



**WELCOME!**

Thank you for choosing the Long Beach Community Foundation as the administrator of this donor advised fund.

IMAGE BY UNSPLASH FRANK MCKENNA

## Donor Advised Fund Agreement

Contact your partners in philanthropy

Marcelle Hope Epley  
President & CEO  
[marcelle@longbeachcf.org](mailto:marcelle@longbeachcf.org)



Long Beach Community Foundation  
1 World Trade Center, 8th Floor  
Long Beach, CA 90831  
(562) 435-9033  
[www.longbeachcf.org](http://www.longbeachcf.org)

Tara Sievers  
Donor & Community Relations Manager  
[tara@longbeachcf.org](mailto:tara@longbeachcf.org)





**DONOR(S)** – If the Donor(s) is different than the Fund Advisor(s), please provide Donor information. Donor refers to the person(s) giving the charitable contribution who will receive a tax receipt.

**FIRST DONOR**

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First Name	Last Name
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Phone: <input type="checkbox"/> Home <input type="checkbox"/> Work <input type="checkbox"/> Mobile	Email Address
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**SECOND DONOR (optional)**

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First Name	Last Name
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Phone: <input type="checkbox"/> Home <input type="checkbox"/> Work <input type="checkbox"/> Mobile	Email Address
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**SUCCESSOR ADVISOR(S)** – Successor Advisors make investment and grant recommendations for the Fund after the Fund Advisors are no longer able or willing to do so. If you do not wish to name a Successor Advisor at this time, please complete a Statement of Philanthropic Intent found in this packet.

If no Successor Advisors are named, there is no SOPI on file with LBCF, and the DAF ceases to have any Fund Advisors, Successor Advisors, or Donor(s) affiliated with the Fund, funds will be used for general charitable purposes at the discretion of LBCF’s Board of Directors with consideration of donor intent.

Successor Advisors may act (select one):  Individually  By Majority  By Unanimous Consent

**FIRST SUCCESSOR ADVISOR**

Mr.  Mrs.  Ms.  Miss  Dr.  Mx.  Other \_\_\_\_\_

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First Name	Middle Initial	Last Name
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Date of Birth	Relationship to Fund Advisor(s)
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Address: <input type="checkbox"/> Home <input type="checkbox"/> Work	City	State	Zip Code
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Phone: <input type="checkbox"/> Home <input type="checkbox"/> Work <input type="checkbox"/> Mobile	Email Address
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**SECOND SUCCESSOR ADVISOR (optional)**

Mr.  Mrs.  Ms.  Miss  Dr.  Mx.  Other\_\_\_\_\_

\_\_\_\_\_  
First Name Middle Initial Last Name

\_\_\_\_\_  
Date of Birth Relationship to Fund Advisor(s)

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

\_\_\_\_\_  
Phone:  Home  Work  Mobile Email Address

**PROFESSIONAL ADVISOR(S)**

If working with a Professional Advisor, you can give them viewing rights to the Fund. Click below to grant the Advisor online view-only access to the Fund.

**FIRST PROFESSIONAL ADVISOR**

Accountant  Attorney  Financial Advisor

\_\_\_\_\_  
Professional Advisor Name Firm Name

\_\_\_\_\_  
Phone Number Email Address

**SECOND PROFESSIONAL ADVISOR**

Accountant  Attorney  Financial Advisor

\_\_\_\_\_  
Professional Advisor Name Firm Name

\_\_\_\_\_  
Phone Number Email Address



# LONG BEACH COMMUNITY FOUNDATION

## INVESTMENT RECOMMENDATION FORM

Please select one of the following three options for your Fund's investments:

**Option 1:** Long Beach Community Foundation Investment Pools

**Option 2:** Long Beach Community Foundation Investment Pools with an emphasis on environmental, social and governance (ESG) factors

**Option 3:** Financial Advisor Managed Account

Please return completed form to [tara@longbeachcf.org](mailto:tara@longbeachcf.org).

Name of Fund \_\_\_\_\_

**Option 1:** The assets in the Fund will be invested in Long Beach Community Foundation's (LBCF) Investment Pools. Select a mix from the options listed below, or create your own mix.

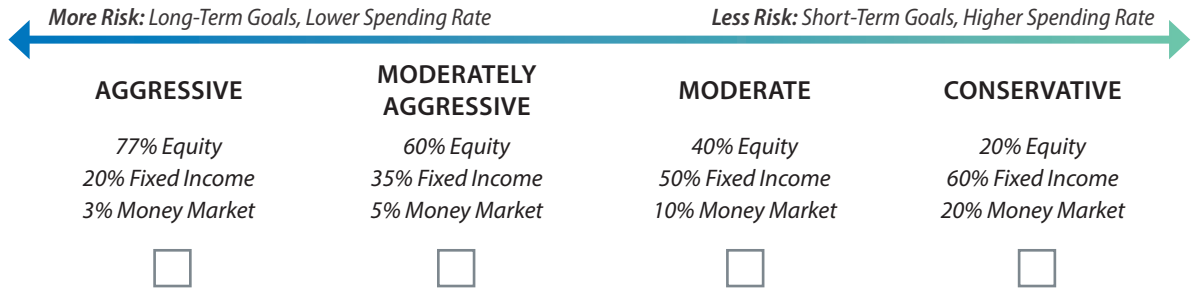
Investment Pools	<div style="display: flex; justify-content: space-between; align-items: center;"> <div style="text-align: center;"> <p><b>MORE RISK</b> Long-Term Goals Lower Spending Rate</p> </div> <div style="text-align: center;"> <p><b>LESS RISK</b> Short-Term Goals Higher Spending Rate</p> </div> </div>					
	Mix Options ▶	AGGRESSIVE	MODERATELY AGGRESSIVE	MODERATE	CONSERVATIVE	RISK AVERSE
Domestic Equity	55%	43%	29%	14%	0%	
International Equity	22%	17%	11%	6%	0%	
Intermediate-Term Fixed Income	10%	10%	15%	18%	0%	
Short-Term Fixed Income	10%	25%	35%	42%	0%	
Money Market	3%	5%	10%	20%	100%	

\*Combined total must equal 100%

**Option 2: The assets in the Fund will be invested in LBCF's Investment Pools with an emphasis on environmental, social and governance (ESG) factors.**

- ▶ If you wish to use a pre-selected investment mix, follow the two steps below.
- ▶ If you prefer to create your own mix, complete the Custom Mix table with the percentages of each pool you wish to include.

**Step 1: Select your risk tolerance.**



**Step 2: Choose an ESG option for the equity allocation.**

- SOCIAL IMPACT**  
The Social Impact Pool invests in organizations that are treating employees and customers fairly and are creating opportunities for the least advantaged. Additionally, the Pool focuses on investment managers from groups that have been traditionally excluded from the asset management industry.
- ENVIRONMENTAL IMPACT**  
The Environmental Impact Pool invests in organizations that are best positioned to address and cope with rising climate risks by reducing carbon emissions, conserving resources, and adopting environmental policies.
- BROAD ESG IMPACT**  
The Broad ESG Impact Pool invests in organizations that tackle global challenges through commitments to environmental action, diversity and inclusion, and good governance.

**Or, build your own custom mix with ESG Pools.**

**CUSTOM MIX**  
*Combined total must equal 100%*

<b>Investment Pools</b>	<b>Social Impact</b> (70% U.S. Stock / 30% Foreign Stock)	%
	<b>Environmental Impact</b> (70% U.S. Stock / 30% Foreign Stock)	%
	<b>Broad ESG Impact</b> (70% U.S. Stock / 30% Foreign Stock)	%
	<b>Domestic Equity</b> (100% U.S. Stock)	%
	<b>International Equity</b> (100% Foreign Stock: 75% Developed Markets / 25% Emerging Markets)	%
	<b>Intermediate-Term Fixed Income</b>	%
	<b>Short-Term Fixed Income</b>	%
	<b>Money Market</b>	%

**Option 3: The assets in the Fund will be invested separately in a financial advisor managed account on your advisor's platform.** Your financial advisor will have online access to view your Fund information in Long Beach Community Foundation's donor portal, including balance, contribution and grant history, and will make investment selections for your Fund on your behalf. *Long Beach Community Foundation will contact your financial advisor to set up the investment account. A Fund advisor or family member may not be named as the Fund's financial advisor.*

Financial Advisor Name		Firm Name	
Address	City	State	Zip Code
Phone	Email Address		

With your permission, your financial advisor can communicate your grant requests to LBCF.

Check here to give your financial advisor permission to communicate your grant requests.

**Terms & Required Signature(s)**

If LBCF does not receive an investment recommendation for the Fund, assets will be held in the Money Market Pool.

*For assets in LBCF's Investment Pools:* Allocations are rebalanced to targets once a month. In the interim, cash coming into the Fund will be held in the Money Market Pool. The responsibility for managing LBCF's investment program is vested in LBCF's Board of Directors through its Investment Committee. The percentages in the mix options may change from time to time upon Investment Committee review. For additional details regarding investment mixes and pools, refer to [longbeachcf.org/about/financials](http://longbeachcf.org/about/financials) to view the Investment Performance Summary and the Supplemental Report.

*For assets in a financial advisor managed account:* The assets in the Fund will be managed directly by the named financial advisor on a discretionary basis, until such time that LBCF or the Fund Advisor(s) exercise(s) the option to make a different selection for management of this Fund. The named financial advisor will manage the assets of this Fund in accordance with the Fund advisor(s)' charitable objectives. LBCF will regularly review the financial performance of this Fund.

As required by IRS regulations:

- a) the investment recommendation is advisory only and LBCF may, at its sole and absolute discretion, follow or decline to follow the recommendation;
- b) LBCF may at any time, at its sole and absolute discretion, change the investment of all or any portion of the assets in the Fund;
- c) if the investment recommendation is accepted, the investments will be administered in accordance with the financial policies and fiduciary standards of LBCF; and
- d) investments are subject to normal market and interest rate fluctuation risks, and any gain or loss generated by the above investments will be credited or charged to the Fund.

Signature	Printed Name	Date
Signature	Printed Name	Date

## ADMINISTRATIVE FEES

Fees are deducted from all funds monthly on a prorated basis. LBCF administrative fees (in chart below) cover general operating costs including gift establishment, receipt of contributions and assets, grant processing and fund administration, due diligence procedures and research on nonprofit agencies, and other charitable purposes. In addition, an LBCF investment administration fee of 0.15% of the average fair market value of the Fund's assets cover the cost of internal investment accounting and management. Funds may also be charged additional fees for direct expenses incurred or rendered such as: commissions on the sale of contributed stock; extraordinary legal, banking and investment services; or other non-standard services. Investment managers and consultant fees related to the portfolio investment pools are charged directly to the pools, gross of these fees. Special or non-standard LBCF support fees may be higher or lower than fees shown below due to special arrangements, unusual situations, differences in services performed or differences in underlying agreements.

### Donor Advised Fund - Administrative Fees

Minimum Fee = \$300 Annually (\$25 per month)

#### OPTION 1 – LBCF MANAGED

Fee tiered as follows:

1.25% up to \$1.0 million

1.00% at > \$1.0 to \$2.5 million

0.75% at > \$2.5 to \$5 million

Quoted on assets > \$5 million

#### OPTION 2 – OUTSIDED MANAGED

Fee tiered as follows:

1% First \$1 million

0.60% Next \$1 million

0.30% Next \$2 million

0.10% Next \$3 million

0.19% Flat Fee (\$7,000,000 - \$9,999,999)

0.17% Flat Fee (\$10,000,000 - \$19,999,999)

0.15% Flat Fee (\$20,000,000 - \$34,999,999)

0.13% Flat Fee (\$35,000,000 - \$49,999,999)

0.12% Flat Fee (\$50,000,000 - \$74,999,999)

0.11% Flat Fee (\$75,000,000 - \$99,999,999)

Call \$100,000,000+

## YOUR CONTRIBUTION

The Donor(s) hereby irrevocably gives \$ \_\_\_\_\_ in the form of a:

Check  Credit or Debit Card/Checking or Savings Account  Wire (Bank Name) \_\_\_\_\_

Securities or Mutual Funds (# of shares and symbols) \_\_\_\_\_

Bequest – The Donor does not plan to use the Fund during their lifetime. The contribution will be made upon death to LBCF, a California nonprofit public benefit corporation (Nonprofit ID# 20-5054010) having its principal office in the City of Long Beach and the State of California, and a charitable organization described in sections 501(c)(3) and 509(a)(1) of the Internal Revenue Code. Directives will be outlined in the Memorandum of Philanthropic Intent (MOPI) on file with LBCF. A MOPI to complete is included in this packet.

Other (please describe): \_\_\_\_\_

I will donate \_\_\_\_\_% of this contribution or the amount of \$ \_\_\_\_\_ to the LBCF Community Impact Fund to serve the pressing needs in Long Beach.



**CHOOSE ENDOWED OR NON-ENDOWED**

*This DAF is Endowed* - An endowment is a permanent fund that supports charities in perpetuity. Earnings are available each year to make grants to charitable organizations while the principal (the amount deposited into the Fund) remains intact. The amount available each year to grant is based on LBCF's spending policy

*This DAF is Non-Endowed* – A non-endowed fund may be granted in whole or in part and is not based on a spending policy.

We offer several easy ways to contribute to your fund:

### **Check**

Make checks payable to the Long Beach Community Foundation, noting your fund name on the memo line.

Mail check to:

Long Beach Community Foundation  
1 World Trade Center, 8th Floor,  
Long Beach, CA 90831

### **Credit/Debit Card or Checking/Savings Account**

Visit our website to make a secure contribution via credit card, debit card, checking, or savings account to any fund held at LBCF. Applicable credit card and bank fees will be assessed.

Go to:

[longbeachcf.org/donate](http://longbeachcf.org/donate)

### **Electronic Wire Transfer of Cash**

Please alert Tara Sievers via email ([tara@longbeachcf.org](mailto:tara@longbeachcf.org)) that you will be making a transfer. Include your name, \$ amount and note the fund name you are donating to.

Transfer to:

Farmers and Merchants Bank  
302 Pine Avenue  
Long Beach, CA 90802

Fed Wire and ACH ABA #122201198  
For credit to: Long Beach Community Foundation  
Account: 01-13313-6  
Contribution to: (Your Fund's Name)

### **Transfer of Stock, Corporate Bonds or other Marketable Securities**

Please see following page for instructions.

### **Other Assets**

Contact us to discuss a donation of real estate, life insurance policies or other assets.

## Stock in a Brokerage Account

**Step 1:** Contact your broker to have the stock transferred to:

Long Beach Community Foundation  
Corporate Nonprofit Tax ID: 20-5054010

Kevin Tiber  
Farmers and Merchants Bank  
302 Pine Ave, Long Beach, CA 90802  
(562) 437-0011

Firm Name: FIS Wealth Outsourcing  
DTC #5409  
Account: #74-2082-01-9 Farmers and Merchants Trust Company  
Further credit to: 82-71-0225-01-2 Long Beach Community Foundation

**Step 2:** Print out and complete the “Authorization for Transfer of Gift Securities” form. Email to:

Tara Sievers, LBCF  
[tara@longbeachcf.org](mailto:tara@longbeachcf.org)  
562-435-9033

Kevin Tiber, F&M Trust Company  
[kevin.tiber@fmb.com](mailto:kevin.tiber@fmb.com)  
562-437-0011

F&M Trust Company  
[trustoperations@fmb.com](mailto:trustoperations@fmb.com)  
562-436-5048

## Stock Certificate in your name

Deliver the stock certificate with a guaranteed stock power plus a signed “Authorization of Gift Securities” form to Farmers and Merchants Trust Company Attn: Transfers, 302 Pine Ave 2<sup>nd</sup> Floor, Long Beach, CA 90802.

The value of your donation will be the median price of your stock on the date the stock transfers to the Long Beach Community Foundation or the date you deliver the stock certificates to the bank.

Tax ID#: 20-5054010

Date: \_\_\_\_\_

Brokerage/Firm where shares are held:

<b>Firm Name/Contact Info:</b>
<b>Name on Account/Donor Name:</b>
<b>Account Number:</b>

Please be advised, I(we) intend to make a gift of stock via book entry to the Long Beach Community Foundation:

<b>Name of Stock</b>	<b>Number of Shares</b>	<b>Ticker Symbol</b>

Deliver to:

Firm: FIS Wealth Outsourcing  
 DTC #5409  
 Account: #74-2082-01-9 Farmers and Merchants Trust Company  
 Further credit to: 82-71-0225-01-2 Long Beach Community Foundation

Sincerely,

\_\_\_\_\_  
 Account holder signature

\_\_\_\_\_  
 Date

For questions regarding this transfer request, please contact:

Rachel Gallito, F&M Trust Company  
[Rachel.gallito@fmtrust.com](mailto:Rachel.gallito@fmtrust.com)  
 562-485-3452

## ADDITIONAL INSTRUCTIONS

Please include any additional information.

## SIGNATURE(S)

### FIRST FUND ADVISOR

Date \_\_\_\_\_

Printed Name \_\_\_\_\_

Signature \_\_\_\_\_

*(By typing your name above, you agree this serves as your binding signature to the Donor Advised Fund Policy & Terms of this agreement)*

### SECOND FUND ADVISOR (if applicable)

Date \_\_\_\_\_

Printed Name \_\_\_\_\_

Signature \_\_\_\_\_

*(By typing your name above, you agree this serves as your binding signature to the Donor Advised Fund Policy & Terms of this agreement)*

Date \_\_\_\_\_

Accepted by \_\_\_\_\_

*Long Beach Community Foundation*

**REFERRER INFORMATION** If someone referred you to LBCF, let us know so we can thank them.

\_\_\_\_\_  
First Name

\_\_\_\_\_  
Email/Phone)

## DONOR ADVISED FUND POLICY & TERMS

### A. WHAT IS A DONOR ADVISED FUND?

A donor advised fund defined under the Internal Revenue Code possesses three characteristics:

- The Fund is separately identified with reference to the contributions of a Donor(s).
- The Fund is owned and controlled by a sponsoring organization such as LBCF.
- The Donor or Fund Advisors appointed by Donor expect to have the privilege of providing advice with respect to the fund's investments or distributions.

### B. MINIMUM FUND SIZE

The minimum gift to establish a DAF held at LBCF is \$2,500. There are no ongoing minimums required to maintain the Fund however, funds are subject to a minimum annual fee of \$300 (\$25 per month). These policies and amounts are subject to change at any time.

### C. CONTRIBUTING TO A FUND

Gifts to a Fund are irrevocable. The assets of the DAFs are owned and controlled by LBCF. As long as the Fund meets the minimum balance requirements, contributions to a Fund may be made in any amount and at any time. Contributions may be made using cash, publicly traded securities or other property, including closely held stock, partnership interests, real estate, personal property, trusts and life insurance. Direct IRA charitable rollovers to DAFs are not permitted, although they may be used to contribute to other types of funds at LBCF. Donors may elect to take their IRA distribution into income first, then make a charitable contribution of cash into their DAF. Contributions are subject to the LBCF's [Gift Acceptance Policy](#). All contributions should be clearly designated by the Fund name.

Many donors make contributions using appreciated, publicly traded stock that has been held for longer than a year, to enjoy maximum tax benefits. Contributions of property that may not have immediate liquidity are accepted at the discretion of LBCF, and subject to completion of our due diligence procedures. Donors considering a gift in any form other than cash should contact LBCF to discuss its appropriateness and to obtain delivery instructions.

### D. FUND ADVISORS

The initial advisors to the Fund are those persons named in the fund agreement. Fund Advisors may name family members, or others, as Successor Advisors. LBCF only allows for one generation of Successor Advisors to advise on the Fund. Unless otherwise specified, Successor Advisors may recommend grants only from the Fund's net income (an amount defined by BCF's Spending Policy for permanent funds). Once all Successor Advisors named by the Donor, if any, are deceased or not able to serve, the Fund becomes an unrestricted fund, field of interest fund, or other fund depending on the specifications of the Donor.

If at any time a committee acts as advisors to the Fund, the committee will appoint a designee and all communications to and from LBCF will be through the designee. If no designee has been appointed, LBCF will consider the first advisor named in the agreement to be the designee.

### E. RECOMMENDING A GRANT

Grants must be for charitable purposes. There is no minimum grant amount.

Fund Advisors may recommend grants to any organization described in Section 501(c)(3) of the Internal Revenue Code except grants to private foundations are not allowed. The Advisors may also recommend grants to most units of government (e.g., schools, colleges and universities, town and municipal governments, police departments, etc.). Organizations that administer their work in other countries are allowed as long as they have a US based 501(c)(3) organization to receive the grant.



Recommendations for grants from DAFs can be made from LBCF's on-line GoFund portal.

Grants are processed within 7-10 days of receiving the request.

From time-to-time LBCF may bring to the Fund Advisor's attention grant-making opportunities in which the advisor may have an interest. The advisor is not obligated to recommend a grant for the identified program.

All recommendations are advisory in nature. LBCF may accept or reject recommendations. LBCF is not required to wait for recommendations before making distributions from the DAF.

#### **F. GRANT RESTRICTIONS**

Please contact LBCF if you have specific questions about whether a grant you are considering recommending will result in a prohibited benefit. View the Donor Advised Guidelines found in this packet. Failure to observe the restrictions below can subject the Fund Advisor to tax penalties.

- The Internal Revenue Code prohibits grants to individuals from DAFs.
- Also prohibited are grants for political contributions or to support political campaigns.
- Grants may not result in benefits, goods, or services to the Donor, the Fund Advisor, members of their families, and businesses they control. Benefits include grants for memberships, athletic programs, events, scholarships, pledges, religious and other programs, event tickets, meals, sponsorships, registration fees, discounted merchandise, preferred parking and/or seating, and memberships unless the membership confers nothing of value.
- Expense reimbursements, loans, compensation, and other similar payments are not permitted from a DAF to a Donor, Fund Advisor, or related party.
- Grants from DAFs, even for charitable purposes, to other types of nonprofit organizations (non-charities) or to businesses are not allowed. Examples of these types of non-allowable organizations include social welfare organizations (501(c)(4)); veterans' organizations; cemeteries; Chambers of Commerce and similar business associations; fraternities and sororities; social clubs; and fraternal organizations.

#### **G. GRANT ACKNOWLEDGMENT**

Unless other arrangements have been made (e.g. anonymity requested), the grant letter will indicate that the contribution is *"on behalf of the (YOUR FUND NAME) Fund, a fund held at the Long Beach Community Foundation."* The recipient organization is asked to confirm receipt of the grant with a signed acknowledgement. Additional language confirms that no benefits have been offered or provided to LBCF or the Advisor in exchange for the accompanying grant.

#### **H. INVESTMENTS**

LBCF's investment program offers flexibility to customize fund investments to meet individualized charitable goals, whether they are intermediate or long term. A Fund Advisor may choose to use his/her own trusted Financial Advisor or select a mix using one or more of LBCF's investment pools. These options are outlined on the LBCF Investment Form included in this packet. The Fund Advisor may make recommendations to LBCF for investment of the Fund using LBCF's Investment Recommendation form. All recommendations must be in writing. The responsibility for managing the LBCF's investment program is vested in LBCF's Board of Directors through its Investment Committee. This committee works closely with staff and LBCF's investment advisors to set policy, establish performance benchmarks and monitor performance. The percentages in the mix options may change from time to time upon Investment Committee review.

## I. INACTIVE FUNDS

As the legal owner of assets contributed to LBCF, LBCF is responsible for ensuring that funds are used for grantmaking exclusively for charitable purposes, and do not confer any private benefit on the Donor or any other person. With DAFs, LBCF works with the Donor and/or Donor Advisor(s) to determine when grants will be made from those funds.

*Examples of Fund Activity.* The following are examples of Fund activity that lead to distributions. If this policy ever conflicts with federal law or state law (including the Uniform Prudent Management of Institutional Funds Act, commonly known as UPMIFA), the relevant law prevails. A Fund is considered active when there is regular communication between the Donor, Fund Advisor(s) (or named successors) and LBCF regarding the existence and purpose of the Fund. Examples of some of the activities that would deem a Fund active include, but are not limited to:

- *Regular Grant Recommendations* - Fund Advisor(s) regularly recommend grants to qualified charitable organizations. The amount of grantmaking can vary from year to year.
- *Developing a Philanthropic Program.* Donor makes a substantial contribution to a Fund, (for example upon the sale of his or her business) and refrains from recommending grants for a given initial period while the Donor consults with LBCF and/or does his or her own research to determine what types of grants will best meet community needs and/or the Donor's philanthropic goals.
- *Long-term Giving Plan.* Fund Advisor deliberately reduces the frequency or size of grant recommendations from the Fund, for example:
  - During his or her working years, with the intention of increasing the Fund balance to support grantmaking during retirement when the Fund Advisor expects his or her income to change.
  - To build a Fund over time so the Fund Advisor's children can make grants later (the idea being the Fund Advisor is leaving a charitable legacy for the next generation to administer).
  - When the Fund is invested in an illiquid or undervalued investment and the Fund Advisor intends to begin making grant recommendations when the investment can be sold at a reasonable price.
- *Project Grants.* Donor makes a substantial contribution to a Fund and determines to recommend grants to a specific qualified charitable organization over a period of years so that the Donor can monitor how the charitable organization performs, and to consider whether another organization would better achieve the Donor's charitable objectives.
- *Starter Fund.* Donor wants to build the Fund balance to make substantial grants to the community. Therefore, there may be no distributions made until the Fund balance reaches an amount based on LBCF's conversations with the Donor and/or Fund Advisor(s).
- *Specific Occasion Grant.* Fund Advisor refrains from recommending grants for several years with the specific charitable goal of recommending a grant upon a specific occasion. Examples may include, but are not limited to:
  - Fund Advisor is incapacitated with no Successor Advisor(s) named so LBCF waits until the Donor's death to distribute the Fund according to the Donor's original intent on file with LBCF.
  - The Fund has transitioned to named Successor Advisors, but they are minors, and no adult representative is named to represent them (so grants resume when Successor Advisors are adults);
  - Original Fund Donor(s) who are also the Fund Advisors are getting divorced so that grants are suspended until both the spouses agree on grants, which may include splitting the Fund into two separate funds, one for each spouse to advise, or eventually dissolving the Fund by the making of charitable grants;
  - Grants are suspended during litigation involving a Fund (e.g., the Donor left his/her estate to a Fund, but the Donor's heirs are disputing the bequest, so LBCF does not allow grants until the litigation is resolved); or
  - Donor leaves a bequest to a Fund and distributions are made periodically to the Fund during the estate settlement process, but grants are not made until the estate is fully settled and the Fund receives a final distribution from the estate.
- *Re-Activating Grantmaking.* Should there be no grant activity in a donor advised fund for at least three years, steps will be taken by the staff of LBCF to activate the Fund. These steps may include, but are not limited to:



- Notifying the Fund Advisor regularly and periodically (at least annually over a period of three years) to encourage the Advisor to activate the Fund.
- Distributing grants from the Fund to qualified grant recipients that align with the Donor's intent, but if LBCF determines such intent is obsolete, incapable of being fulfilled, impractical, or inconsistent with the community's charitable needs, then LBCF shall exercise its variance power to enable the Foundation to continue to use its resources to meet the needs of the community and to address the charitable purposes for which the funds were committed.

#### **J. TERMINATION**

Upon the death, resignation, or incapacity of the last Advisor to the Fund, or if the Fund is determined to be inactive as determined above, funds will be used for general charitable purposes at the discretion of LBCF's Board of Directors with consideration of donor intent, unless there is a Statement of Philanthropic Intent (SOPI) on file with LBCF.

#### **K. VARIANCE POWER**

The Fund is protected from obsolescence. If for any reason, the purposes for which the Fund was created ever become unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community served by LBCF, LBCF's Board of Directors shall have the power to modify any restriction or condition on the distribution of funds for any specified charitable purposes or to specify organizations if in the sole judgment of the Board (without the necessity of the approval of any participating donor, advisor appointed by a donor, trustee, custodian or agent), such restriction or condition becomes, in effect, unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community served.


#### **L. FUNDRAISING**

LBCF will not sponsor or assist with any fundraising or other events for any Fund and will not process event registrations or tickets or be responsible for any funds collected by a third-party or crowdfunding source. LBCF will only be responsible for purely charitable donations. Any advertising, promotional or other materials must be consistent with this policy and any additional fundraising guidelines published by LBCF.

## Donor Advised Fund Grant Guidelines

With a donor advised fund (DAF), you can support any 501(c)(3) public charity in the US, including governmental, educational, and religious institutions. Rest assured that the Long Beach Community Foundation (LBCF) will exercise due diligence to make sure grants from the fund are given to organizations that have met the 501(c)(3) IRS requirements.

In some cases, LBCF may need to contact you and/or the suggested grant recipient for additional information before approving the grant. Following these guidelines will help expedite LBCF's approval process.



**Helpful Tips**  
for using a charitable  
giving account

### Grant Suggestions, Recommendations and Requests

Grants from a DAF must be made to charitable organizations. When making a grant, you may see the terms grant suggestion, recommendation, and/or request. This is because LBCF technically owns the assets in the fund, and any grant suggestions are subject to review and approval by LBCF. However, LBCF makes every effort to approve all grant suggestions that are made in accordance with IRS regulations.

### No Incidental Benefit Acknowledgment

When suggesting a grant from your fund, you will be required to agree to the following Terms of Agreement: *To ensure fund activity follows IRS rules, I agree that every penny of this grant will be used for a charitable purpose, and neither I nor anyone I know will receive anything more than a coffee mug or other incidental benefit in return.*

### Memberships

You may use a DAF to cover the cost of a membership if the charity confirms that the full cost is 100% tax deductible. You may also use a DAF to cover the cost of a membership if your grant suggestion states that you waive the more than incidental benefits related to the membership.

Here are examples of incidental membership benefits that you can receive in exchange for a grant from a DAF:

- *Free admission to all exhibits*
- *Discounted or free parking*
- *Discounts at the gift shop*
- *Preferred access to special ticketed events where you pay for tickets separately*
- *Invitations to members-only exhibits*
- *Low-cost items, such as a newsletter, calendar, key chain or coffee mug*

### Athletic Funds

You may use a DAF to support a college or university athletic program if your grant suggestion states that you waive all benefits, including priority seating at athletic events, ticket rights, or points.

## Events

You may use a DAF to make grants to charities in support of their events, but here are a few things to keep in mind:

### *Tickets, Tables and Sponsorships*

The full cost to attend events (both the tax-deductible and non-tax-deductible portions) must be paid from your personal bank account. You may pay any remaining sponsorship costs from a DAF, as long as you do not receive more than an incidental benefit in return. Logo or name recognition in event materials is not considered more than an incidental benefit. When submitting a grant request for a sponsorship, please note in your grant suggestion that you will cover the full cost of the tickets or table separately.

Here is an example of what you can pay from a DAF for an event: A \$5,000 event sponsorship includes a table for 10 and your name or logo in event materials. If the lowest ticket price to attend the event is \$100, you will pay \$1,000 for the table personally from your bank account ( $\$100 \times 10$  seats at the table) and you can use the DAF to cover the remaining \$4,000.

Keep in mind the amount that can be paid from a DAF is not always the tax-deductible amount published by the charity. LBCF staff can help you calculate what portion of the event sponsorship can come from the DAF based on the benefits received. If you choose not to accept any benefits associated with a sponsorship, the entire amount may be paid through the fund.

### *Raffles and Auctions*

You may use a DAF to support fund-a-need calls for donations at charitable events, but you may not use a DAF to purchase raffle tickets or auction items.

## Scholarships and Tuition

You may use a DAF to support a scholarship program administered by a 501(c)(3) public charity or educational institution, but you may not earmark dollars to assist a specific individual.

## Mission Trips, Races, and Other Donations in Honor of Individuals

You may make a contribution to a 501(c)(3) public charity or religious institution in honor of an individual as long as the charity exercises complete discretion and control over the donation.

LBCF understands that many donations do not provide a direct benefit to an individual but are in recognition of an individual's fundraising efforts. Therefore, when submitting grants in honor of individuals, please explicitly state that the donations are "in honor of [individual's name]." For example, *In honor of John Smith's Mission Trip* or *In honor of Jane Smith's 5k Race Team*.

## Pledges and Commitments

You may use a DAF to fulfill commitments to 501(c)(3) public charities. However, Treasury and the IRS prohibit using the term "pledge" on grant checks or related correspondence. Instead, please reference "donation" or "gift" in your grant suggestion.



# Statement of Philanthropic Intent

\_\_\_\_\_ Fund

THIS AGREEMENT, made on (date) \_\_\_\_\_, between \_\_\_\_\_  
\_\_\_\_\_ ("Donor(s)", and the Long Beach Community  
Foundation ("Foundation"), a California nonprofit corporation, is as follows:

The purpose of this agreement is to define the charitable purposes of the  
\_\_\_\_\_ ("Fund"), a Donor Advised Fund of the  
Foundation. From time to time during the Donor's lifetime, the Donor may provide additions to the Fund  
and request that contributions be made from the Fund to specific charitable organizations as provided for  
in the Fourth section of the "Instrument of Gift."

The Fund has been designated as the charitable beneficiary of the Donor's  
\_\_\_\_\_ (Trust/Account or Other Designating Instrument). Upon the death of the  
Donor, the Fund shall become an endowed Fund subject to the spending policy for permanent funds  
adopted from time to time by the Foundation's Board of Directors, thus limiting annual grant  
distributions to a grantable amount. *Please consider including the LBCF Community Impact Fund, used  
to make discretionary grants in the community, and/or the LBCF Operating Endowment, used to  
support Foundation operations, in your distribution.*

The grantable amount from the Fund shall be distributed by the Foundation annually as follows:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

The Donor reserves the right to modify or change any of the above allocations to accommodate  
changes of charitable interest. Any such changes must be made in writing. Upon the Donor's death, all  
allocations shall remain intact as last written except as noted below.

The Foundation shall charge the Fund to the extent sufficient, for reasonable and proper  
compensation for services and expenses. The fee shall at all times be consistent with other component  
funds in the same category.

If the balance in the Fund is less than the minimum balance to create a new Fund with the  
Foundation, the balance in the Fund will be fully distributed within a one-year period to the beneficiaries  
named above in the respective percentage allocations herein designated.

If, in the sole judgment of the Board of Directors of the Foundation, the purposes for which the  
Fund was created ever become unnecessary, incapable of fulfillment, or inconsistent with the charitable  
needs of the community served by the Foundation, the Foundation's Board of Directors shall modify any  
restriction or condition on the use or distribution of the income and principal of the Fund consistent with  
the Instrument of Gift that created the Fund.

This agreement will be incorporated by reference as an attachment to the Instrument of Gift that  
created the Fund, originally executed by the Donor and Foundation on \_\_\_\_\_.

FOUNDATION:

By: \_\_\_\_\_  
Marcelle Hope Epley, MBA, CSPG  
President & CEO

DONOR(S):

By: \_\_\_\_\_  
Printed Name \_\_\_\_\_

By: \_\_\_\_\_  
Printed Name \_\_\_\_\_