



UC San Diego Foundation

UC SAN DIEGO FOUNDATION DONOR ADVISED FUND POLICY

DEFINITION OF A DONOR ADVISED FUND

A Donor Advised Fund (DAF) is a giving vehicle, permitted by IRS regulations, that is used when a Donor wishes to make a charitable gift that is initially undesignated as to purpose. While DAFs become the exclusive property of the charity at the time they are given, the Donor may recommend that the charity allocate some or all of the balance in the DAF (including any accrued earnings) to specific charitable purposes, subject to the approval of the charity. This allows a Donor to respond to a variety of charitable interests or fund-raising needs.

POLICY REGARDING DAFS

- It is the policy of the UC San Diego Foundation (Foundation) to accept and administer DAFs with an original minimum gift of \$50,000.
- Additional undesignated gifts may be made to the DAF at any time, subject to existing gift acceptance policies.
- DAFs may be either expendable or endowed, and will be invested in the Foundation's pooled funds subject to investment policies as they may be in effect from time to time.
- Since the Foundation exists solely for the purpose of supporting UCSD, recommendations for allocations from the Foundation's DAFs may be made only to funds internal to the Foundation or UCSD.
- DAFs will be established using a standardized gift agreement. Foundation staff will determine the content and ensure execution and maintenance of the standard gift agreement.

**UC San Diego Foundation
Donor Advised Fund Agreement**

This Donor Advised Fund (“DAF”) Agreement is made on [insert date] between _____ and _____ (“Donor(s)”), and the UC San Diego Foundation (“Foundation”), a not-for-profit charity exempt from taxation under section 501(c)(3) of the Internal Revenue Code (IRC), operating as an organization defined under IRC section 509(a)(3). The Foundation, by resolution of its Board of Trustees, has approved a DAF Policy.

I. Gifts and DAF Creation

The Donor(s) hereby irrevocably contribute(s) to the Foundation \$_____ (or the property as described in Attachment A) as the initial contribution to a DAF. This gift value is equal to or greater than the minimum required DAF initial contribution amount of \$50,000, and does not contain a quid pro quo (value received in return) component. The DAF created by this gift is to be entitled _____. Additional gifts may be made to the DAF, subject to the gift acceptance policies of the Foundation.

II. Fee Disclosures

Gifts to the DAF are subject to both UCSD and UC San Diego Foundation annual administrative and gift fee policies as may be in effect from time-to-time. At the present time, the annual administrative fee on a DAF is 0% . The UCSD gift fee policy in effect as of the date of this agreement requires that a 4% gift fee be collected on each gift to UCSD or the UC San Diego Foundation. Upon creation of the DAF, the donor may elect that the gift fee be assessed and deducted from each incoming gift to the DAF, or the gift fee be assessed and deducted from each allocation made out of the DAF.

III. Gift Fee Election

- Deduct the gift fee from each incoming gift to the DAF
- Deduct the gift fee from each outgoing allocation from the DAF

IV. DAF Administration

Fund Type and Investment

The assets of DAFs will be commingled for investment purposes and invested in the common investment pools of the Foundation according to fund type and governing investment policy.

The fund type to be created for this DAF is (check one):

Expendable

Expendable funds are invested and administered in accordance with the Foundation's Current Funds Investment and Payout Policy. Donors who do not intend to actively and regularly recommend allocations from an expendable DAF, or who intend to build the value of an expendable DAF under a long-term investment philosophy, may request that the DAF be invested in accordance with the Foundation's Intermediate Total Return Fund Investment Policy and Guidelines (subject to approval of the Foundation).

Endowed

Endowed funds are invested and administered in accordance with the Foundation's Endowment Investment and Spending Policy.

Recommendations for Allocations from the DAF

The Donor(s) acknowledge that all DAFs are the exclusive property of the Foundation and are subject to the control of the Foundation with respect to all recommendations for allocations. The President and CFO of the Foundation have signature authority over all DAFs.

The Donor(s) as named above, or their successors as named in Part V below, may make recommendations for allocations from the DAF. The balance available in a DAF for allocation includes earnings credited to the fund, as governed by the fund type and the investment policy.

Recommendations will be (1) made in writing in a form provided by the Foundation; (2) directed to the CFO of the Foundation; and (3) subject to review and approval of the President, CFO, or other Foundation officers as determined by the President.

Recommendations for allocations may be made only to other Foundation funds or to UCSD directly. No allocations may be requested for distribution to other charities.

Recommendations for allocations may not contain a quid pro quo component. Any quid pro quo component is to be separately paid by the Donor.

Reporting

Access to DAF statements will be via (check one):

- Foundation website (monthly)

Donor's E:mail address (for notification of website instructions, login/password and future correspondence): _____

- Mail (quarterly)

Donor's US Mail address:

V. DAF Remainder

This DAF is intended to be operational during the lifetime of the Donor(s). However, at the death of the Donor(s), _____ (family member name) _____ may make recommendations for allocations from the DAF for a period of up to _____ (not to exceed five years).

At the death of the Donor(s), or upon expiration of the term of the successor(s) named above, any balance remaining in the DAF will be allocated as deemed appropriate by the Board of Trustees of the Foundation, giving consideration to the following purpose, if any:
_____.

At the death of the Donor(s), the market value of an endowed DAF must meet the minimum required for a standard endowed fund in the Foundation or UCSD, or it will be allocated to an expendable fund.

If the DAF is (1) inactive for more than three years; (2) the Donor(s) have had no contact with the Foundation; and (3) Donor(s) do not respond to requests from the Foundation for recommendations or other information, the Board of Trustees will give written notice to the Donor(s), or last known successor, that the right to make further recommendations is terminated. The balance in the DAF will be allocated as deemed appropriate by the Board of Trustees of the Foundation.

VI. DAF Provisions

This DAF Agreement is irrevocable. To ensure the DAF is a qualified component of the Foundation for Federal Tax purposes, the Foundation shall have the sole power to modify the terms of this agreement to the extent required to insure such qualification. The agreement shall be governed by the laws of the State of California.

IN WITNESS HEREOF, the Foundation and the Donor(s) have executed this agreement on the date specified below:

UC SAN DIEGO FOUNDATION

By its: _____

Signed: _____

DONOR

Name: _____

Signed: _____

DONOR

Name: _____

Signed: _____