

# Inactive Fund Policy

## Purpose

» Consistent with its purpose of promoting philanthropy, The East Bay Community Foundation (the “Foundation”) is committed to distributing philanthropic dollars from its donor advised funds to the community at regular intervals. This policy is designed to implement that commitment.



## Fund Monitoring Process

- 1 The Foundation will monitor the grant making activity of donor advised funds maintained by it.
- 2 The Foundation will contact fund advisors at least annually and encourage them to maintain an active role in their donor advised fund’s grant making.
- 3 If no grants have been recommended for two consecutive calendar years, the Foundation will contact the fund advisor via email or phone call to encourage grant making and discuss intentions for the fund. The advisor will be reminded of this inactive fund policy at that time.
- 4 If the advisor does not respond within 30 days, the Foundation will contact the advisor a second time, again via email or phone call.
- 5 If there is no response within 30 days after the second contact, the Foundation will make a third contact by sending a letter to the advisor via registered mail, again encouraging grant making and reminding the advisor of this inactive fund policy.
- 6 In the event that the fund has made no grants and the advisor cannot be located or is unresponsive to the third contact, then the fund will terminate on the 90th day of the year immediately following the two calendar years of inactivity.

## Fund Distribution Process

On termination, the fund’s remaining assets will be distributed or transferred in one of the following ways:

- 1 The fund’s remaining assets will be distributed to one or more grantees (which may include past grantees) for the charitable purpose specified in the agreement governing the fund; or
- 2 If the fund agreement does not state a charitable purpose but the fund’s grant making history shows a clear charitable purpose, then the fund’s remaining assets will be distributed to one or more grantees (which may include past grantees) for that purpose; or
- 3 If the fund agreement does not specify a charitable purpose and the fund’s grant making history does not reveal a clear charitable purpose, the fund’s remaining assets will be transferred to either: (a) an endowment fund of the Foundation if the fund was established as an endowment fund by the donor, or (b) to one of the Foundation’s Board-designated endowments or unrestricted funds.
- 4 After the fund’s remaining assets are distributed or transferred, the fund will be closed on the Foundation’s books.
- 5 A final notice is sent to the fund advisor communicating the final disposition of fund’s remaining assets.



For more information about the Inactive Fund Policy, contact Anoop Kaur, Director of Donor Services and Administrative Support, at [akaur@eastbaycf.org](mailto:akaur@eastbaycf.org).