465 Anglers Drive, Suite 2-G ▪ P.O. Box 881869 ▪ Steamboat Springs, CO 80488

Policy for Establishing a Donor Advised Fund

1. The Executive Director meets with the prospective donor(s) to determine philanthropic intent, including charitable purpose, longevity, and involvement.
2. The criteria used to determine which fund agreement the donor signs and where the fund is invested is:
    1) length of fund
    2) amount of gifts to the fund
    3) level of activity (regularity of gifts to and grants from fund)
    4) the level of credit risk for the YVCF at institutions insured by the FDIC
3. All fund agreements give the Foundation the "sole discretion….. to invest and reinvest the Fund in a prudent manner and the power to commingle assets of the Fund with those of other funds for investment purposes." (paragraph 4)
4. If the fund is clearly meant to be a spend down fund, either short-term or with a significant amount of activity being conducted in and out of the fund, the donor signs a Special Fund Agreement, and the fund is managed in the short-term pool.
5. If the donor states their intention is for the fund to be an endowment or quasi-endowment, the donor signs a Donor Advised Fund Agreement. The only difference between an endowment and quasi-endowment fund agreement is wording regarding the principal of the Fund being held as a permanent endowment (paragraph 5). With a quasi-endowment, paragraph 5 is modified and funds are typically invested in a short-term investment pool; again determined by the criteria in paragraph 2 above.
6. The selection of the investment pool is determined by the Executive Director, in discussion with the donor, at the time a fund is established. Generally, funds are only invested in the Endowment Pool when they reach $10,000 or when the donor requests their funds be put in the endowment pool with the intention to build an endowment over time. At this time, funds are only in one investment pool.
7. At the time a fund is established, donors may name one or more individuals to be advisor and also name successor advisors. In the absence of named successor advisors, the Community Foundation will grant the recommended spending policy annually, preserving the original intent of the donor.
8. Donors are notified that all recommendations for distributions are solely advisory. Furthermore, the Donor may not receive any personal benefit from distributions from the Fund. Prohibited distributions include personal pledge payments, grants to individuals, and grants, loan, compensation or similar payments to donors or related parities.
9. After a fund is established, the fund advisor may recommend changing the name of the fund. The fund advisor may also expand the charitable intent of the fund but may not restrict the charitable intent. The fund advisor may not change the original fund agreement or impose any material restrictions on the use of the fund.