becomes unnecessary, incapable of fulfillment or inconsistent with the charitable needs of the community served.

## INVESTMENT OF ASSETS

In making a gift to SVCF, donors give up all right, title and interest to the assets contributed. In particular, donors cannot choose investments, investment managers or brokers after their gift has been made, with the exception of a recommended customized investment approach as stated below. The board of directors and investment committee of SVCF have the right to make any or all investment decisions regarding gifts received, except that fund advisors have advisory privileges with respect to fund investments. All assets contributed to funds will be managed in SVCF's investment pools, subject to certain approved exceptions. Investment allocations among SVCF's investment pools can be changed no more than once per calendar year, unless a significant change to grantmaking or fund balance occurs and prudence requires a change. SVCF may hold up to 5% of fund assets in non-interest-bearing cash at any time. All income and capital gains or losses will be allocated to the fund on a monthly basis.

A donor may recommend a customized investment approach through an outside investment advisor for funds carrying a significant balance. SVCF's investment committee must approve the recommended advisor, the advisor's proposed investment strategy and underlying investments.

## FEES AND MINIMUMS

There is no set-up fee to open a fund at SVCF, with certain exceptions; however, specific initial gift minimums must be met. Initial gift minimums vary by fund type. Once established, funds are required to maintain a minimum balance and are subject to support and investment fees. Fee information is available upon request. SVCF reserves the right to change its fee or minimum policies at any time.

## FUND SPENDING POLICY

SVCF recommends a minimum 5% annual distribution rate for all funds. For endowed funds, SVCF's board of directors sets and monitors a required annual distribution rate that is calculated as a percentage of fund assets. This rate is based on 12 trailing quarter balances and is subject to change based on community needs, investment performance and the long-term preservation of endowment funds' principal. An endowed fund must be invested for a minimum of 12 months before the fund's initial annual distribution rate can be calculated.

## GRANT DISBURSEMENT

Grants must be for charitable purposes, and those grants may be recommended to any 501(c)(3) organization or verified charitable entity (e.g. schools, religious institutions) located in the United States or any nongovernmental organization outside of the United States having a verifiable charitable purpose. All grants directed outside of the United States must comply with federal government regulations, and the prospective grantee must be verified as the equivalent of a public charity within the United States and must otherwise conform to all relevant U.S. federal and state laws. Grants may also be given for charitable purposes to non-501(c)(3) organizations if the charitable expenditure can be verified through a process called expenditure responsibility. Expenditure responsibility is required for any organization not described in IRS Section 170(b)(1)(A), including for-profit companies, private operating foundations and new public charities that do not yet have 501(c)(3) status and disqualifying supporting organizations.

Grants given to all 501(c)(3) public charities within the United States must be for a minimum of \$200 USD. Grants to organizations outside of the United States for which SVCF has an Equivalency Determination Certificate or grants requiring expenditure responsibility within the United States must be for a minimum of \$1,000 USD. Grant payments sent to organizations are accompanied by an SVCF letter specifying the name of the fund. Mail that SVCF receives for the fund will not be forwarded. Approved grants are typically sent within 7

# Fund Terms and Conditions

to 10 business days. However, any fund submitting 20 or more grant recommendations at one time should allow up to 12 business days for processing. Grants made from funds at SVCF are issued on checks with the name and logo of SVCF.

SVCF shall assume responsibility for check writing, bookkeeping, investment management, tax reporting, auditing and evaluation of projects, and for making available to the fund advisors and fund representatives reports of fund income, expenses and grantmaking, as appropriate.

## RESTRICTIONS ON GRANTS

In compliance with the Internal Revenue Code, grants are not permitted to individuals; for non-charitable purposes; for political contributions or to support political campaign activities; or for any purpose that would provide benefits, goods or services to a donor to the fund, the fund's advisor(s) or other related parties. A fund advisor is subject to IRS penalties if the fund's donor(s), advisor(s) or other related parties receive benefits, goods or services in connection with a grant recommendation. This includes grants for memberships, event tickets, sponsorships, registration fees in tournaments and cause-related marketing activities. Grants are generally not allowed to private non-operating foundations, unless certain exceptions are met. Please contact SVCF if you have questions about the exclusion of benefits from grant recommendations and/or multiple-year payments.

## PAYMENTS FROM A NON-ADVISED FUND

SVCF does not permit expense reimbursements, loans, compensation or other similar payments from a fund to any donor or related party. All expenses must be paid by SVCF directly after appropriate review of the expenses and their payees, and all expenditures must be preapproved by SVCF prior to being incurred. The expense submitted for review must be charitable in nature or support a charitable purpose.

## FUNDRAISING POLICY

On rare occasions, SVCF may consider permitting a fund to raise money. All fundraising activities must be pre-approved by SVCF. Fund contacts must allow at least 30 days for approval. Use of SVCF's name on any fundraising material is expressly prohibited without prior written approval by SVCF. SVCF cannot reimburse the donor, fund advisor or related parties for expenses related to fundraising activities. All contributions raised in support of the fund must be made payable to Silicon Valley Community Foundation or SVCF with the name of the fund in the memo line. SVCF is not responsible for the success of fundraising activities.

## DESIGNATED FUNDS

Designated funds can only be established for the benefit of one qualified public charity. If that organization ceases to exist or dramatically changes its charitable purpose, SVCF will use its variance power to find a similar organization that matches the donor's intent. Should the donor request that the organization be changed, all remaining assets will be granted to the original organization and a new fund must be established.

## CONFLICT OF TERMS

In the event of an inconsistency between these terms and conditions and any terms and conditions appearing elsewhere in connection with any fund, these terms and conditions, as interpreted by SVCF, shall govern, and SVCF reserves the right to take any actions at any time which, in its discretion, it deems reasonably necessary or desirable for the proper administration of any fund at SVCF or to comply with applicable law.

### Please return this form to:

Silicon Valley Community Foundation  
*Attention: Development Department*  
2440 West El Camino Real, Suite 300  
Mountain View, California 94040-1498

Phone: 650.450.5444

Fax: 650.450.5401

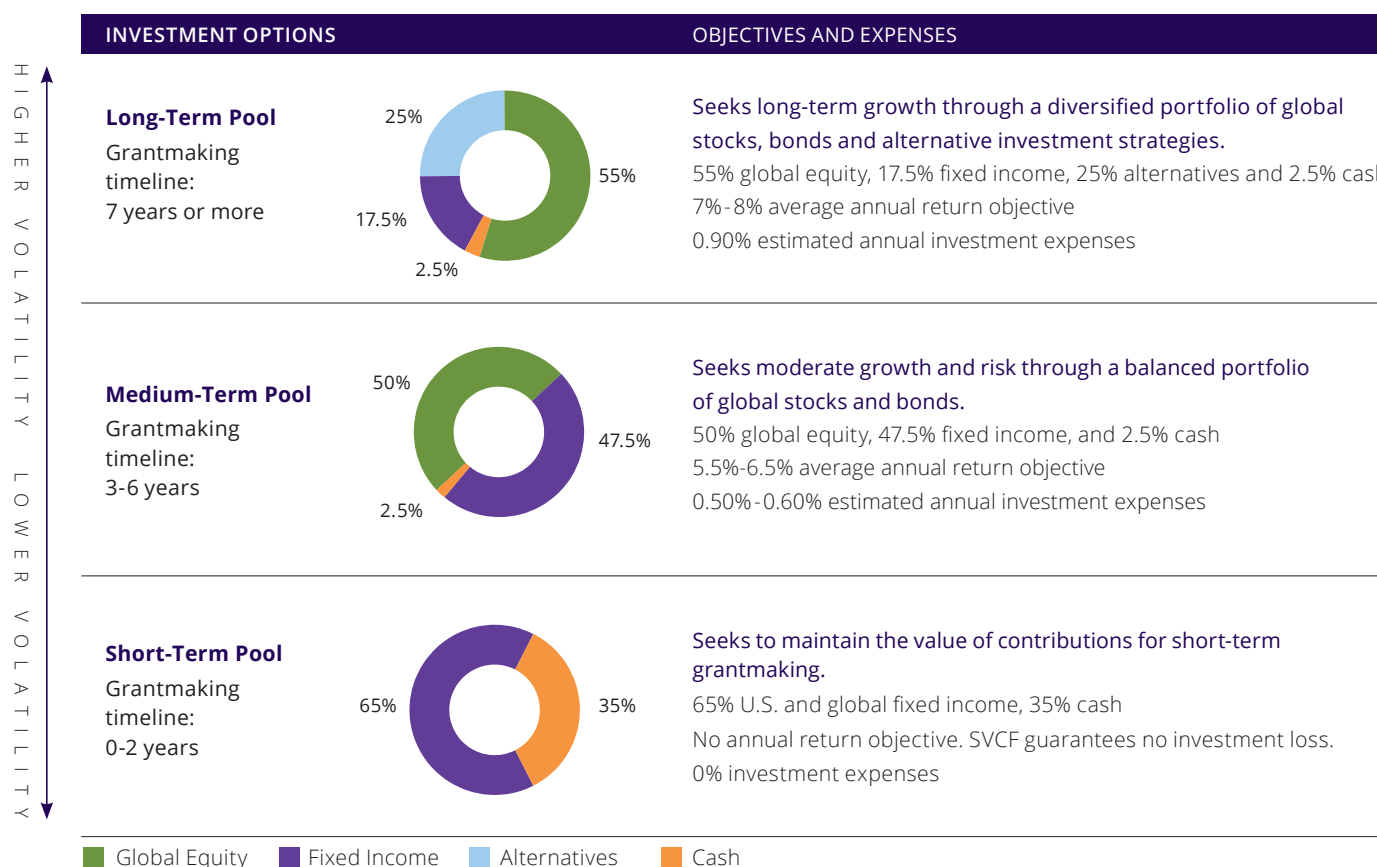
[donate@siliconvalleycf.org](mailto:donate@siliconvalleycf.org)

**Contact SVCF at [donate@siliconvalleycf.org](mailto:donate@siliconvalleycf.org) or 650.450.5444 if you have questions.**

# Investment Options

SVCF offers three investment pools to meet your philanthropic objectives. We recommend that you review your expected grantmaking time horizon and investment allocations annually. Please contact us if you have significant changes in your philanthropic objectives. SVCF will maintain your fund's allocation through regular monthly rebalancing.

All pools benefit from purposeful asset allocation, diversification and best-in-class manager selection to achieve the highest expected returns within an acceptable level of risk. Investments are monitored regularly by SVCF's experienced investment committee, consultant and staff. Select an investment option that is aligned with your grantmaking horizon.



Return objectives are net of fees over full market cycles of seven years or more. Actual returns will fluctuate and may be negative from year to year. Alternative investments include hedge funds, private equity and real assets, which are included to enhance returns, dampen volatility and hedge against inflation. Investment expenses include investment management, consulting, administration and custody fees, etc. Investment expenses may vary due to changes in the portfolio or performance-based fees in alternative investments.

Expenses do not include the support fee charged by SVCF.

**Please connect with your SVCF staff contact or email [investmentpools@siliconvalleycf.org](mailto:investmentpools@siliconvalleycf.org) with questions or call 650.450.5400.**

# Endowment Pool Allocation Election

## Name of Fund

E.G., SMITH FAMILY FUND OR EUCALYPTUS FUND

☐ New Fund      ☐ Existing Fund#

## INVESTMENT POOL ALLOCATION

☐ Endowment Pool with annual distributions to occur      ☐ June 30      ☐ December 31

The Endowment Pool is only available for permanent funds intended to exist in perpetuity. The objective of the pool is to maintain the purchasing power of distributions (“spending”) over time by seeking to earn a rate of return that equals the spending rate plus inflation. The spending rate, historically in the range of 4% to 5%, is set according to the spending policy established by the board of directors of SVCF in a manner that is compliant with the Uniform Prudent Management of Institutional Funds Act (UPMIFA). The objective of the spending policy is alignment with the investment policy so that the spending rate plus inflation is in balance with expected long-term returns. A secondary objective of the spending policy is to attempt to provide a stable and predictable stream of funding to the programs supported by endowment funds. To achieve the desired level of investment return, the endowment pool seeks maximum growth through a diversified portfolio of global stocks, bonds and alternative investments. This strategy requires a patient, long-term approach to realize gains.

Allocating to the Endowment Pool encompasses the following terms and conditions which supersede any conflicting terms defined in the Fund Agreement and Terms and Conditions:

- Funds must be invested for four full quarters before distributions begin.
- One distribution shall be paid annually.
- Distributions may be reinvested but not accumulated for later payout. Requests to reinvest distributions shall be made in writing by a fund advisor to SVCF.
- The payout rate is determined by SVCF in accordance with its spending policy. The spending policy and payout rate may be modified by the foundation’s board at any time.
- Future contributions will be invested in the Endowment Pool.
- If the fund balance falls below the historic gift value<sup>1</sup>, then distributions may be reduced or paused for a sufficient time to allow for recovery in accordance with SVCF’s spending policy.
- In the event that a full or partial redemption is requested and approved by the board of the nonprofit and the board of SVCF (subject to the variance power defined in the Terms and Conditions), SVCF will have up to 12 months to distribute the funds on a schedule of its choosing.
- If the purpose for which the endowment fund was established ceases to exist, use of the funds will be determined by the board of SVCF as defined by the variance power in the Terms and Conditions.

## ACKNOWLEDGEMENT

I have reviewed the other investment pool options available at SVCF. In electing the Endowment Pool, I acknowledge the terms above in addition to the Terms and Conditions that accompany the Fund Agreement. I understand that the Endowment Pool investment option is for permanent funds and not available for redemption in full or in part at any time.

SIGNATURE

DATE

<sup>1</sup>Historic gift value is the fair value in dollars of an endowment fund at the time it first became an endowment fund plus the fair value in dollars of each subsequent donation to the fund at the time it is made.





# Investment Allocation

FOR FULLY EXPENDABLE FUNDS

## Name of Fund

E.G., SMITH FAMILY FUND OR ABC CORPORATE FUND

☐ New Fund

☐ Existing Fund # \_\_\_\_\_

Please indicate your recommended investment pool allocation below. The total must equal 100%. Refer to the Investment Options information on the page that follows or visit [siliconvalleycf.org](http://siliconvalleycf.org) for a description of each investment pool.

_____ %	Long-Term Pool	For funds with expected grantmaking timelines of seven or more years.
_____ %	Medium-Term Pool	For funds with expected grantmaking timelines of three to six years.
_____ %	Short-Term Pool	For funds with grantmaking timelines of up to two years.
100 _____ %	Total	

Future contributions will be invested according to the allocation specified above. Investment allocations can be changed through written instruction once per calendar year or upon a significant change in distribution goals. Reallocations occur on the first business day of the month.

\_\_\_\_\_  
FUND ADVISOR SIGNATURE

\_\_\_\_\_  
DATE

**Please connect with your SVCF staff contact or email [investmentpools@siliconvalleycf.org](mailto:investmentpools@siliconvalleycf.org) with questions or call 650.450.5400.**

### Important Information

Investment returns and principal value will fluctuate such that investments in the Medium-Term and Long-Term pools, when redeemed, may be worth more or less than their original cost. A portion of the Medium-Term and Long-Term pools is held in liquid investments to provide for distributions. Please see SVCF materials on fees and minimums and terms and conditions for more information.

This publication is a service to provide general information. SVCF is not engaged in rendering legal, financial or tax advice; as such, please consult with your financial or legal advisor.

## Support Services and Fees

Silicon Valley Community Foundation assesses support fees to cover the cost of administration and to continue SVCF's important work in our community. Fees provide the necessary resources to operate efficiently and effectively, ensuring fiscal responsibility in grant due diligence, donor and nonprofit education, research and other activities. Annual fees are assessed monthly based on average fund balance.

Fund Type and Minimums	Support Fees
<b>Donor Advised, Memorial and Committee Advised Funds</b> \$5,000 minimum initial gift \$1,000 minimum balance	1.0% the first \$3 million 0.75% on amounts over \$3 million 0.50% on amounts over \$10 million 0.25% on amounts over \$25 million \$250 minimum annual fee
<b>Supporting Organizations</b> \$10 million minimum initial gift \$2.5 million minimum balance	1.0% on the first \$15 million 0.65% on amounts over \$15 million 0.25% on amounts over \$25 million 0.10% on amounts over \$30 million \$25,000 minimum annual fee
<b>Field of Interest Funds</b> \$50,000 minimum initial gift \$1,000 minimum balance	2.0% on all balances \$250 minimum annual fee
<b>Scholarship Funds</b> <b>SVCF Managed</b> \$250,000 minimum initial gift \$1,000 minimum balance	2.0% on all balances (includes processing of 10 scholarship applications annually) \$35 processing fee applies for each additional application; total processing fees shall not exceed 4.0% of the fund's annual balance \$250 minimum annual fee
<b>Donor Involved</b> \$50,000 minimum initial gift \$1,000 minimum balance	2.0% on all balances \$250 minimum annual fee
<b>Designated Funds</b> \$10,000 minimum initial gift \$1,000 minimum balance	0.5% on all balances \$250 minimum annual fee

We also offer corporate advised funds and customized philanthropy services. Other fees may apply under special circumstances.

Contact SVCF at [donate@siliconvalleycf.org](mailto:donate@siliconvalleycf.org) or 650.450.5444 if you have questions.