



This agreement, made this _____ day of _____ in the year 202_____, is between _____ (the “Donor”) and the Catholic Community Foundation of Los Angeles (the “Foundation”), a California nonprofit religious corporation having its principal offices in the City of Los Angeles in the State of California for the following uses and purposes and subject to the terms and conditions set forth herein:

- 1. Creation of the Fund.** The nonpermanent, multi-donor fund hereby created shall be known as the _____ Scholarship Fund (the “Fund”). Any contributions made by the Donor or others to the Fund shall be the irrevocable property of the Foundation, which shall have the ultimate authority and control of all property in the Fund, and the income derived therefrom for the charitable purposes as defined in this Agreement. The Fund shall be held by the Foundation as a nonpermanent fund that provides _____ scholarship grants in the form of tuition awards for students of _____ (the “School”) from the income and/or principal of the Fund, and which allows for spending of the entire value in the form of scholarship grants.
- 2. Gifts.** The Donor hereby irrevocably transfers to the Foundation the property described in Attachment “A” to establish the Fund. Subject to the right of the Foundation to reject any particular gift, the Donor, and parties other than the Donor, may make additional irrevocable gifts to the Foundation for the purposes of the Fund by a transfer to the Foundation of property acceptable to the Foundation. All gifts, bequest, and devises to this Fund shall be the sole property of the Foundation once accepted by the Foundation. All gifts are subject to the legal and fiduciary control of the Foundation.
- 3. Management of the Fund.** The Foundation shall hold, manage, invest, and reinvest the Fund, collect the income, and pay and disburse funds exclusively for general charitable uses and purposes, such as Catholic-school scholarship grants to the School, in accordance with the provisions specified in the Articles of Incorporation and Bylaws of the Foundation. The Articles of Incorporation and the Bylaws have been adopted by the Foundation’s Board of Directors (the “Board”), and the provisions of each, as may be amended from time to time, are hereby incorporated by reference and conclusively assented to and adopted. The phrase “charitable uses and purposes” shall be defined as all of those activities as described in section 501(c)(3) of the Internal Revenue Code of 1986 as amended (the “Code”).

- 4. Purpose of the Fund.** Grants from the Fund, as outlined below, shall be made and distributed to the School based on the provisions of Paragraph 5 for the purpose of tuition assistance for the student or students selected to be awarded a scholarship from the Fund (the “Scholarship Recipient”).
- 5. Scholarship Distribution Provisions.** Grants from the Fund are to be made annually on or around _____ 30th of each year. Grant Recipient(s) selection shall be administered by a selection committee, and candidates will be selected on the basis of the criteria outlined in Attachment “B.” Grants to the School shall only be applied to the Scholarship Recipient’s tuition for the school year specified in the grant disbursement letter. As a nonpermanent Fund, the Donor (or any person or group of people nominated by the Donor, and acceptable to the Foundation, as confirmed in writing,) (each, an “Advisor”) may recommend grants from the Fund to the School that exceed the total annual income of the Fund, and may spend the entire value of the Fund in the form of such charitable disbursements; however, the minimum balance of the Fund shall not fall below \$5,000.00. The initial Advisor(s) of the Fund is/are: _____

_____.

It is the intention of the Donor that grants from the Fund should consist of between _____% and _____% of the total yearly value of the Fund as determined on May 30th of each year. Such recommendations are not binding on the Foundation and may be accepted or rejected, in whole or in part, by the Foundation in its sole and absolute discretion.

The Donor or any person described in Section 4966(d)(2)(A)(iii) of the Code (for purposes of this Agreement, the Donor or the Advisor), or persons related to such persons, shall not have a right to advise the Foundation to make distributions from the Fund to any organization or entity other than the School. On or about May 15th of each year, the Foundation will advise the principal of the School (the “Principal”) of the amount of income and principal available to the School for scholarships from the Fund. The Foundation will also request from the Principal the name of the Scholarship Recipient(s) that have been approved pursuant to this Agreement. Subject to final review by the Foundation, the amount of the individual scholarship will be calculated according to the terms in this Agreement and will be applied to the tuition account of the recipient student. The scholarship grant request will be sent to the Foundation on or before June 30th of the calendar year on the Fund Verification Form, a copy of which is attached hereto as Attachment “C.”

- 6. Costs of Administration.** The Foundation may charge regularly to the Fund an annual administrative fee (the “Administrative Fee”), assessed quarterly and payable at the beginning of the quarter, based on the balance of the Fund at the end of the previous quarter, except for the first payment, which shall be prorated from the date of the initial gift to the end of that quarter, plus any direct expenses incurred on behalf of the Fund in accordance with the Fee Schedule adopted by the Board, which is listed in the Charitable Giving Guidelines, and which is incorporated herein by reference. The Charitable Giving Guidelines are attached as Attachment “D.” The Administrative Fee is separate from investment expenses, as described in the Charitable Giving Guidelines.

- 7. Component Part and Not a Donor-Advised Fund.** It is intended that the Fund shall be a component part of the Foundation as defined in Treasury section 1.170A-9(f)(11) and that nothing in this Agreement shall affect the status of the Foundation as an organization (1) described in section 501(c)(3) of the Code and (ii) which is not a private foundation within the meaning of section 509(a) of the Code. All grants from the Fund shall be awarded to the School and distributed according to the criteria in paragraph 4. The Fund shall meet the requirements of a single entity designated fund under Section 4966(d)(2)(B)(i) of the Code and shall not be a donor advised fund under Section 4966(d) of the Code. The Fund shall not be a donor-advised fund under section 4966(d) of the Code. The Foundation shall have the ultimate authority and exclusive legal control over all property in the Fund. Nothing in this Agreement shall affect the status of the Foundation as an organization described in Section 501(c)(3). Among other things, the Fund shall not engage in excess benefit transactions as described under Section 4958 of the Code. This agreement shall be interpreted in a manner consistent with the foregoing intention and to conform to the requirements of the foregoing provisions of Federal tax laws and any regulations issued thereunder.
- 8. Status of the Foundation.** All transfers of property under this Agreement are subject to the condition that the Foundation, as of the date of transfer, is classified in good standing by the Internal Revenue Service as an organization described in section 501(c)(3) of the Code and that it is not a private foundation as defined in section 509(a) of the Code.
- 9. California Law.** The Fund created by this agreement shall be administered in and under the laws of the State of California, and this agreement and the validity thereof shall be governed by and construed in accordance with the laws of the State of California. Any action with respect to this Agreement shall be brought in or venued to a court of competent jurisdiction in Los Angeles County, California.
- 10. Variance Power.** The Fund is protected from obsolescence. If, in the sole judgment of the Board, 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 Board shall modify any restriction or condition on the use or distribution of the income and principal of the Fund pursuant to federal (United States Treasury Regulations Section 1.170A-9(e)(11)(v)(B), (C) and (D))) or state law.
- 11. Binding Effect; Amendments.** This Agreement shall bind, and shall inure to the benefit of, the parties and their respective successors and assigns. The Foundation shall have the power, acting alone, to amend this Agreement in any manner required for the sole purpose of ensuring that the Foundation qualifies and continues to qualify as a tax-exempt organization described in Section 501(c)(3) of the Code. The Foundation shall further have the power to amend this Agreement consistent with California law, including, but not limited to the Uniform Prudent Management of Institutional Funds Act, California Probate Code Section 18501, *et seq.*

12. Disbursement of Funds at Program End. In the event that a scholarship disbursement brings the Fund value below \$5,000.00 and therefore renders it unable to make additional grants according to the terms of this agreement, the remaining value of the Fund shall be disbursed as follows:

If it becomes unnecessary, undesirable, impractical or impossible to utilize the Fund for the benefit of the above beneficiaries, the Foundation shall have the right to utilize the Fund for such other exempt purposes as it deems appropriate in the spirit of the purpose of the Fund and in accordance with its governing instruments, or exclusively for exempt purposes that: (a) are within the scope of the of the Foundation's Articles of Incorporation and Bylaws, as from time to time amended; and (b) most nearly approximate, in the good faith opinion of the Board, the original exempt purpose(s) and the Donor's intent for use of the Fund. Additionally, the Donor also agrees and acknowledges that this Agreement and the Fund shall at all times be subject to the power of the Board to modify any restriction or condition on the distribution of funds to the beneficiaries if, in the sole judgment of the Board, such restriction or condition becomes incapable of fulfillment, or inconsistent with the mission of the Foundation (United States Treasury Regulation Section 1.170A-9(f)(11)(v)(B), (C) and (D)).

IN WITNESS WHEREOF, the Donor and the Foundation have executed this agreement as of the date above.

DONOR:

By: _____
Signature

Print Name

CATHOLIC COMMUNITY FOUNDATION OF LOS ANGELES:

By: _____

Attachment "A"
Fund
Initial Contribution Form

Please use this form to contribute assets to your Catholic Community Foundation of Los Angeles in support of the _____ Fund. The initial contribution must be a minimum of \$10,000; each additional contribution must have a fair market value of at least \$500. Checks should be made payable to Catholic Community Foundation of Los Angeles. If you need assistance, please contact your financial advisor, or call 213-426-1180.

Source of Contribution: Contributions may be made by donor, individuals, trusts, alumni (recent), former and older alumni of _____, local businesses, grant writing (to foundations) and others. Please provide the following information for the person(s) making this contribution.

Donor # 1:

Name: _____
Street Address: _____
City: _____
State: _____ Zip: _____
Home Phone: () _____ Work Phone: () _____
Email: _____

Donor # 2:

Name: _____
Street Address: _____
City: _____
State: _____ Zip: _____
Home Phone: () _____ Work Phone: () _____
Email: _____

Contributions: Contributions may be made in cash, or marketable securities. Please complete the information requested below.

1. CASH (Indicate amount in space provided)
\$ _____ Cash
\$ _____ Check (Check # _____)
\$ _____ Cashier's check
\$ _____ Wire transfer (please contact us for wire transfer instructions)
\$ _____ Other (describe: _____)

Investment Options

Please make your selection of the three investments offered. Please contact us for additional information and the most recent fund performance data.

- o Balanced Pool: 5+ year horizon, asset allocation of 70:30 equities to fixed income. Popular for permanent and endowed funds with a long-term granting goals.
- o Intermediate Fund: shorter-term, 18 to 36-month horizon, asset allocation of 30:70 equities to fixed income. Designed to preserve capital and provide liquidity for immediate granting.
- o Short-Term Investment Fund: highly liquid, risk-averse cash equivalent

Acknowledgement

The undersigned donor(s) (hereafter referred to in the first person singular) makes an irrevocable and non-refundable gift for charitable purposes to Catholic Community Foundation of Los Angeles. (“CCF-LA”). By signing below, I hereby acknowledge that I have read the initial fund agreement (the “Agreement”) and CCF-LA’s Guidelines for Charitable Funds, and I agree to the terms and conditions set forth in the Agreement and CCF-LA’s Guidelines for Charitable Funds. I certify that, to the best of my knowledge, all information presented in connection with this Initial Contribution Form is accurate and agree to notify CCF-LA promptly of any changes. I also understand that my capacity as a donor is advisory in nature and that CCF-LA has the sole and exclusive authority and discretion to invest and disburse the property hereby transferred.

Donor #1 Signature: _____ Date _____
Printed Name of Donor #1 _____

Donor #2 Signature: _____ Date _____
Printed Name of Donor #2 _____

Please return this completed form to:

Catholic Community Foundation of Los Angeles
3440 Wilshire Blvd. Suite 530
Los Angeles, CA 90010

Attachment "B"
Scholarship Criteria

The following terms and conditions apply to the management and administration of the _____ (the "Fund"), as established at the Catholic Community Foundation of Los Angeles (the "Foundation") on _____, 2022 (Date).

Student Eligibility:

The amount available for distribution from the Fund to the School is \$_____ to \$_____.

The selection committee of the _____ Fund (the "Selection Committee") requests a total distribution in the amount of \$_____.

One or more student(s) will be selected on an annual basis by a selection committee according to the **following criteria for eligibility:** *[examples below]*

- *Demonstrated financial need (as evaluated by financial documents submitted to _____ ("the School") for any other financial aid)*
- *Be enrolled or entering grades XX*
- *Be in good academic and behavioral standing*
- *TBD*

Student recipients will be identified as recipients of the _____ Fund, and presented a certificate of award by a representative of the Foundation. **Students will be encouraged to show their appreciation to the Donor** by sending notes of gratitude to the Foundation to be forwarded to the donor.

The Selection Committee shall meet annually on _____, and shall be comprised of the following individuals:_____. Upon majority agreement of the Selection Committee, the _____ shall inform the fund advisor (the "Advisor") of its recommendation of qualifying student(s) and scholarship amounts and the _____ shall certify that the students meet the criteria contained in this Exhibit "B" to the Fund agreement. The Advisor shall then make the recommendation to the Foundation.

Signature

Signature

Print Name

Print Name

Date

Date

Attachment "C"

Catholic Community Foundation of Los Angeles ("Foundation")

Scholarship Fund – Verification Form

Scholarship Fund Name: _____

Amount available as advised by the Foundation: _____

Amount approved by the Advisor: _____

In accordance with the terms and conditions of the _____
("Fund"), we submit the following student recommendations for awards for the 20____-20____
academic year:

Name of students selected:

_____	\$ _____
_____	\$ _____
_____	\$ _____

Total: \$ _____

I certify that these awards meet the criteria established in the Fund and Attachment "B" to the
_____ Fund Agreement.

President's Name: _____

Signature: _____

Date: _____

Donor Representative's Name: _____

Signature: _____

Date: _____

Donor Representative's Name: _____

Signature: _____

Date: _____

Attachment “D”
Guidelines for Charitable Funds



These guidelines describe how to open a charitable fund with the Catholic Community Foundation of Los Angeles (“CCF-LA”). We summarize the types of funds that are currently available to our clients and explain our commitment to managing your fund investments, your grant making, and your charitable-distribution activities. Above all, we are dedicated to the highest levels of service to meet the charitable objectives of each of our clients. Your funds are customized, and we carefully negotiate the terms and conditions with you.

Establishing and Funding a Charitable Fund

1. **Creating a Fund.** A fund with us is created by specific agreement with the founding donor. This agreement describes the type of fund, its purpose, who the fund advisers (if any) are, and any other attributes of the fund. The minimum contribution to establish a new charitable fund is \$10,000 (\$2,000 for the New Philanthropist Donor-Advised Fund program). For more details, please refer to the table of funds and fee structures at the end of this document.
2. **Adding to a Fund.** Once a fund is established with CCF-LA, the founding donor and others may make contributions at any time, using any of the following gift methods: cash, closely held stock, publicly traded securities, mutual funds, personal property, real estate, and other assets that are consistent with our Gift Acceptance Policy.
3. **Charitable Deduction.** We are classified as a public charity under sections 501(c)(3) and 509(a)(1) of the Internal Revenue Code (the “Code”). We are not a private foundation; therefore, all gifts to us may entitle donors to maximum tax deductibility. A contribution to us or to a specific fund in our foundation generally is subject to the following limitations, subject to changes in the Code:
 - a. Individuals are eligible for an itemized deduction for cash contributions up to 60% of their adjusted gross income (AGI) in the tax year in which the contribution is made, subject to regulatory changes.
 - b. Deductions for contributions of other assets, including the full market value of appreciated securities held for more than 1 year, are limited to 30% of AGI, subject to regulatory changes.
 - c. Appreciated property can be deducted for the fair market value.
 - d. Any excess amounts beyond this AGI limitation may be carried forward and deducted in the 5-year period after the year of the contribution.
 - e. An individual’s ability to claim itemized deductions may be subject to certain other limitations, so we encourage our clients to consult with their accountant or tax adviser.
 - f. Income that accrues to a charitable fund created at CCF-LA is not available to the donor as a charitable deduction.
4. **Gift Acceptance.** All gifts to any funds at CCF-LA are subject to completion of our due-diligence procedures and compliance with our Gift Acceptance Policy. Any costs incurred by us to evaluate,

acquire, or sell a complex-gift asset, such as real estate, a partnership interest, or closely held stock, will reduce the net proceeds credited to the fund.

5. **Planned Gifts.** A donor may name CCF-LA as the beneficiary of a bequest or other planned-giving instrument for contributing to Donor-Advised Funds, Restricted Funds, and Scholarship Funds as described below.

Types of Funds

Our foundation strives to design and provide charitable gift options that meet the goals, aspirations, and expectations of our clients. Currently, we offer the following fund options:

- Donor-Advised Funds—permanent and nonpermanent
- Restricted Funds—permanent and nonpermanent
- Scholarship Funds
- Agency Funds

1. **Donor-Advised Funds.** Today, donor-advised funds (DAFs) are one of the fastest-growing areas of charitable gifting and are subject to the requirements under sections 4966 and 4967 of the Code. DAFs provide donors with the flexibility of gifting with an immediate tax advantage while deferring grant distributions to selected charities over time. The following are CCF-LA's procedures for administering DAFs:

- a. **Permanent and Nonpermanent DAFs.** Our clients have the option of a **permanent DAF**, which functions like an endowment, preserving the corpus with spending guidelines to make grants in perpetuity to the intention for which the fund was established, and a **nonpermanent DAF**, which is designed much like a charitable-giving checkbook to fund the near-term grants intended.
- b. **Fund Adviser(s).** Upon establishing a DAF, the founding donor(s) may authorize one or more fund advisers to access information regarding the fund and make grant recommendations. These individuals are named in the DAF agreement.
 - i. **Grant Recommendations by Individuals Other Than the Donor(s).** A donor may, in writing, designate another party to recommend grants to charitable organizations. This designation can be revoked at any time in writing.
 - ii. **Successor Advisers.** A founding DAF adviser may designate successor advisers who may take on the role of the primary adviser *upon the primary donor's death or incapacity*. Primary advisers may designate up to three generations of successor advisers (including children, grandchildren, partners, or other descendants, heirs, or representatives).
 1. **Structure for Succession.** The founding donor(s) may appoint an individual or an advisory committee to act as successor adviser(s).

2. **Grants Limited to Spending-Policy Amount.** Unless otherwise specified, grants from the fund become subject to our spending policy for permanent funds.
 3. **Verification of Status.** Successor adviser(s) will provide written notification and proof of the primary adviser's death or incapacity before assuming the rights and duties associated with advising the fund.
- iii. **Death or Incapacity of Primary Adviser(s).** Options for handling a donor-advised fund *after the death or incapacity* of the last named adviser include:
1. **Board Administration.** If a successor has not been appointed by the founding donor(s), the DAF will continue to be either a permanent or nonpermanent CCF-LA fund with oversight by our Board of Directors to ensure the client's initial intentions are met.
 2. **Final Distribution.** In the agreement, the founding donor may designate a final distribution plan for assets remaining in the fund.
 3. **Distribution of Balances to CCF-LA's Catholic Community Endowment Fund.** In the agreement, the founding donor may designate that outstanding balances be transferred to the CCF-LA Catholic Community Endowment, which distributes grants in perpetuity to the needs of entities in the Archdiocese of Los Angeles.
- c. **Donor Intent.** We ensure that the donor's intent is carried out after a donor's death or incapacity by documenting and maintaining records of donor intent in our permanent records. In this manner, we assure that successor adviser(s) abide by the charitable purposes of the fund designated by the fund's founding donor(s).
- d. **Recommending Grants.** For DAFs, clients may begin recommending grants as soon as they have established a fund and have the required minimum balance. A Grant Recommendation Form may be submitted by fax, email, or mail. Consistent with federal tax-law requirements, we may accept or reject recommendations of the DAF adviser(s) in our sole and absolute discretion.
- i. **Eligible Grant Recipients.** Only qualified public charities may receive grants from a DAF at CCF-LA. Qualified charities generally include those described in sections 501(c)(3) and 170(b)(1)(a) of the Code (other than certain supporting organizations), as well as certain governmental organizations and Catholic entities included in P.J. Kenedy & Sons' The Official Catholic Directory. Examples include religious, educational, public-service, and other charitable organizations aligned with the faith and mission of the Catholic Church.
 - ii. **Due Diligence.** We perform due-diligence review on each organization a donor recommends for support. As part of this process, we may review the organization's tax-return filings, exemption application, mission statement, website, list of officers and directors, current financial statements, and other materials. If an organization cannot provide evidence of qualifying charitable status or concerns are raised about an organization's financial accountability, our donor will be notified that a grant cannot be awarded.

- iii. **General Grant Information.** The minimum amount for a grant is \$250 (\$100 for the New Philanthropist DAF program). There is no limit on the number of grants that may be made from a DAF. All grants are made payable on checks bearing the name Catholic Community Foundation of Los Angeles and are accompanied by a letter from us referencing the fund name *unless anonymity is requested*. A copy of the award letter is also sent to the DAF's primary contact.
- iv. **Timing of Grants.** Our staff processes grants upon receipt. Generally, each grant will be processed and funded within 5 business days after receipt of the request. Some grants (particularly international grants and other nonstandard grant situations) may take longer to process due to additional due-diligence requirements.
- v. **Nonstandard Grant Situations.** The following grants have additional complexity and due-diligence requirements:
 - 1. **New Organizations.** Recently created public charities that are within their initial ruling period for tax exemption are subject to additional due-diligence review.
 - 2. **Donor Affiliations.** In order to assure that no personal benefit is derived from a grant, we may require additional due diligence, documentation, and agreements with recommended public charities if the donor or individuals related to the donor are members of the organization's board or staff.
 - 3. **Grants to International Charities.** We may distribute grants to international charitable and nongovernmental organizations. However, we require that the international charity provide written confirmation that its activities are equivalent to those for public charities in the United States. We must comply with specific federal legal standards for review of international grantees.
 - 4. **Multiyear Grants.** A donor may request that we make a multiyear grant commitment from a DAF. In such cases, our donor's fund must have sufficient resources at the time of the request to make all of the required payments, which are then treated as a grant payable from the fund. Multiyear grants are subject to review by the foundation's executive staff and Investment Committee.
 - 5. **Grant Agreements.** In certain situations we may enter into a grant agreement with a recommended public charity to document the purposes of the grant and the obligations of the grantee charity.
 - 6. **Extraordinary Distributions.** When a donor requests a distribution of all or substantially all (greater than 80%) of a fund's liquid assets, less outstanding commitments, we will apply the "80/20 Payout Rule." Under the 80/20 Payout Rule, we typically will process a disbursement for 80% of the fund's value followed by a disbursement for the remaining 20% over a 2-to-6-week period.

- e. **Ineligible DAF-Grant Disbursements.** The following are types of grants that are ineligible to be processed through a donor-advised fund:
- i. **Grants and Scholarships to Individuals.** Grants and scholarship awards may not be made from DAFs to benefit specific individuals. Subject to the limitations of the Pension Protection Act of 2006, certain grants for individuals, scholarships, and disaster relief may be made by funds that do not fall within the definition of donor-advised funds (e.g., committee scholarship funds).
 - ii. **Grants to Private Foundations.** CCF-LA does not make grants to private, *nonoperating* foundations from its DAFs. However, the foundation may make grants from a donor-advised fund to a private, *operating* foundation.
 - iii. **Grants Providing a Personal Benefit to the Donor.** Federal law prohibits the use of DAF grants that provide anything more than an incidental benefit to the donor or related parties. Common examples of prohibited benefits include tickets to charitable events or goods purchased at charitable auctions, as well as expense reimbursements to donors, advisers, and related parties, even if the expenses were incurred in furtherance of a charitable purpose.
 - iv. **Political Activities.** Grants from DAFs cannot be made for lobbying purposes, to political-action committees or to support political campaigns.
 - v. **Grants not aligned with the mission of the Church.** Grants from DAFs cannot be made for purposes that are inconsistent with Catholic values.

2. **Restricted Funds.** These are donated funds on either a permanent or nonpermanent basis that are designated for specific purposes. Grants are made by CCF-LA according to the terms and conditions outlined in the fund documents. If the foundation determines that any of the designated charities a) is no longer a charity, b) is no longer fulfilling the charitable purposes intended by the donor, c) has purposes that are obsolete, and/or d) is serving community needs that have changed, we may direct the use of the funds to another charitable purpose aligned with the donor's intent.

3. **Scholarship Funds.** Donors may create **permanent** or **nonpermanent** scholarship funds to support student education at qualified educational institutions offering pre-K through graduate programs at universities and vocational schools. Scholarships are funded not more than semiannually and paid to the school, not the student beneficiary. Such funds must have defined eligibility criteria for awarding scholarships.

4. **Agency Funds.** These are funds provided by nonprofit organizations to be invested for their benefit.

Spending Policy on Funds

The types of funds described above may be treated differently for purposes of determining the amount of grant disbursements that may be made in any given year. Funds can be permanent or nonpermanent as specified in the documents when creating a fund. The following general guidelines apply:

- **Permanent Funds.** These are funds that often create "endowments," or funds that are available over a long period of time because only a portion of their value each year is awarded in grants. Our board determines the annual spending amount based on prevailing conditions for similar funds. Typically, the spending amount will range between 3% and 5%; spending more than 7% is presumptively imprudent.

- **Nonpermanent Funds.** These are funds that provide for the distribution of income and/or principal of the fund, allowing for spending of the entire value in the form of charitable disbursements.

Fund Investments

As the fiduciary for charitable funds, we are responsible for assuring that our investment strategy agrees with the charitable purposes and philanthropic goals of a fund. To enhance efficiency and reduce the cost of operations, contributions to funds are typically pooled with other contributions of other donors for investment management and administrative purposes.

1. Types of Investment Funds.

- Balanced Pool.** For clients with a long-term granting horizon, such as an endowment, we offer a Balanced Pool that is in the range of 70%–75% equities and 25%–30% bonds; the pool adviser is Callan and the custodian is Union Bank.
 - Intermediate Fund.** Designed to earn competitive returns within risk tolerances, this fund preserves charitable-giving potential by striving for medium-term (18 to 36 months) returns that match or exceed recommended annual distribution requirements, fees, and inflation. This fund is invested in the range of 30% high-quality equities and 70% high-quality, low-duration bonds.
 - Short-Term Investment Fund (STIF).** Upon creating a nonpermanent fund, clients that expect to grant within one year may opt for this investment fund, which is designed to preserve capital and provide for high liquidity.
- Investment Oversight.** Our Investment Committee advises and closely monitors the performance of the managers within our Balanced Pool and other funds, comparing the results with benchmarks identified for each asset class or investment goal. The Investment Committee decides on the allocation of our assets among asset classes and investment managers, reviews investment performance, and has the discretion to change allocations and investments at any time. The Investment Committee is advised by Callan, which acts as our investment consultant. Disclosure Statements are issued monthly for the Balanced Pool and the Intermediate Fund with transparency regarding fees and expenses as well as the risk profiles in each fund.
 - Allocating Investment Returns.** Each of our funds' investment returns and expenses are represented by a percentage of its participation in the Balanced Pool, the Intermediate Fund, or the STIF. The percentage is determined by calculating a fund's average daily balance (ADB) relative to the pool's total ADB over a certain period of time. Under the ADB concept, a fund receives an allocation of investment results and expenses for the month during which the fund participates in the pool.

Fund Administration

- Financial Reporting.** Our clients have online access to their account activity and also receive a month-end statement of their fund's financial results, including investment returns, contributions, grants, and expenses. These reports, which are available securely online, include the following information:

- a. **Administrative and Investment Fees.** We charge each fund an administrative fee. This is usually an annual percentage of the value of a fund, assessed quarterly, and payable at the beginning of the quarter. In some cases, funds are established with fees based on the volume of activity, such as on grants or contributions (e.g., scholarships). We also incur investment-management costs for investments that are shared by each fund. All of these fees are carefully explained and priced in the Disclosure Statement and the fund documents.
 - b. **Costs and Expenses.** Other fees may be charged to a fund for specialized or custom services. For example, with a gift of real estate, there will be costs such as title-insurance fees, taxes, broker fees, property-administration fees, attorneys' fees, and other costs. Similarly, a gift of stock or mutual-fund shares will incur costs for the liquidation of these assets.
2. **Fund Inactivity.** If a fund adviser has not recommended grants from a fund for 3 consecutive years and has not responded to the foundation's attempts to contact the adviser at least 3 times for a grant recommendation, the fund will be closed and the proceeds transferred to either a) our Catholic Community Endowment fund, which is a general fund benefiting the greatest needs of charitable entities in the Archdiocese of Los Angeles or b) another fund at CCF-LA that may be closely aligned with the initial donor's intentions.
3. **Fund Closing.** Subject to the agreement terms and our policies, a fund's adviser may recommend that the entire balance of a fund be disbursed and the fund closed. We follow special procedures in such instances to allow for market-value fluctuations, expenses not yet allocated to the fund (such as investment-manager fees), investment income, and other activity that affects a fund's net asset amount. When a donor requests a distribution of all or substantially all (greater than or equal to 80%) of a fund's liquid assets, less outstanding commitments, CCF-LA will apply the "80/20 Payout Rule." Under this rule, we process an initial disbursement for 80% of the distribution followed by a disbursement of the remaining 20% over a 2-to-6-week period.

Administrative Fees

Fees are negotiable based on fund balances and relationships with clients and are priced to cover expenses. Fees paid to us benefit the mission of CCF-LA and its operations. Administrative fees are separate from investment expenses, which are charged separately.

Conflict of Terms

In the event of any inconsistency between the terms of these guidelines and our Articles of Incorporation, bylaws, or other specific policy statements, the terms of our Articles of Incorporation, bylaws, or other policy statements will govern. Those documents are available by request. The Guidelines for Charitable Funds may be updated by us from time to time. Exceptions to these guidelines governing the process for accepting gifts, creating funds, or other related matters may be made only by written agreement with our authorized staff. The laws governing charitable funds continue to undergo change; therefore, any change in law or the interpretation thereof may require us to take action not specified in these guidelines.

Fund Type	Annual Fee Structure
<p>Donor-Advised Fund—Permanent \$10,000 opening deposit \$5,000 minimum balance</p>	<p>1.25% of assets up to \$1M</p> <p><i>Fees for balances greater than \$1 million are negotiated.</i></p> <p>Charged quarterly in advance on the balance at the end of the previous quarter, excepting the first payment, which shall be prorated from the initial gift date to the end of that quarter. The minimum fee is \$500/year.</p>
<p>Donor-Advised Fund—Nonpermanent \$10,000 opening deposit \$5,000 minimum balance</p>	<p>2.00% of assets up to \$1M</p> <p><i>Fees for balances greater than \$1 million are negotiated.</i></p> <p>Charged quarterly in advance on the balance at the end of the previous quarter, excepting the first payment, which shall be prorated from the initial gift date to the end of that quarter. The minimum fee is \$750/year.</p>
<p>New Philanthropist Donor-Advised Fund—Nonpermanent \$2,000 opening deposit \$500 minimum balance</p>	<p>1.25% of assets</p> <p>Charged quarterly in advance on the balance at the end of the previous quarter, excepting the first payment, which shall be prorated from the initial gift date to the end of that quarter. No minimum fee.</p>
<p>Scholarship Fund \$10,000 opening deposit</p>	<p>Fees are based on the complexity of the donor's scholarship program. <i>Please inquire.</i></p>

<p>Agency Fund (managed only) \$25,000 opening deposit \$10,000 minimum balance</p>	<p>.50% to .75% of assets depending on the amount and investment option(s) selected.</p> <p>Charged quarterly in advance on the balance at the end of the previous quarter, excepting the first payment, which shall be prorated from the initial deposit date to the end of that quarter. The minimum fee is \$500/quarter.</p>
<p>Fund Type</p>	<p>Annual Fee Structure</p>
<p>Restricted Fund—Permanent \$10,000 opening deposit</p>	<p>1.25% of assets up to \$1M</p> <p><i>Fees for balances greater than \$1 million are negotiated.</i></p> <p>Charged quarterly in advance on the balance at the end of the previous quarter, excepting the first payment, which shall be prorated from the initial gift date to the end of that quarter. The minimum fee is \$500/year.</p>
<p>Restricted Fund—Nonpermanent \$10,000 opening deposit \$5,000 minimum balance</p>	<p>2.00% of assets up to \$1M</p> <p><i>Fees for balances greater than \$1 million are negotiated.</i></p> <p>Charged quarterly in advance on the balance at the end of the previous quarter; excepting the first payment, which shall be prorated from the initial gift date to the end of that quarter. The minimum fee is \$750/year.</p>

Catholic Community Foundation of Los Angeles
 3440 Wilshire Blvd., Suite 530
 Los Angeles, CA 90010
 Phone: (213) 426-1180 Fax: (213) 736-0480
 CatholicCF-LA.org.

To: _____

Date: _____

From: _____

Re: Gift in honor of _____

It is my intention to make a _____ [insert amount] gift to the _____
Fund for use in support of student scholarships as an annual gift of _____ [insert
amount]. This gift is given in honor of _____ [insert honoree].

This Letter of Intent has been created for your future planning and budgeting purposes only. It is not a legally binding commitment. If circumstances change, I will contact you.

I wish this gift to be anonymous: Yes No
(Circle One)

Please list my/our name in campaign recognition as: _____

Printed Name	Date	Signature
Address	City	Zip Code
Email	Phone (cell)	

Gift Envelope Details

Inside

Yes! I want to support _____ *[insert name of fund]*.

Invest in our faith community with a gift to _____
[insert name of fund]. Your gift by cash, credit card, stock, or bequest today will sustain scholarships at _____ (the "School").

Gift Options:

- Intention: It is my/our intention to make a _____ *[insert amount]* gift to the *[insert name of fund]* for use in support of scholarships at the School over _____ *[insert period of time]* as an annual gift of _____ *[insert amount]*. This gift is given in honor of _____ *[insert honoree]*. This Letter of Intent has been created for your future planning and budgeting purposes only. It is not a legally binding commitment. If circumstances change, I will contact you.

Please bill me at the address below my signature.

- Stock: Please contact the Catholic Community Foundation of Los Angeles at (213) 426-1180 for instructions on how to deliver stock gifts.
- Planned Gift: Please include the following in your Trust and Estate Planning documents: **"The sum of \$ _____ (or _____ % of the proceeds from our will or trust) to be distributed to the Catholic Community Foundation of Los Angeles for the Catholic Community Endowment Fund] # _____."**
- Enclosed is a gift in the amount of: (check one)
 \$250 \$500 \$1,000 \$5,000 Other \$ _____

Method of Payment (check one)

- Check enclosed, payable to: Catholic Community Foundation of Los Angeles *Fund]* # _____

Credit card: Mastercard Visa American Express

Credit card # _____ CVV _____

Expiration date: Month: _____ Year: _____

Signature: _____

Name: _____

Address: _____

City: _____ State _____ Zip _____

Email address: _____

Daytime phone _____ Cell _____

How do you want this gift to be recognized?

_____ or Anonymous

Back flap

Keep _____ alive forever and be recognized by the generations to come for being part of this giving community today.



**CATHOLIC COMMUNITY
FOUNDATION**
Los Angeles

**Scholarship Fund
Initial Contribution Form**

Please use this form to contribute assets to the _____ Scholarship Fund. The initial contribution must be a minimum of \$10,000; each additional contribution must have a fair market value of at least \$500. Checks should be made payable to Catholic Community Foundation of Los Angeles. If you need assistance, please contact your financial advisor or call 213-426-1180.

Name of Fund _____

Source of Contribution: Contributions may be made by donor, family members, friends and others. Please provide the following information for the person(s) making this contribution.

Donor #1

Name: _____
Street Address: _____
City: _____ State _____ Zip: _____
Home Phone: (_____) _____ Work Phone: (_____) _____
Email: _____ Date of Birth: _____

Donor #2

Name: _____
Street Address: _____
City: _____ State _____ Zip: _____
Home Phone: (_____) _____ Work Phone: (_____) _____
Email: _____ Date of Birth: _____

Contributions: Contributions may be made in cash or marketable securities. Please complete the information requested below.

1. CASH (Indicate amount in space provided)

\$ _____ Cash
\$ _____ Check (payable to Catholic Community Foundation of Los Angeles)
\$ _____ Cashier's check
\$ _____ Wire transfer (please contact us for wire transfer instructions)
\$ _____ Other (describe _____)

2. **MARKETABLE SECURITIES:** Please complete the information requested below and follow the transfer instructions from your financial advisor for the following securities:

Name of security issuer: _____

Where security certificate is held: _____

Ticker/CUSIP: _____ Account Number: _____ # of Shares: _____

Name of security issuer: _____

Where security certificate is held: _____

Ticker/CUSIP: _____ Account Number: _____ # of Shares: _____

(Please attach additional marketable securities information in the same format, if needed.)

Broker or Financial Advisor Information:

Name: _____

Name of Firm _____

Street Address: _____

City: _____ State _____ Zip: _____

Phone: (_____) _____ Fax: (_____) _____

Email: _____

Investment Options

Please make your selection of the three investments offered. Please contact us for additional information and the most recent fund performance data.

- **Balanced Pool:** 5+ year horizon, asset allocation of 70:30 equities to fixed income. Popular for permanent and endowed funds with a long-term granting goals.
- **Intermediate Fund:** shorter-term, 18 to 36-month horizon, asset allocation of 30:70 equities to fixed income. Designed to preserve capital and provide liquidity for immediate granting.
- **Short-Term Investment Fund:** highly liquid, risk-averse cash equivalent

Acknowledgement

The undersigned donor(s) (hereafter referred to in the first person singular) makes an irrevocable and non-refundable gift for charitable purposes to Catholic Community Foundation of Los Angeles. ("CCFLA"). By signing below, I hereby acknowledge that I have read the initial fund agreement (the "Agreement") and CCFLA's Guidelines for Charitable Funds (the "Guidelines"), which have been incorporated into the Agreement by reference, and I agree to the terms and conditions set forth in the Agreement and the Guidelines. I certify that, to the best of my knowledge, all information presented in connection with this Initial Contribution Form is accurate and agree to notify the Foundation promptly of any changes. I also understand that my capacity as a donor is advisory in nature and that the Foundation has the sole and exclusive authority and discretion to invest and disburse the property hereby transferred.

Donor #1 Signature _____ Date _____

Printed Name of Donor #1 _____

Donor #2 Signature _____ Date _____

Printed Name of Donor #2 _____

Please return this completed form to:
 Catholic Community Foundation of Los Angeles
 3440 Wilshire Blvd. Suite 530 Los Angeles, CA 90010