



BLUE MOUNTAIN
COMMUNITY
FOUNDATION

New Fund Form

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P.O. Box 603
Walla Walla, WA 99362
(509) 529-4371 TEL (509) 529-5284 FAX
www.bluemountainfoundation.org

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Establishing a Fund

When you make a gift to Blue Mountain Community Foundation, you have the option of establishing one or more types of funds from which grants will be made for charitable purposes. Through your choice of fund, you may select your desired level of involvement in the grantmaking process.

All funds are managed carefully and prudently by professional investment managers and administered by the Blue Mountain Community Foundation. Our goal is to protect donor intent, while at the same time complying with state and federal tax requirements. The Foundation retains the right to make final decisions regarding the management, administration and distribution of all funds.

Donor Advised Fund

Donors who want a more active role in grantmaking can establish a Donor Advised Fund. This allows you to recommend charitable organizations to receive grants from your fund. Blue Mountain Community Foundation helps you by verifying the charitable status and mission of the organizations and identifying organizations you may want to support. Other family members can also be named as advisors, thereby encouraging children and grandchildren to carry on family philanthropy. (*See Terms Applicable to Donor Advised Funds, Page 9.*)

Discretionary Fund

A gift to establish a Discretionary Fund helps meet the changing needs of the Blue Mountain area, now and in the future. Discretionary Funds broadly support the well-being and vitality of the Blue Mountain area and its residents and are distributed to qualified organizations seeking support through the Foundation's Grantmaking Program. When you establish a Discretionary Fund, you leave decisions about the use of your gift to the Foundation, relying on the Foundation's extensive experience and reach within the community to know where grants will have the greatest impact.

Field of Interest Fund

Donors who feel strongly about a particular cause or a particular geographical area, but do not wish to take an active role in grantmaking may want to establish a Field of Interest Fund. This type of fund allows you to identify and support a charitable purpose (i.e., alleviation of poverty, historic preservation, etc.), a category of interest (i.e., arts, education, human services, etc.) and/or a geographic area that you feel passionate about supporting. Grants are made through the Foundation's Grantmaking program.

Designated Fund

Donors with strong ties to a particular organization or institution may want to establish a designated fund. With a Designated Fund, you "designate" a charitable organization that your fund will support (e.g., an arts organization, a food bank, a shelter) during and beyond your lifetime. The Foundation actively monitors all its grantees. If the beneficiary organization ceases to exist, loses its tax-exempt status or changes its mission, your gift is redirected to support an organization with a similar mission.

Scholarship Fund

Donors specifically interested in promoting education often establish Scholarship Funds. Scholarships may support any level of education and can be directed toward students attending a particular school, studying in a particular field or coming from a particular geographical area. Blue Mountain Community Foundation administers the fund within the tax laws regarding scholarship grants, publicize the scholarship and chooses scholarship recipients. The Foundation also can establish selection criteria.

Sustaining Endowment Fund

Donors may wish to set up a Sustaining Endowment Fund for the long-term operation and efficiency of the Blue Mountain Community Foundation. Grants from this fund go directly to supporting programs that encourage donors to invest in the Blue Mountain area and ensure that dollars are used to enhance the long-term economic and social vitality of area communities.

SECTION 1: Type of Fund & Fund Name

Donors may choose from several different fund options. For further information on types of funds offered by the Blue Mountain Community Foundation, please refer to *Establishing a Fund* and *Fund Terms and Conditions*, included in this document. Please indicate type of fund below:

<input type="checkbox"/> Donor Advised Fund	<input type="checkbox"/> Designated Fund
<input type="checkbox"/> Discretionary Fund	<input type="checkbox"/> Scholarship Fund
<input type="checkbox"/> Field of Interest Fund	<input type="checkbox"/> Sustaining Endowment Fund
Is this fund endowed? <input type="checkbox"/> Yes <input type="checkbox"/> No	

Grants made from a Blue Mountain Community Foundation fund are accompanied by a letter identifying the name of the fund. Donor names appear in our Annual Report and other materials unless anonymity is requested. Please indicate your fund name below (i.e., The Smith Family Fund, The Jones Foundation, The Building Blocks Fund, etc.):

Name of Fund: _____
Is Donor Name anonymity requested?: <input type="checkbox"/> Yes <input type="checkbox"/> No
Is Fund Name Anonymity requested?: <input type="checkbox"/> Yes <input type="checkbox"/> No

SECTION 2: Donor Information

Funds may be established by one or more individual donors or by corporate donors. Please list donor information below and indicate the primary donor contact. Please attach additional sheets if necessary.

Donor 1

Name
Mailing Address
City State Zip
Home Phone ()
Business Phone ()
E-mail
Date of Birth
Primary Contact? <input type="checkbox"/> Yes <input type="checkbox"/> No
I would prefer being contacted via: <input type="checkbox"/> E-mail <input type="checkbox"/> Home phone <input type="checkbox"/> Business phone <input type="checkbox"/> Mail

Donor 2

Name
Mailing Address
City State Zip
Home Phone ()
Business Phone ()
E-mail
Date of Birth
Primary Contact?
I would prefer being contacted via: <input type="checkbox"/> E-mail <input type="checkbox"/> Home phone <input type="checkbox"/> Business phone <input type="checkbox"/> Mail

SECTION 2: Donor Information (continued)

Advisor 1

Are you working with a professional advisor? <input type="checkbox"/> Attorney <input type="checkbox"/> CPA <input type="checkbox"/> Financial Planner <input type="checkbox"/> Other		
Professional Advisor's Name		
Company Name		
Mailing Address		
City	State	Zip
Phone ()		
E-mail		

Advisor 2

Are you working with a professional advisor? <input type="checkbox"/> Attorney <input type="checkbox"/> CPA <input type="checkbox"/> Financial Planner <input type="checkbox"/> Other		
Professional Advisor's Name		
Company Name		
Mailing Address		
City	State	Zip
Phone ()		
E-mail		

SECTION 3: Description of Gift**

The donor(s) hereby assigns, conveys, transfers and delivers to the Blue Mountain Community Foundation the following described property:

<input type="checkbox"/> Cash in the amount of \$_____	<input type="checkbox"/> Securities, Publicly Traded
<input type="checkbox"/> Real Estate	<input type="checkbox"/> Securities, Privately Held
<input type="checkbox"/> Personal Property (Please attach description)	<input type="checkbox"/> Other_____
<input type="checkbox"/> Testamentary Gift	

**For a gift of publicly traded securities, please provide the information requested below, attaching additional sheets if necessary. For all gifts, other than cash and publicly traded securities, please contact the Foundation for transfer procedures.

Name of Stock
Number of Shares
Approximate Value
Investment Firm Name
Broker's Name
Broker's Phone ()
Broker's Fax ()
Broker's E-mail

Name of Stock
Number of Shares
Approximate Value
Investment Firm Name
Broker's Name
Broker's Phone ()
Broker's Fax ()
Broker's E-mail

SECTION 4: Donor Advised Funds

Donors establishing an advised fund may designate individuals who will serve as advisors to the fund and who may make recommendations to Blue Mountain Community Foundation regarding grant distributions from the fund, subject to the Foundation’s variance power (as further described in the *Fund Terms and Conditions* and *Terms Applicable to Donor Advised Funds*). Donors may designate themselves as advisors or may designate others in addition to or instead of themselves as advisors.

Once designated, an advisor’s status can only be revoked in writing by the donor(s) establishing the fund. All named advisors have equal rights to recommend grant distributions from the fund. In cases of two or more advisors, **a single chairperson must be identified.** Please note that unless otherwise stated in *Section 8: Notes* all advisors will receive quarterly fund status reports, grant approval reports and standard mailings from Blue Mountain Community Foundation. Please indicate below the advisors to the fund and identify a chairperson. Please attach additional sheets, as necessary.

Advisor 1

<input type="checkbox"/> If Advisor 1 is same as Donor 1, check here and skip to Chairperson Designation box below		
Name		
Mailing Address		
City	State	Zip
Phone		
E-mail		
Relationship to Donor(s)		
Comments		
Chairperson Designation: <input type="checkbox"/> This advisor will serve as chairperson for this fund.		

Advisor 2

<input type="checkbox"/> If Advisor 1 is same as Donor 1, check here and skip to Chairperson Designation box below		
Name		
Mailing Address		
City	State	Zip
Phone		
E-mail		
Relationship to Donor(s)		
Comments		
Chairperson Designation: <input type="checkbox"/> This advisor will serve as chairperson for this fund.		

Donors establishing an advised fund may choose to create a succession plan for their fund. In the event that the initial advisor(s) to this fund dies, resigns or is otherwise unable to act in this capacity, please:

<p><input type="checkbox"/> Transfer the balance of my fund to the Foundation’s Grantmaking Program to support community needs (if you have a particular community impact area, please indicate below):</p> <hr/> <p><i>(if this option is checked, skip Successor Advisor Information Section below)</i></p> <p><input type="checkbox"/> Transfer my fund into a designated fund to support the following charities of my choice:</p> <hr/> <p><i>(if this option is checked, skip Successor Advisor Information Section below)</i></p> <p><input type="checkbox"/> I wish to name successor advisor(s) for my fund. <i>(Proceed to Successor Advisor section on following page.)</i></p>

SECTION 4: Donor Advised Funds (continued)

Successor Advisor Information

A successor advisor is authorized to recommend grants from the fund, subject to Blue Mountain Community Foundation’s variance power, in the event the advisor(s) named above dies, resigns, or is otherwise unable to act in this capacity. *Once designated, a successor advisor’s status can only be revoked in writing by the donor(s) establishing the fund.* All successor advisors have equal rights to recommend grant distributions from the fund. In all cases of two or more advisors, a single chairperson must be identified. Please indicate successor advisors below and identify a chairperson. Please attach additional sheets, as necessary. All successor advisors shall be entitled to designate in writing no more than two individuals to succeed them as advisors to the fund.

Successor Advisor 1

Name		
Mailing Address		
City	State	Zip
Home Phone ()		
Business Phone ()		
E-mail		
Date of Birth		
I would prefer being contacted via: <input type="checkbox"/> E-mail <input type="checkbox"/> Home phone <input type="checkbox"/> Business phone <input type="checkbox"/> Mail		

Successor Advisor 2

Name		
Mailing Address		
City	State	Zip
Home Phone ()		
Business Phone ()		
E-mail		
Date of Birth		
I would prefer being contacted via: <input type="checkbox"/> E-mail <input type="checkbox"/> Home phone <input type="checkbox"/> Business phone <input type="checkbox"/> Mail		

SECTION 5: Designated Funds

Donors establishing a designated fund may recommend that distributions from the fund be made to one or more Section 501(c)3 public charities (i.e., non-private foundations) or to support one or more endowment funds established by Section 501(c)3 public charities at the Blue Mountain Community Foundation (collectively referred to as “qualifying charitable recipients”). Please indicate the qualifying charitable recipients that you would like to receive distributions from the fund. Complete *Section 8: Notes* to provide any additional details.

Name of Organization	Address	Phone	Percentage
_____	_____	() _____	_____ %
_____	_____	() _____	_____ %
_____	_____	() _____	_____ %
_____	_____	() _____	_____ %
			100%

SECTION 6: Field of Interest Funds

Donors establishing a field of interest fund recommend that the Foundation make distributions from the fund for certain charitable purposes. Please indicate the charitable purpose (i.e., alleviation of poverty, ending homelessness, etc.), category of interest (i.e., arts, education, human services, etc.) and/or a geographic area in support of which you would like distributions from the fund to be made.

Describe Impact:

SECTION 7: Scholarship Funds

Donors may establish a scholarship fund for the purpose of making scholarship grants to individuals, as more particularly outlined in the *Procedures of the Blue Mountain Community Foundation for Awarding Scholarships, Fellowships and Other Grants to Individuals*. Scholarship funds are administered by the Blue Mountain Community Foundation in accordance with its Scholarship Guidelines and Procedures, copies of which will be provided to all donors establishing scholarship funds upon request.

Recommended purpose and class of recipients for Scholarship Fund (attach additional sheets as necessary):

SECTION 8: Notes

Please include any additional information about the specific intent of your gift and any pertinent information you would like to share.

SECTION 9: Acknowledgement & Signature

I acknowledge that I have read the Blue Mountain Community Foundation’s *Donor Fund Terms and Conditions* (attached hereto and incorporated herein by this reference) and agree to the terms and conditions set forth therein. I understand, in addition, that all distributions from funds established at the Foundation are subject to the Blue Mountain Community Foundation’s variance power and its spending policy, as further described in the *Donor Fund Terms and Conditions* attached hereto. I understand that any contribution, once accepted by the Blue Mountain Community Foundation, represents an irrevocable contribution to the Blue Mountain Community Foundation and is not refundable to me. I hereby certify that, to the best of my knowledge, all information presented on this form is accurate and truthful and that I will notify the Blue Mountain Community Foundation promptly of any changes to the information contained herein.

Is there someone, besides the donor(s) who you would like to provide online account access to? Yes No

Name: _____

Email address: _____ Contact phone: _____

Mailing address: _____

City: _____ State: _____ Zip: _____

Name: _____

Email address: _____ Contact phone: _____

Mailing address: _____

City: _____ State: _____ Zip: _____

Donor 1 Signature _____ Date: _____

Donor 2 Signature _____ Date: _____

Foundation Signature _____ Date: _____

Alternative Contact Signature _____ Date: _____

Please send completed forms to:

Blue Mountain Community Foundation
 P.O. Box 603
 Walla Walla, WA 99362

If you have any questions, please contact the Blue Mountain Community Foundation at

(509) 529-4371 or bmcf@bluemountainfoundation.org



Fund Terms & Conditions

Tax Status of Funds. Donor funds established at the Blue Mountain Community Foundation (the “Foundation”) are component funds of the Blue Mountain Community Foundation, a Section 501(c)3 public charity. Accordingly, all contributions to the Foundation’s donor funds are treated for tax purposes as gifts to a Section 501(c)3 public charity and generally are tax deductible, subject to individual limitations.

Variance Power. All donor funds established at the Foundation are subject to the Foundation’s “variance power,” as set forth in Section 8.7 of its By-laws. The variance power gives the Foundation the authority to modify any donor recommendation or condition on distributions from a fund for any specified charitable purpose or to any specified charitable organization if, in the sole judgment of the Foundation, such recommendation or condition becomes unnecessary, incapable of fulfillment or inconsistent with the charitable needs of the community.

Spending Policy. The Foundation makes distributions from each fund at least annually of an appropriate percentage of the fund’s market value, as determined by the Foundation’s Board of Trustees (historically five percent of market value). In determining the annual distribution amount, the Foundation’s Board of Trustees may consider the expected total return on the investments of the Foundation’s permanent funds, the desirability of maintaining the value of the Foundation’s permanent funds and any other factors that it deems relevant.

Distributions. All distributions from donor funds are subject to the Foundation’s variance power and its spending policy, as noted above. Nonetheless, the Foundation may in all cases, including with respect to income only funds, make principal distributions from its funds in compliance with its spending policy.

Restrictions on Grants from Funds. Distributions from donor funds established at the Foundation will be made only if consistent with the Foundation’s charitable purposes and satisfy community needs identified by the Foundation as deserving of its support. Fund distributions will not be made for memberships, pledges, sponsorships, tickets or for any purpose that would otherwise provide a benefit to the donor recommending the distribution. Distributions from donor funds will not be made for political campaign or legislative activities.

Investment of Assets. All assets contributed to funds established at the Blue Mountain Community Foundation will be managed in the Foundation’s Co-mingled Fund, unless otherwise requested by the donor in writing. Assets may be managed by an independent trustee, custodian, investment advisor or other fiduciary (an “Outside Investment Manager”) apart from the Foundation’s Co-mingled Fund, provided that all such assets are managed in accordance with the Foundation’s Statement of Investment Policy. All Outside Investment Managers shall be provided with a copy of and must agree to adhere to the Blue Mountain Community Foundation’s Statement of Investment Policy as a condition of continued service in such capacity, and the Foundation reserves the right to replace any Outside Investment Manager in its sole discretion. Minimum fund values are required for investment of assets outside of the Co-mingled Fund. More information regarding the requirements for using an Outside Investment Manager may be obtained from the Foundation.

Fees. Donor funds established at the Foundation are subject to administrative and investment fees. A list of fees is available upon request. The Foundation reserves the right to change its fee structure at any time.

Solicitation Policy. Donors who wish to solicit contributions for a Fund at the Blue Mountain Community Foundation are required to use the following language in any solicitation: “Funds raised at this event (or ‘for this cause’, or ‘for this project’) will be added to The [insert name] Fund at the Blue Mountain Community Foundation, a Section 501(c)3 organization. The Blue Mountain Community Foundation reserves the right to modify any restriction or condition on distributions from The [insert name] Fund if such restriction or condition becomes unnecessary, incapable of fulfillment or inconsistent with community needs. All checks should be made payable to The [insert name] Fund / Blue Mountain Community Foundation.”

Conflict of Terms. In the event of an inconsistency between these Terms and Conditions and any terms and conditions appearing elsewhere in connection with any fund, these Terms and Conditions, as interpreted by the Foundation, shall govern and the Foundation reserves the right to take any actions at any time which, in its discretion, it deems reasonably necessary or desirable for the proper administration of any fund or the Foundation.

Initials

Initials



Terms Applicable to Donor Advised Funds

Characteristics of Donor Advised Funds. Donors establishing advised funds are encouraged to make recommendations regarding distributions from the fund for specific charitable purposes or to one or more charitable organizations. Donor advice will be considered only if offered in writing (including facsimile transmission or electronic correspondence) by the donor(s) or by an advisor(s) or successor advisor(s) to the fund, as designated in writing by the donor(s).

Role of Advisors. The Foundation welcomes the involvement and recommendations of its donors with respect to distributions from advised funds, but such recommendations are advisory only and are in no way binding upon the Foundation. In evaluating recommendations for distributions from advised funds, the Foundation staff investigates all prospective grant recipients to ensure that they are organized and operated for charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code, reviews the recommended grantee's financial and program information and evaluates the advice of donors against the standards and criteria set forth in the Foundation's By-laws to ensure that such advice is consistent with specific charitable needs identified by the Foundation as deserving of support.

In all cases of two or more advisors, the advisors shall appoint a chairperson and all communications to and from the Blue Mountain Community Foundation will be through the chairperson. In any case where multiple advisors make conflicting recommendations regarding distributions from the fund that cannot be promptly resolved, the Foundation may independently initiate distributions from the fund. In addition, if the advisor(s) fails to make a standing distribution recommendation or fails to make any distribution recommendations for two consecutive years, the Foundation will contact the advisor(s) to discuss this situation (*see "Inactive Funds" section for more details*).

Prohibited Benefits and Distributions. Disqualified persons, to include all family members related by blood or marriage, are prohibited from receiving more than incidental benefits from grants made from their advised fund(s). Penalties apply to those who receive a prohibited benefit, to those who recommend the grant, and, in some situations, to fund managers who approve the recommendation. "More than incidental benefits," according to legislative history, occur when received by the donor it "would have reduced (or eliminated) a charitable contribution deduction if the benefit was received as part of the contribution to the sponsoring organization." Token gifts received by a disqualified person are not more than an incidental benefit. Further, BMCF will decline, as required by the IRS, to make distributions as recommended by the advisor when:

1. A recommended grant from a donor advised fund is intended to satisfy a legally enforceable pledge or obligation of the advisor or any other person.
2. Upon examination of the recommended distributee or the designation of the specific grant, BMCF makes a determination based on the following factors:
 - a. the recommendation is unworkable;
 - b. the organization or purpose is not an organization described in Sections 170(b)(1)(A), 170(c), 2055(a) and 2522(a) of the Internal Revenue Code that functions in a manner consistent with the charitable purposes of BMCF;
 - c. the gift would not be fully tax deductible if given directly by the donor(s) (for example, if the donor(s) receives direct benefit by virtue of directing the gift, such as travel, tickets or other direct benefit); or for any other reason BMCF finds the recommendation to be inconsistent with the charitable purposes of the Foundation

Appointment of Additional Advisors. All requests to appoint additional advisors and successor advisors to an advised fund must be communicated to the Foundation in writing by the donor(s) establishing the fund. If, upon the death, resignation or incapacity of an advised fund's donor(s), the Foundation has not received in writing the names of an additional advisor(s) or successor advisor(s) to the fund, the Foundation will use the fund's balance to support the Grantmaking Program to address the most pressing needs in the community.

Donor advised funds established by organizations, rather than by individuals, are often advised by an appointed committee with a process for selecting new members. As with funds created and advised by individuals, successor advisors must be named in writing by an officer of the organization.

Initials

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Scholarship Funds. Donors may establish an advised fund for the purpose of making grants to individuals to be used exclusively for tuition and fees at accredited educational institutions (a “scholarship fund”). All scholarship funds shall be administered by the Foundation in accordance with its Scholarship Guidelines. When donors or related parties (“Disqualified Persons”) desire to remain active in the award of scholarships, it must meet three criteria:

1. The Blue Mountain Community Foundation appoints all of the members of the committee and the donor’s advice is given solely as a member of the committee;
2. Neither the donor nor the parties related to the donor control the committee directly or indirectly; and
3. All grants are awarded on an objective and non-discriminatory basis using a procedure that has been approved in advance by the Board of Trustees of the Blue Mountain Community Foundation and that has been designed to ensure that all such procedures meet the requirements of paragraphs (1), (2) or (3) of section 4945(g) of the Internal Revenue Code.

Inactive Funds.

In order to carry out its policy of consistently distributing charitable dollars to the community, the Foundation will review periodically the grantmaking activity of every advised fund. If a fund has failed to make distributions commensurate in size with the Foundation’s spending policy over a two-year period, the Foundation will contact the advisor(s) to discuss this situation. At that time, the advisor(s) will be given the following options:

1. Recommend that the balance of the fund be granted to one or more Section 501(c)3 public charities of their choice.
2. Recommend that the balance of the fund be used to support the Community Grantmaking Program, where funds will be distributed by the Foundation to meet the most pressing needs of the community. The advisor may also indicate an area of interest, which can also be benefited through the Community Grantmaking Program.
3. Provide a plan for funding a specific charitable project that requires an accumulation of resources for more than a two-year period.

In the event that the advisor(s) cannot be located or is unresponsive, the balance of the fund will be used to support the Foundation’s Grantmaking Program.

Initials

Initials

