



Nonprofit Endowment Agreement

(Choose one)

- ☐ Establish a New Fund
- ☐ Update Fund Information

*Name of Fund

E.G., GOOD WORKS ORGANIZATION FUND

NONPROFIT INFORMATION

*NONPROFIT NAME

*FEDERAL TAX ID

*MAILING ADDRESS

*CITY

*STATE

*ZIP

*BUSINESS PHONE (MAIN PHONE NUMBER)

FAX

WEBSITE

REFERRED TO SVCF BY

* = required

Nonprofit Endowment Agreement

PRIMARY CONTACT INFORMATION

(SVCF recommends listing the executive director.)

*Role (choose one):

- ☐ **Fund Advisor:** Individual has full advisory privileges over a nonprofit fund including fund withdrawal, investment recommendations and other fund administration advisory privileges. (This is the highest level of authority.)
- ☐ **Secondary Advisor:** Individual is able to withdraw from the nonprofit fund but has no other fund administration advisory privileges. (This is an intermediate level of authority.)
- ☐ **Fund Representative:** Individual has access to fund information only but no fund administration advisory privileges to change anything about the fund. (This is the lowest level of authority.)

*FIRST NAME		*LAST NAME	
* <input type="checkbox"/> MR <input type="checkbox"/> MS <input type="checkbox"/> MRS <input type="checkbox"/> DR * <input type="checkbox"/> MALE <input type="checkbox"/> FEMALE			
NONPROFIT OR BOARD TITLE			
MAILING ADDRESS		<input type="checkbox"/> HOME <input type="checkbox"/> BUSINESS	
CITY	STATE	ZIP	
*DIRECT PHONE		FAX	
*EMAIL ADDRESS (Email required for access to online system)			

* = required

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NONPROFIT BOARD CONTACT INFORMATION

(One board member contact is required.)

*Role (choose one):

- ☐ **Fund Advisor:** Individual has full advisory privileges over a nonprofit fund including fund withdrawal, investment recommendations and other fund administration advisory privileges. (This is the highest level of authority.)
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*BOARD TITLE			
MAILING ADDRESS		<input type="checkbox"/> HOME <input type="checkbox"/> BUSINESS	
CITY	STATE	ZIP	
*DIRECT PHONE		FAX	
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ADDITIONAL NONPROFIT CONTACT INFORMATION

(SVCF recommends listing the CFO or board treasurer.)

*Role (choose one):

- ☐ **Fund Advisor:** Individual has full advisory privileges over a nonprofit fund including fund withdrawal, investment recommendations and other fund administration advisory privileges. (This is the highest level of authority.)
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CITY	STATE	ZIP	
*DIRECT PHONE		FAX	
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FUND CREATION

Initial gift to establish a fund: \$_____

Type of Gift:

- ☐ Check made payable to Silicon Valley Community Foundation
- ☐ Wire‡

‡Additional information will be required. Please contact SVCF at 650.450.5444 or donate@siliconvalleycf.org.

SPENDING POLICIES

Nonprofit endowment funds are established through irrevocable contributions from a nonprofit that are maintained by SVCF in perpetuity. Annual distributions are made according to the spending policy approved annually by SVCF's board of directors. Recent spending has been 5% of the average market value over a trailing 12-quarter period.

Distributions to begin: _____
(at least one year from date of gift)

Number of distributions per year: _____
(at least one, but no more than once per quarter)

- ☐ Please notify this fund's primary contact prior to each distribution
-

INVESTMENT ALLOCATION

(choose one)

- ☐ Invest 100% in the Long-Term Growth Pool
 - ☐ Invest 100% in the Endowment Pool
-

ANONYMITY AND PUBLICITY

SVCF includes information about fund advisors, grantees and funds in our e-newsletters, magazines, website and other printed and online materials. Please check all that apply:

- ☐ Do not list the nonprofit on donor or fund advisor listings.
- ☐ Do not include the nonprofit fund name on fund listings.
- ☐ We are willing to be featured in SVCF's print and online publications.
- ☐ We are willing to be interviewed for media stories pertaining to SVCF.

Nonprofit Endowment Agreement

ACKNOWLEDGEMENT AND SIGNATURES

We acknowledge that we have read Silicon Valley Community Foundation’s Nonprofit Endowment Fund Terms and Conditions and Support Fees and Minimums and agree to the fees, terms and conditions described therein. We hereby certify, to the best of our knowledge, that all information presented in connection with this form is accurate, and we will notify SVCF promptly of any changes.

*PRIMARY CONTACT SIGNATURE

*PRINT NAME

*TITLE

*DATE

*NONPROFIT BOARD CONTACT SIGNATURE

*PRINT NAME

*TITLE

*DATE

*SVCF SIGNATURE

*PRINT NAME

*TITLE

*DATE

*ADDITIONAL NONPROFIT CONTACT SIGNATURE

*PRINT NAME

*TITLE

*DATE

SPECIAL INSTRUCTIONS:

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

Nonprofit Endowment Fund Terms and Conditions

STATUS OF CONTRIBUTION

A California nonprofit public charity (the “participating charity”) may establish a nonprofit endowment fund at Silicon Valley Community Foundation (“SVCF”). These are component funds of SVCF, a Section 501(c)(3) public charity. All assets contributed to a nonprofit endowment fund by the participating charity will be marked irrevocable. All legal control and responsibility for the fund rests with SVCF. Contributions other than cash must first be approved by 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, 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 contributing assets to SVCF, the participating charity gives up the right to investment management of the fund. In particular, the participating charity gives up the right to choose investments, investment managers, brokers or to veto investment choices for gifts. Therefore, the board and investment committee of SVCF have the right to make any or all investment decisions regarding gifts received, except that the participating charity and its fund advisors have advisory privileges with respect to investment pool options. All assets contributed to funds will be managed in SVCF's investment pools. 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.

SVCF shall not be liable for any loss of any kind that may arise

in connection with the establishment and maintenance of the fund and the performance of its obligations under this agreement except for cases of its gross negligence or willful misconduct. SVCF is not liable for any losses directly or indirectly caused by acts of war, acts of terrorism, labor disputes, exchange or market decisions including the suspension of trading, market volatility, trade volume or by government restriction. The participating charity covenants not to sue SVCF and shall duly indemnify and hold harmless SVCF from any liability that may arise hereunder except liability arising from the gross negligence or willful misconduct of SVCF..

FUND DISTRIBUTIONS

SVCF shall hold, manage, invest and reinvest the nonprofit endowment fund, shall collect the income, and shall pay and disburse the distributable amount for public, educational and charitable purposes, in accordance with the policies of SVCF to the participating charity. The annual payout is typically 5% based on 12 trailing quarter balances other than specified above. Requests for distributions as specified above shall be made in writing by a fund advisor to the board of SVCF. Such suggestions may be accepted or rejected, in whole or in part, by the board of directors of SVCF in its sole and absolute discretion.

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.

Nonprofit Endowment Fund Terms and Conditions

ROLE OF ADVISORS

The following Fund Advisory Privileges and Fund Relationship Definitions further explain the role of advisors and other interested parties to nonprofit funds at SVCF. These terms correlate to the Nonprofit Endowment Fund Agreement form and will help determine the fund contacts and advisors.

FUND ADVISORY PRIVILEGES DEFINITIONS

Fund Advisor: Individual has full advisory privileges over a nonprofit fund including fund withdrawal, investment recommendations and other fund administration advisory privileges. (This is the highest level of authority.)

Secondary Advisor: Individual is able to withdraw from the nonprofit fund but has no other fund administration advisory privileges. (This is an intermediate level of authority.)

Fund Representative: Individual has access to fund information only but no fund administration advisory privileges to change anything about the fund. (This is the lowest level of authority.)

FUND RELATIONSHIP DEFINITIONS

Primary Contact: One person per fund who should be contacted first for anything concerning the fund. This individual may or may not have full fund advisory privileges.

Board Member: SVCF requires one board member contact for a nonprofit fund. This individual may or may not have any fund advisory privileges.

FUND MANAGEMENT

Nonprofit endowment funds are permanent and cannot be closed. SVCF is in full compliance with California law UPMIFA, the Uniform Prudent Management of Institutional Funds Act of 2009. As such, SVCF has a fiduciary responsibility to adhere to any donor-imposed restrictions on the nonprofit endowment fund.

FUNDRAISING POLICY

SVCF can accept additions to a nonprofit endowment fund from individual donors. SVCF cannot assist event organizers with any kind of public fundraising event to benefit a nonprofit endowment fund at SVCF.

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. 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 to comply with applicable law.

Contact SVCF at donate@siliconvalleycf.org or 650.450.5444 if you have questions about these terms and conditions.

Nonprofit Endowment Fund

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 Nonprofit Endowment 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 value¹, 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.

FUND ADVISOR SIGNATURE

DATE

¹Historic 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.