



## THE GREATER PINEBELT COMMUNITY FOUNDATION AFFILIATE FUND AGREEMENT

This Agreement is between The Greater PineBelt Community Foundation, a Mississippi nonprofit corporation having its principal office at 1507 Hardy Street, Suite 208, Hattiesburg, Mississippi 39401 (the Foundation) and a committee (Formation Committee) which has been formed for the purpose of establishing a permanently endowed charitable fund in the Geographic Area, to be known as the \_\_\_\_\_ Community Fund ("Fund") to benefit the people of the Geographic Area. This Agreement is effective as of the \_\_\_\_ day of \_\_\_\_\_, 2\_\_\_\_,

**WHEREAS**, the Formation Committee has requested that the Foundation establish an affiliated fund ("Fund") for the \_\_\_\_\_ area of \_\_\_\_\_ County; and

**WHEREAS**, the Foundation is willing to establish the Fund as an affiliated fund of the Foundation on the terms and conditions contained in this Agreement;

**NOW, THEREFORE**, in consideration of the mutual promises of the parties as set forth in this Agreement,

### IT IS AGREED AS FOLLOWS:

1. **Establishment.** The Foundation hereby agrees to establish a Geographic Affiliate Fund, to be known as the \_\_\_\_\_ Community Fund (the Fund) in accordance with and subject to the terms of this Agreement. The purpose of this Fund is to develop philanthropic funds for charitable purposes within the geographical boundaries described in this Agreement (Geographic Area). Such funds may include unrestricted, field of interest, designated, advised, and other types of funds normally maintained by the Foundation. As a component fund of the Foundation, the Fund will operate under the supervision of the Foundation and will adhere to all Foundation policies and procedures.
2. **Definition of Geographical Area.** For purposes of this Agreement the relevant geographical area covered by this Fund shall be the area known as: \_\_\_\_\_ (Geographic Area).
3. **Donations.** All assets donated to the Foundation which are designated as being for the Fund shall be added to and become part of the Fund. The Foundation shall have the right to supplement the Fund with assets donated to the Foundation which are designated as being for the Geographic Area.
4. **Advisory Committee.** An Advisory Committee ("Advisory Committee") shall promptly be established for the purpose of broadening the Foundation's knowledge of charitable needs in the community. The Advisory Committee shall include one Foundation director, current or past. The initial Advisory Committee shall consist of those individuals named in the addendum to this agreement. Members of the Advisory Committee must be residents, employed in, or have long-time associations with the

relevant geographical area and should include individuals who reflect the area's breadth and diversity.

All Advisory Committee members named in this Agreement shall serve an initial term. Prior to the end of the Fund's first year of operations, the Advisory Committee shall select three (3) of the initial members to serve for a one-year term, four (4) of the initial members to serve a two year term, and four (4) of the initial members to serve a three-year term. Thereafter, the term of office for each Advisory Committee member subsequently appointed shall be three (3) years.

The Initial terms of office shall begin on **[Effective Date of AGREEMENT]**, and all subsequent terms shall begin on \_\_\_\_\_.

At least sixty (60) days prior to the expiration of an Advisory Committee member's term of office, the Advisory Committee shall make a written recommendation to the Foundation for the appointment of a successor Advisory Committee member. In the event of a vacancy on the Advisory Committee due to an Advisory Committee members' death, resignation, incapacity to act, or removal, the remaining Advisory Committee members shall make a recommendation to the Directors from the Advisory Committee, and subject to the Directors' right of final approval, the Directors shall appoint a successor Advisory Committee member who shall be a resident of, employed in, or have long-time associations with the Geographic area.

No Advisory Committee member shall be eligible for reappointment for a term which, if fully served, would result in his or her having served as an Advisory Committee member for more than nine (9) consecutive years; an exception may be made for those initial Advisory Committee appointees serving less than full terms. An Advisory Committee member may be removed by the Foundation at any time, but before taking action to remove an Advisory Committee member the Foundation shall provide the Advisory Committee with not less than thirty (30) days advance notice of its intended action and an opportunity to comment to the Foundation concerning the proposed removal.

5. Advisory Committee Rules of Procedure. The Advisory Committee may suggest policies and procedures for its internal operations which provide for Advisory Committee officers, regular and special meetings, subcommittees, and other similar matters, as the Advisory Committee may determine to be desirable in the fulfillment of the Advisory Committee's duties and responsibilities; provided that such rules of procedures must be approved by the President of the Foundation and must be consistent with the Foundation's by-laws .

6. Advisory Committee Duties. The duties and responsibilities of the Advisory Committee shall be as follows:

- Maintain Foundation Policies and Standards (See Section 15)
  - Maintain confidentiality of Advisory Committee deliberations,
  - Abide by the Foundation's conflict of interest policy, and
  - Act in accordance with all relevant Foundation policies.

- Promote the Fund
  - Consistent with the Foundation’s policy on donor fundraising, solicit donations and contributions to the Fund with the assistance of Foundation staff.
  - Have as a goal the creation of permanent funds to benefit the Geographic Area.
- Evaluate and Advise Grant Requests
  - Make recommendations as to distributions from the Fund to the Foundation.
  - If requested, consult with the Foundation concerning grants from other funds to charitable organizations in the Geographic Area.
- Exercise Leadership
  - Keep abreast of issues within the Geographic Area as well as issues within the philanthropic field.
  - Help identify people of achievement and distinction who can serve on the Advisory Committee.
  - Reach out to community leaders and professional advisors and assist in connecting them to the Foundation staff.
- Perform additional duties as necessary or appropriate with respect to the Fund.  
 In fulfillment of these duties and responsibilities, the Advisory Committee shall have the discretion to form separate Fund Development and Grant Distribution subcommittees, to include such additional outside members as the Advisory Committee may deem appropriate.

7. Services Provided by the Foundation. Subject to the understanding that the staff is limited, the Foundation will provide the following services to the Fund:

- Quarterly reports on the investments of the component funds and on all cash receipts and disbursements of the Fund.
- Promotion of the Fund in the Foundation’s communication materials, including the Annual Report, newsletters, year-end letter, website, and other miscellaneous communications.
- Staff support of Advisory Committee meetings.
- Staff support in evaluating grant requests, monitoring grants funded, and other reasonable grant support as requested by the Advisory Committee.
- Staff support in endowment building techniques, i.e. identifying potential donors, speaking engagements, professional advisor outreach, etc.
- Staff consultation on developing brochures for fund development, grant applications and other information for grant seekers, etc.
- Donor relations support, including language and mechanisms for receiving and making gifts and creating funds.
- Maintenance of the Fund’s records.
- Other services as requested by the Fund Advisory Committee and approved by the Foundation’s Board of Directors.

Because the Fund is a component fund of the Foundation, it is included in the Foundation's audit, Form 990, and reports required to be submitted to the state of Mississippi.

8. Service Fees. The Fund will share a fair proportion of the total administrative costs of the Foundation. An annual service fee shall be assessed as determined from time to time by the Directors.

9. Exclusion from Fee. The following services are not provided as part of the annual service fee:

- Legal services or legal advice requested by the Fund or incurred by the Foundation in the administration of the Fund.
- Costs of specialized marketing materials such as brochures, stationery, etc.
- Mailings made specifically for the Fund.
- Extraordinary fund development or grant activities related to the Fund or the promotion thereof.
- Meeting expenses such as facility rental, refreshments, meals, travel, etc.

10. Distribution. All grants from the Fund require the approval of the Foundation Directors after receiving a written recommendation from the Advisory Committee. While the Directors generally will approve recommendations by the Advisory Committee for the disbursement of grants (as long as the grant is in compliance with the policies and procedures of the Foundation and all legal and tax requirements applicable to the Foundation), the Directors will at all times retain sole discretion with respect to the approval of grants. No distribution shall be made from the Fund to any individual or entity if such distribution will in the judgment of the Directors endanger the Foundation's status under Internal Revenue Code 501(c)(3).

11. Ownership of Assets. The assets of the Fund shall be the property of the Foundation for all purposes. The assets in the Fund shall be invested and reinvested by the Foundation as a part of its investment portfolio. The assets of the Fund may be commingled and invested with other assets of the Foundation. Separate accountings for the Fund shall be maintained to the extent necessary to determine the net income of and the total assets in the Fund.

12. Financial Information. Each year, the Foundation will provide the Advisory Committee with a copy of the Foundation's annual audited financial statements as prepared by the Foundation's independent certified public accountants, as well as such other information relating to the Fund as the Advisory Committee may reasonably request from time-to-time. The Foundation will provide the Advisory Committee with quarterly reports on the investments included in the Fund, and all cash receipts and disbursements from the Fund.

13. Limitation. The Advisory Committee may not enter into any contract or legal agreement on behalf of the Foundation. The Foundation's staff, acting in accordance with the policies of the Directors, shall advise and approve in advance all public relations materials, information, or advertising utilized by the Advisory Committee.

14. Legal Status. The Fund shall be a Geographic Affiliate Fund of the Foundation, and the provisions of this Agreement shall be interpreted in a manner consistent with the intention that the Foundation continue to comply and conform with the applicable requirements of the Internal Revenue Code, Internal Revenue Service regulations, and the requirements of applicable Mississippi law.

15. Standards: The Foundation has adopted the following standards for its geographic affiliate funds:

- All geographic affiliate fund Advisory Committee members are considered volunteers of the Foundation and shall fall under the conflict of interest policy and other relevant policies covering all aspects of Foundation management.
- Administration & Finance: Geographic affiliate funds shall operate under the Foundation's asset management program and shall abide by the Foundation's gift acceptance policies and criteria for establishing funds and fund agreements.
- Asset Development: The Foundation's asset development plan shall address the asset development plan for the geographic affiliate fund. The geographic affiliate fund shall operate under the Foundation's donor service guidelines and communications with donors shall include a statement of the Foundation Board of Trustee's variance power.
- Grantmaking: The Foundation's grantmaking guidelines shall address the grantmaking activities of the geographic affiliate fund.
- Communications: The Foundation's communications tools (such as an annual report, newsletter & website) shall include the activities of the geographic affiliate fund, or the Foundation will produce separate communications addressing the activities of the geographic affiliate fund.

16. Governing Law and Venue. This Agreement shall be governed by the law of the state of Mississippi.

**IN WITNESS THEREOF**, the parties have executed this Agreement as of the day and year first above written.

**The Greater PineBelt Community Foundation**

By: \_\_\_\_\_

**[NAME] COMMUNITY FUND**

By: \_\_\_\_\_