

Rose Community Foundation Designated Fund Guidelines

Establishing a Fund

The minimum amount to establish a designated fund at the Foundation to support one or more designated section 501(c)(3) public charities is \$10,000. The minimum amount to establish a designated fund at the Foundation for the support of one or more charitable purposes is \$50,000. Acceptance of any non-cash contribution is subject to the Foundation's Gift Acceptance Policies and Guidelines.

Tax Status of Funds

Designated funds established at the Foundation are component funds of the Foundation, a 501(c)(3) public charity. Accordingly, all contributions to a designated fund are treated for tax purposes as gifts to a 501(c)(3) public charity and are tax deductible to the extent allowed by law, subject to individual and corporate limitations. Please consult your legal or tax advisor regarding the application of such limitations to your personal situation.

Variance Power

All designated funds established at the Foundation are subject to the Foundation's "variance power," as set forth in its bylaws. 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 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 served by the Foundation.

Restrictions on Distributions

Donors establishing a designated fund may specify, at the time the fund is established, that distributions from the fund be made to one or more 501(c)(3) organizations qualifying as public charities as defined by the Internal Revenue Service, or for one or more charitable purposes. In the latter case, the Foundation will identify one or more 501(c)(3) public charities that are focused on the charitable purposes specified by the donors, and will make distributions from the fund to those organizations. Distributions from designated funds will be made only if they are consistent with the Foundation's charitable purposes and satisfy community needs identified by the Foundation as benefitting the public good.

Donors may also specify, at the time the fund is established, the amount (including a percentage of the fund's value) of distributions to be made from the fund, and whether distributions should be made quarterly or annually. For distribution purposes, the value of the fund is determined in accordance with the Foundation's valuation policies and procedures in effect from time to time. After a designated fund has been established, the donors to the fund may not change the organizations to which, or purposes for which, distributions will be made from the fund, or the amount and timing of such distributions.

Management and Investment of Assets

Designated funds at the Foundation are the property of the Foundation, and are administered by the Foundation in accordance with these Guidelines and applicable laws, including the

Internal Revenue Code and Colorado’s Uniform Prudent Management of Institutional Funds Act, all as amended from time to time. The Foundation invests the assets in its designated funds in accordance with the Foundation’s investment policies, as amended from time to time. Donors to a designated fund may choose to have the Fund invested using the Foundation’s asset allocation, or may choose their own allocation among the Foundation’s pool of investments. For investment purposes, the Foundation may commingle the assets of a designated fund with those of other Foundation funds, so long as it maintains separate accounting records with respect to each fund. The Foundation may, in its sole discretion, delegate to its committees, officers, employees or agents authority with respect to investment of its funds. In addition, the Foundation may contract with and pay compensation to independent investment professionals, banks or trust companies.

Fees

Designated funds established at the Foundation are subject to administrative and investment fees. The current fee for standard administration of funds is as follows:

Less than \$1,000,000	1.00%
\$1,000,000 or more	.50%

The Foundation reserves the right to change its fee structure at any time. The Foundation may also pay or reimburse itself for all direct expenses it incurs in administering a designated fund. In addition, if the Foundation and the donors to a designated fund agree, the Foundation may provide additional services with respect to the fund in exchange for an additional fee.

Reports

The Foundation will provide to donors quarterly reports showing the then-current balance in the fund and listing all contributions to the fund, distributions from the fund, fees charged to the fund, and net investment gains (losses) allocated to the fund during the period covered by the report.

Please sign below to indicate that you have read and agree to these Guidelines.

Donor 1

Donor 2