



**COMMUNITY  
FOUNDATION  
OF GREATER MEMPHIS**

**AGREEMENT ESTABLISHING A FIELD OF INTEREST FUND OF  
COMMUNITY FOUNDATION OF GREATER MEMPHIS**

THIS AGREEMENT, made and entered into the \_\_\_\_\_ day of \_\_\_\_\_  
20\_\_\_\_, by and between Community Foundation of Greater Memphis (hereinafter "Community  
Foundation") and \_\_\_\_\_ (hereinafter "Donor").

NOW, THEREFORE, the parties agree as follows:

**1. Name of Fund**

The name of the Field of Interest Fund shall be the \_\_\_\_\_  
Fund of the Community Foundation of Greater Memphis (hereinafter "Fund").

**2. Transfer of Assets**

Donor has transferred and assigned to Community Foundation all of the Donor's right, title and interest in and to certain assets listed on Schedule A of this Agreement for the purpose of creating a component fund of the Community Foundation.

All parties hereto agree and approve any future changes in terms, conditions or language as may be necessary or incidental to reform this agreement to conform to any existing or subsequent IRS requirements.

**3. Conditions of Acceptance**

Donor acknowledges the assets transferred to the Community Foundation shall be subject to all the terms and conditions of the Charter and Bylaws of the Community Foundation as they now exist and as they may from time to time be amended. Donors to the Fund may not impose any material restriction or condition that prevents the Community Foundation from freely and effectively employing the contributed assets, or the income derived therefrom, in furtherance of its charitable purposes.

**4. Donor Recommendations**

In accordance with the rights reserved to Donor pursuant to Article XIII of the Bylaws of the Community Foundation, Donor may set forth on Schedules B and C hereto attached specific recommendations for the administration of the Fund, including its intended charitable purposes, appropriate geographical limitations, and preferred investment pools. Should the Fund's purpose, as outlined in Schedule C, become unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community, Community Foundation may exercise its variance power under

Article XIII of its Bylaws. The exercise of such power shall not be effective earlier than at least thirty (30) days after Community Foundation notifies any current advisors in writing of its intent to exercise such power and the manner in which Community Foundation proposes to vary the purposes, uses or methods of administering the Fund.

**5. Distributions**

The Fund shall be endowed, and the amount distributed annually from the Fund shall be:

- a fixed dollar amount \$\_\_\_\_\_, or
- a fixed percentage of Fund balance \_\_\_\_\_%.

(The recommended annual distribution should not exceed 5 percent of the Fund balance.)

**6. Fund Advisors**

Advisors to the Fund will be appointed annually by the Community Foundation Board of Governors (hereinafter "Advisors"). Advisors will be appointed for the purpose of making recommendations to and giving advice and counsel to said Board, and with their advice and counsel the Board shall make distributions from the Fund and oversee the administration of the Fund.

**7. Minimum Contribution and Fund Balance**

The initial contribution to the Fund must be at least \$10,000, and the Fund must reach a balance of \$100,000 before grants can be awarded. The Fund must reach a balance of \$100,000 within three years of the first gift. If the \$100,000 balance is not achieved, Advisors will be required to recommend a grant to a program or organization in keeping with the purpose of the Fund.

**8. Additional Contributions**

The Community Foundation may receive and accept additional assets to be added to the Fund from any person, institution, trust or entity who or which desires to contribute thereto and have such assets administered and distributed in accordance with the provisions hereof. Said intent shall be presumed conclusively from the receipt of any assets, security, or check designated for the Fund.

**9. Cost of Administration**

The Community Foundation will charge its ordinary and customary administrative fees based on the prevailing schedule for such fees (which schedule is subject to revision or amendment from time to time) as published by the Community Foundation. As of the date of this Agreement, the prevailing schedule for administrative fees is as shown on Schedule D attached hereto. The Fund may also be charged regularly for a proper allocation of direct and indirect expenses attributable to the administration of the Fund and its assets.

**10. Representation of Community Foundation**

Community Foundation represents to Donor it has received a ruling from the Internal Revenue Service that it is an organization described in Internal Revenue Code Sections 501(c)(3), 170(b)(1)(A)(vi) and 509(a)(1); that the facts and circumstances forming the basis for the issuance of the ruling have not substantially changed since the date of issuance thereof; and that the ruling has not been expressly or impliedly revoked.

The following Schedules are attached and made part of this agreement: Schedules A, B, C and D.

**IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and date first above written.**

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**DONOR SIGNATURE**

**DATE**

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**DONOR SIGNATURE**

**DATE**

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**PRESIDENT OF COMMUNITY FOUNDATION OF GREATER MEMPHIS**

**DATE**

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**SIGNATURE OF FOUNDATION STAFF/ TITLE**

**DATE**

**CONTACT INFORMATION FOR THE DONORS TO THE FIELD OF INTEREST FUND**

Please complete for all current advisors to the fund.

Mailing Information (for statements, invitations, newsletters, etc.)

Mr. \_\_\_ Mrs. \_\_\_ Ms. \_\_\_ Mr. & Mrs. \_\_\_ Other \_\_\_\_\_

Name(s) of Advisor(s): \_\_\_\_\_

Mailing Address:

\_\_\_\_\_  
\_\_\_\_\_

Phone: (H) \_\_\_\_\_

Donor 1 : (C) \_\_\_\_\_ (O) \_\_\_\_\_

Email Address: \_\_\_\_\_

Donor 2: (C) \_\_\_\_\_ (O) \_\_\_\_\_

Email Address: \_\_\_\_\_

If the advisors do not reside with each other, please provide information for second advisor:

Mr. \_\_\_\_\_ Mrs. \_\_\_\_\_ Ms. \_\_\_\_\_ Other \_\_\_\_\_

Name of Advisor: \_\_\_\_\_

Mailing Address:

\_\_\_\_\_  
\_\_\_\_\_

Phone: (H) \_\_\_\_\_ (O) \_\_\_\_\_

(C) \_\_\_\_\_

Email Address: \_\_\_\_\_

Relationship: \_\_\_\_\_

**SCHEDULE A**

Estimated Value of Initial Contribution:

- 
- Cash \_\_\_\_\_
  - Real Property (address) \_\_\_\_\_
  - Personal Property \_\_\_\_\_
  - Stocks \_\_\_\_\_
  - Bonds \_\_\_\_\_

If giving securities, please identify those securities and name the broker and firm handling the transfer.

Name of security: \_\_\_\_\_  
Broker: \_\_\_\_\_  
Firm: \_\_\_\_\_

If gift is deferred or a split interest, please check type:

- Bequest
- Life Insurance
- Retirement Plan
- Charitable Remainder Trust
- Charitable Lead Trust
- Life Estate
- Other \_\_\_\_\_

## SCHEDULE B

### Investment Recommendations

I/we recommend to the Community Foundation of Greater Memphis that the assets in the \_\_\_\_\_ Fund be invested in the following manner:

#### **Actively Managed**

#### **Allocation Percentage\***

##### *Fixed Income Pool – Active*

A pool that invests in a diversified mix of bonds including U.S. government, U.S. government agency, and U.S. investment-grade corporate bonds with intermediate maturities.

\_\_\_\_\_

##### *Balanced Pool – Active*

A pool that seeks to generate returns through an actively managed, globally diversified mix of asset classes and investment strategies. The pool invests in U.S. equity, international equity, emerging market equity, and U.S. fixed income, as well as alternative strategies which include hedged strategies, private equity, and real assets.

\_\_\_\_\_

##### *Equity Pool – Active*

A pool that seeks to generate returns through an actively managed, globally diversified mix of equities and equity-oriented strategies. The pool invests in U.S. equity, international equity, emerging markets equity, and hedged equity strategies.

\_\_\_\_\_

##### *Longleaf Pool*

An actively managed equity pool that seeks to generate returns through the Longleaf Partners, Longleaf Small Cap, and Longleaf International Funds.

\_\_\_\_\_

#### **Indexed**

##### *Balanced Pool – Indexed*

A pool designed to closely track the returns of a mix of global equities and U.S. fixed income. The pool invests in three index funds that track the U.S. equity market, international equity markets, and the U.S. fixed income market, respectively.

\_\_\_\_\_

##### *Fixed Income Pool – Indexed*

A pool designed to closely track the returns of the U.S. fixed income market.

\_\_\_\_\_

##### *U.S. Equity Pool – Indexed*

A pool designed to closely track the returns of only the U.S. equity markets.

\_\_\_\_\_

##### *International Equity Pool – Indexed*

A pool designed to closely track the returns of only the international equity markets.

\_\_\_\_\_

#### **Cash Equivalent**

##### *Cash Equivalent Pool*

A pool designed to preserve capital. The pool invests primarily in high-grade U.S. government and corporate bonds with maturities of less than one year and money market funds.

\_\_\_\_\_

**SCHEDULE B – CON'T**

<u>Other</u>	<u>Allocation Percentage*</u>
<i>Outside Investment Manager</i> Minimum \$500,000, with approval of Community Foundation of Greater Memphis. (Additional fee applies.)	_____
Firm: _____	
Contact: _____	
Address: _____	
Phone: _____	Email: _____

**Please note:** Any outside or separately managed investments of donor advised funds are allowed at the discretion of the Community Foundation of Greater Memphis, within our investment policies, and with consultation of the donors. Long-term plans should be discussed when the agreement is established to ensure donor intentions are met.

For funds with no successors, the fund may remain managed by the selected outside investment manager for an additional 5 years after the advising donor's death. The Community Foundation will evaluate whether to maintain the outside investment management relationship based on firm ownership changes, relative past performance, administration, and other relevant factors.

\_\_\_\_\_  
**DONOR SIGNATURE**  
  
DATE \_\_\_\_\_

\_\_\_\_\_  
**DONOR SIGNATURE**  
  
DATE \_\_\_\_\_

Note: Detailed investment information is updated regularly at [www.cfgm.org](http://www.cfgm.org). All funds received are invested in the investment pools selected as of the last day of the month. Daily liquidity is provided for fund distributions.

*\*Allocation percentages must total 100%*

**SCHEDULE C**

Please use this space to provide more details about the purpose of the fund, including any restrictions on advisors.

\_\_\_\_\_  
**DONOR SIGNATURE**

\_\_\_\_\_  
DATE

\_\_\_\_\_  
**DONOR SIGNATURE**

\_\_\_\_\_  
DATE

## SCHEDULE D

### Community Foundation of Greater Memphis Administrative Fees

Administrative fees for all funds are charged quarterly in arrears and are calculated based on the average daily balance of the fund for the quarter.

#### Donor-Advised Funds

Administrative fee	
1.25% on the fund's balance from \$0 - \$499,999	
1.15% on the fund's balance from \$500,000 - \$999,999	
1.00% on the fund's balance from \$1,000,000 - \$1,999,999	
0.75% on the fund's balance from \$2,000,000 - \$2,999,999	
0.50% on the fund's balance from \$3,000,000 - \$4,999,999	
0.25% on the fund's balance from \$5,000,000 - \$9,999,999	
0.15% on the fund's balance from \$10,000,000 - \$24,999,999	
0.10% on the fund's balance from \$25,000,000 - \$49,999,999	
0.05% on the fund's balance \$50,000,000 and higher	
Minimum annual fee (No minimum fee for endowed funds)	\$200
Additional fee for funds using outside investment manager	0.10%
Minimum additional fee for using outside investment manager	\$500
Minimum holding time for pass-through gifts (or an equivalent fee)	3 mos.

#### Nonprofit Organization Funds

Administrative fee:	
0.50% on the fund's balance	
Minimum annual fee	\$200

#### Supporting Organizations

Administrative fee	
Donor-advised fund fee schedule plus 0.10%	
(not to exceed an additional \$2,000 per year)	
Minimum annual fee	\$24,000
Minimum annual fee using outside investment managers	\$26,000

#### Scholarship Endowments

Administrative fee	
1.25% on the fund's balance	
Minimum annual fee	\$500

#### Field of Interest Endowments and Designated Endowments

Administrative fee	
Same as Donor-advised fund schedule above	
Minimum annual fee	None

#### Community Endowments

Administrative fee	
1.0% on the fund's balance	
Minimum annual fee	None

**ATTACHMENT 1**

**NAME OF PROFESSIONAL ADVISOR WHO REFERRED YOU TO  
THE COMMUNITY FOUNDATION**

Name: \_\_\_\_\_

Firm: \_\_\_\_\_

Mailing Address:

\_\_\_\_\_  
\_\_\_\_\_

Phone: (O) \_\_\_\_\_

Email: \_\_\_\_\_

**NAME OF FRIEND/FAMILY MEMBER WHO REFERRED YOU TO  
THE COMMUNITY FOUNDATION**

Name: \_\_\_\_\_

Mailing Address:

\_\_\_\_\_  
\_\_\_\_\_

Email: \_\_\_\_\_