

AGENCY FUND AGREEMENT

Thank you for setting up an agency fund. The fund will be administered by the Hudson Community Foundation, a 501(c)(3) public charity.

Please complete this form and return to info@myhcf.org fax to 330.655.3580.



49 East Main Street | P.O. Box 944 | Hudson, Ohio 44236 | 330.655.3580 | www.myhcf.org

HUDSON COMMUNITY FOUNDATION AGENCY FUND AGREEMENT

1 Agency Information

Agency Name	Doing Business As (If Applicable)		
Address	City	State	Zip Code
Phone Number	Website		
Primary Contact Name & Title	Primary Contact Email		

2 Fund Name

Name of Fund

3 Type of Agency Fund

You may choose to establish a non-endowed, endowed or quasi-endowed Agency Fund. Please select one.

Non-Endowed: Grants may be made from the **income and principal** of the Fund with the necessary approvals as set forth in Section 4.

Endowed: Grants may be made to the organization on an annual distribution based on the spending policy and prior year ending fund balance.

Quasi-Endowed: Grants may be made from the **annual net income** of the Fund with the necessary approvals as set forth in Section 4.

Net income is defined as an amount that is computed annually based upon the Hudson Community Foundation’s current spending policy (currently 5% of the year-end Fund balance). If any portion of the net income is not granted in a particular calendar year, the undistributed net income for such year shall be added to principal. It is not your intention to make grants from the principal of the Fund. However, in the event of extraordinary circumstances, the principal of the Fund, up to the entire Fund balance, may be granted.

4 Grant Authorization

Please indicate who may provide approval for grants from the Fund to the Agency in accordance with Sections 3 and 4 of this form.

Grants from the Fund to the Agency may be made upon the Hudson Community Foundation's receipt and approval of the written recommendation of *at least two* of the following selected positions. We recommend selecting at least four positions from the following list.

- | | |
|---|---|
| <input type="checkbox"/> Agency Board Chair | <input type="checkbox"/> Agency Chief Financial Officer |
| <input type="checkbox"/> Agency Board Treasurer | <input type="checkbox"/> Agency Director of Finance |
| <input type="checkbox"/> Agency Board Secretary | <input type="checkbox"/> Agency Development Director |
| <input type="checkbox"/> Agency Executive Director or CEO | <input type="checkbox"/> Other: _____ |

- ▶ Please list the individual currently occupying each selected position and provide their contact information below. These positions are referred to as Fund Advisors and have online access to view fund statements.
- ▶ If the Fund is quasi-endowed, and grants from the principal of the Fund have been recommended, the Agency must provide minutes of a board meeting showing the request was approved by at least two-thirds of the Agency's Board of Directors.

Agency Position

First Name

Middle Name or Initial

Last Name

Suffix

Address

Home

Work

City

State

Zip Code

Phone

Home

Work

Cell

Email Address

Agency Position

First Name

Middle Name or Initial

Last Name

Suffix

Address

Home

Work

City

State

Zip Code

Phone

Home

Work

Cell

Email Address

Agency Position

First Name

Middle Name or Initial

Last Name

Suffix

Address

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Work

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Agency Position

First Name

Middle Name or Initial

Last Name

Suffix

Address

Home

Work

City

State

Zip Code

Phone

Home

Work

Cell

Email Address

Agency Position

First Name

Middle Name or Initial

Last Name

Suffix

Address

Home

Work

City

State

Zip Code

Phone

Home

Work

Cell

Email Address

5 Investment Recommendation

Please select one of the following two options for your Fund's investments.

- ▶ **Option 1:** Financial Advisor Managed Account
- ▶ **Option 2:** Hudson Community Foundation's Investment

Option 1: The assets in the Fund will be invested separately in a financial advisor managed account on your advisor's platform. Your financial advisor named in Section 6 will make investment selections for your Fund on your behalf.

This option is available for funds with assets of \$10,000 or more.

How much do you plan to contribute to your Fund in the next year? \$ _____
Estimated Contribution

The Hudson Community Foundation will contact your financial advisor to set up the investment account. A Fund advisor or family member of a Fund Advisor may not be named as the Fund's financial advisor.

Option 2: The assets in the Fund will be invested with the Hudson Community Foundation's Investment program.

6 Financial Advisor Information

If your financial advisor will be involved with your Fund, provide the following details.

The financial advisor named below will have online access to view your Fund information in the Hudson Community Foundation’s portal, including balance, contribution and grant history.

- ▶ If you selected Option 1 in Section 5, your financial advisor will invest the Fund’s assets separately in a financial advisor managed account.
- ▶ If you selected Option 2 in Section 5, Hudson Community Foundation will confirm asset allocation for the charitable investment portfolio.

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

7 Professional Advisor Information

Please list any additional professional advisors (accountants, attorneys, financial advisors) with whom the Hudson Community Foundation may share information about your Fund should they inquire. If you would like to give any of the following advisors permission to view your Fund online, or make investment changes on your behalf, please indicate in Section 10.

Professional Advisor Name & Profession	Firm Name
Professional Advisor Name & Profession	Firm Name
Professional Advisor Name & Profession	Firm Name

8 Contribution Information

If you know how you will make your initial contribution, please provide details. If there are other assets you plan to contribute to the Fund, please list in Section 10. You will need to contact your financial advisor or financial institution to initiate transfers to the Fund.

\$ _____

Estimated Initial Contribution

Approximate Date of Initial Contribution

Check

Wire or ACH

Bank Name: _____

Stocks and Other Securities

Number of Shares and Symbol(s):

Private Business Interest or Real Estate: Please contact our office to discuss the donation process. 330-655-3580

9 Referral Information

If someone guided you in the decision to establish the Fund, please provide the following information about your referral.

Name

Organization Name

Address

City

State

Zip Code

Phone

Email Address

If you did not receive a personal referral, please share how you heard about us:

10 Additional Information

Please include any additional information you would like us to know. If you are setting up the Fund for a specific purpose, please describe here.

11 Terms & Required Signature(s)

The Agency named in this document establishes this Fund with the Hudson Community Foundation (referred to as the "Community Foundation").

The Agency may make recommendations for grants to the Agency, investments, and other administrative matters in accordance with Sections 3 and 4 of this form.

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 the Community Foundation or the Agency exercises 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 Agency's charitable objectives and the most current financial policies and standards of the Community Foundation, listed in our Investment Policy Statement. The Community Foundation will regularly review the financial performance of this Fund.

For assets in the Community Foundation's Investment Funds: The responsibility for managing the Community Foundation's investment program is governed by the Community Foundation's Board of Directors through its Investment Committee. The percentages in the allocation options may change from time to time upon Investment Committee review. For additional details regarding investment allocations, refer to our Investment Policy Statement.

As required by IRS regulations:

- a) the investment recommendation is advisory only and the Community Foundation may, at its sole and absolute discretion, follow or decline to follow the recommendation;
- b) the Community Foundation 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 the Community Foundation; 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.

The Community Foundation's administrative fee schedule is list in item 12. The fee schedule is subject to modification and may be increased or decreased at the sole discretion of the Community Foundation.

The Agency Fund Policies are subject to change. The Community Foundation reserves the right to make the final decision regarding distributions from the Fund. The Board of the Community Foundation shall have the power to modify any restriction or condition on the distribution of funds for any specified charitable purposes or to specified charitable organizations if, in the sole judgment of the Board, such restriction or condition becomes unnecessary, obsolete, incapable of fulfillment, impractical or inconsistent with the community's charitable needs.

In the event that the Agency and its legal successors cease to exist, the Agency requests that the Fund be converted to a Field-of-Interest Fund from which grants will be distributed to charitable agencies providing similar services as currently being provided by the Agency.

Agency Board Chair	Printed Name	Date
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Agency CEO or Executive Director	Printed Name	Date
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Accepted by: _____
Hudson Community Foundation _____ Date

12 ADMINISTRATIVE FEE

This administrative fee schedule applies to funds at the Hudson Community Foundation. Administrative fees are used exclusively to support our mission-based operations. These fees are your investment in a 501(c)(3) public charity dedicated to increasing charitable giving, educating and connecting donors to community needs they care about, and leading on critical community issues.

The administrative fee structure illustrates the annual cost for a fund. These fees are assessed to the Fund on quarterly basis. (The quarterly fee equals .25 of the annual fee, based on the average fair market value of Fund assets for quarter ending. If there are no assets in the Fund, there is no fee.)

HCF charges each fund an administrative fee at the annualized rate as follows:

Assets	Fee
First \$500,000	1.0%
Next \$500,000	.75%
Next \$1,500,000	.50%
Above	.25%

A minimum annual fee of \$200 applies to each fund.

In rare circumstances, HCF may deem a fund to be pass-through in nature – that is, contributions are quickly distributed from the fund. In these cases, HCF reserves the right, in any particular quarter, to substitute the above-described fee approach with an administrative fee equal to 1% of grants made from the fund during that quarter.

We handle the managerial tasks of your fund – from investment administration to grants management – all for a nominal administrative fee. This fee also makes you part of the change we enable in Hudson by supporting community grantmaking and convenings, facilitated dialogues, and the promotion of charitable giving that ultimately transforms the communities we call home.

Contact us at (330) 655-3580 - www.myhcf.org

For funds with assets of \$2million or more, please contact us at info@myhcf.org 330.655.3580

Contributing to Agency Funds

Please visit www.myhcf.org/ways-you-can-give for instructions on contributing checks or wire transfers of cash to an agency fund.

Grants from Agency Funds

The Hudson Community Foundation will process grants from an agency fund back to the agency. The agency may make recommendations for grants to the agency.

Fundraising

The Hudson Community Foundation cannot sponsor or directly reimburse expenses incurred by an individual for any fundraising activities or any other events intended to benefit any agency fund, and will not be responsible for the collection of any amounts from any benefit, ball, banquet, athletic event or third-party online fundraising page. The Hudson Community Foundation will only be responsible for the proper disbursement of funds actually received. Any advertising, promotional or other materials must be consistent with this policy. For additional information about fundraising, contact us at 330-655-3580.

Agency Staff and Volunteer Updates

As the individuals listed in Section 4 of this form change, please provide the Hudson Community Foundation with updated information by completing the Update Your Agency Fund form, available at www.myhcf.org/NonProfits

Revisions to the Agency Fund Agreement

There may be a time when the objectives of an agency fund change during the course of an agency fund being held at the Community Foundation. Please contact the Hudson Community Foundation to discuss possible revisions to an agency fund agreement.

Investment Review and Changes to Investments

If an agency is using the Hudson Community Foundation's investment service, we welcome the opportunity to involve agency staff, volunteers or both in an investment review with the Foundation's President or Investment Chair. If a change is needed to the investment mix, the agency will be asked to submit an investment recommendation form, signed by those individuals authorized in Section 4 of this form.

Fund Statements

Fund statements showing gift, grant and investment activity for agency funds are available through the online donor portal.

Accounting for Agency Funds

Public charities that establish agency funds with the Hudson Community Foundation should consult with their auditors on the proper reporting of assets in an agency fund. The Hudson Community Foundation has provided the guidance below for informational purposes.

Financial Accounting Standards Board directive No. 136 indicates that when a nonprofit transfers a portion of its own assets to a fund at a community foundation, the nonprofit may continue to report those assets as its own, with the offsetting activity reported in net assets. The Hudson Community Foundation may also report the asset, with the offsetting activity reported as a liability to the nonprofit.

Who Can Manage the Investments of an Agency Fund

The agency may recommend that an agency fund be invested in the Hudson Community Foundation's investment with a financial advisor. Financial advisors may manage the investments of an agency fund as long as the financial advisor is not (i) the agency or an employee of the agency, (ii) a Fund Advisor, (iii) any family member of an employee or Fund Advisor (defined as that person's spouse, ancestors, children, grandchildren, great grandchildren, siblings and the spouses of children, grandchildren, great grandchildren, siblings) and (iv) any entity where more than 35 percent of the entity is owned/controlled by any of these persons. If the Community Foundation does not receive an investment recommendation for the Fund, assets will be held in the Money Market Pool.

Confidentiality and Privacy Policy

The Hudson Community Foundation holds all information concerning agency funds in strict confidence. The Community Foundation will only release information about an agency fund if the agency has given permission, or if a government agency or court has the legal authority to request the information. All personal data collected on this form is subject to the Community Foundation's privacy policy, which can be found at www.myhcf.org/privacy-policy.