



Policy:	CHARITABLE INVESTMENT PARTNERSHIP POLICY
Board Approval Date:	JUNE 3, 2003
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# **COMMUNITY FOUNDATION SERVING GREELEY AND WELD COUNTY CHARITABLE INVESTMENT PARTNERSHIP**

A subset of the CFSGWC Investment Policy

A partnership between Investment Managers and the Community Foundation  
Serving Greeley and Weld County.

## **Goal**

To create a mutually beneficial partnership between Investment Managers (defined as trust companies, financial planners, investment advisors, brokers, etc.) and the Community Foundation Serving Greeley and Weld County. Donors will maintain the existing relationship with their personal advisor while enjoying the benefits of creating a Fund at the Community Foundation Serving Greeley and Weld County. The types of funds that can be established in this manner include donor advised funds, scholarship funds, designated funds, field of interest funds, and unrestricted funds.

## **The Partners**

### **The Donor**

Similar to a private foundation, a donor makes a gift to their personal Fund and receives an immediate tax deduction to the extent allowed by law. The donor then has the option of recommending disbursements to their favorite charities over many years.

### **The Investment Manager**

The donor's existing Investment Manager continues to manage the assets that are contributed into the fund at the CFSGWC, potentially in perpetuity.

### **The Community Foundation Serving Greeley and Weld County**

The Foundation is responsible for issuing checks to other charities and informing them that the gift was made possible due to the generosity of the donor. All required accounting, tax filings and administrative tasks are handled by the Foundation.

## **PARTNERSHIP POLICY GUIDELINES**

1. Governing documents of the Community Foundation will be reviewed to assure the gift can be accepted as proposed by the donor and his/her investment manager. Acceptance of the gift must meet the goals and objectives of the Community Foundation Board of Directors. The fund shall be kept separate from the investment pool.
2. The assets of the gift must be under the sole control and ownership of the Community Foundation Serving Greeley and Weld County and invested according to our investment policy.
3. The Board of Directors of the Community Foundation Serving Greeley and Weld County has final decision-making authority regarding acceptance and separation of this gift.
4. The minimum fund size to consider this type of fund is \$500,000. Funds must be new to the Community Foundation.
5. Current donors and fundholders at the Community Foundation may request this investment manager accommodation for existing funds upon approval of the Board.

6. A reporting procedure aligned with current Foundation financial reporting requirements will be implemented within 30 days of acceptance of the fund. Fund reporting and activity will be coordinated with Community Foundation Support Services.
7. Separation procedure shall be outlined in the fund agreement.
8. The Community Foundation's variance power statement will be communicated in the fund agreement and accepted by the donor.
9. The donor's investment advisor must agree to and act within the then current policy statement of the Investment Committee of the Community Foundation when managing the donor's philanthropic funds.
10. Donor's managers must manage funds according to the same standards, indices and policy as the Community Foundation's investment managers are required to do in the current Investment Policy.
11. The expense ratios for the investment fund shall be no higher than average versus other comparable funds.
12. The donor may provide input, but does not have final control, ownership or grantmaking rights to this fund. The Board of Directors of the Community Foundation Serving Greeley and Weld County retains this control as owners of the fund.
13. The fund agreement will clearly state the compensation rate, process and time frame for the investment manager. Any other appropriate fees will also be clearly stated in the fund agreement. The donor recognizes that the fees and expenses charged by the donor's chosen investment manager will be deducted from the total return of the Fund.
14. CF pays no commissions for bringing a fund to CFSGWC and no existing CF funds will be transferred to the manager as "compensation".
15. The donor and the investment manager recognize the spending, distribution and administrative fee of the Foundation applies to the donor's fund.
16. The investment manager will cite potential conflicts of interest and sign the Foundation's Conflict of Interest Policy.
17. The Community Foundation may terminate the relationship with an investment manager upon 30 days written notice to the investment manager should there be noncompliance with the fund agreement or substandard investment performance as benchmarked by appropriate investment indices outlined in the fund agreement.
18. The fund agreement will state that such funds will move to the CFSGWC pooled investment portfolio upon the death of the donor/donors, unless done earlier or other arrangements have been made that are approved by the Community Foundation Board of Directors.