

# Advisor Managed Funds

At the Boston Foundation

## THE POWER OF RELATIONSHIPS

For over a century the Boston Foundation has partnered with professional advisors like you to help clients achieve their philanthropic goals. We know that as a trusted resource to your clients, you play an essential role in helping them plan for their future, for their family legacy and for their community.

Through our Advisor Managed Fund (AMF) program, you can now provide your clients with all of the benefits of a Boston Foundation fund while you continue to manage their charitable assets.



## HOW IT WORKS

The Boston Foundation considers new funds of over \$500,000 for the Advisor Managed Fund program. This program allows donors to maintain the investment management of their existing advisor while accessing the philanthropic expertise of the Boston Foundation. At your client's request, and upon approval through our due diligence review and onboarding, you will continue to develop portfolios customized to your client's investment preferences and we will provide the administration, community expertise and philanthropic services.

## BENEFITS

Conducting their philanthropy through the Boston Foundation offers many benefits to donors.

- Donors can give via a wide variety of assets, and the Foundation can facilitate even the most complex forms of giving.
- Donors receive the maximum tax advantage and we take care of the record keeping and administration.
- Donors can maintain anonymity if they wish, and the Boston Foundation can act as a buffer against unwanted solicitations.
- Donors are invited to special events—such as workshops to develop their philanthropic mission and approach, presentations by local and national thought leaders, site visits—as well as other programs the Foundation hosts.
- Donors have access to deep program area knowledge and expertise, especially in health & wellness, housing & neighborhoods, jobs & economic development, arts & culture, education, grassroots philanthropy and nonprofit effectiveness
- Donors receive personalized service with a dedicated member of our Donor Services team.

Advisor Managed Funds with the Boston Foundation also bring benefits to professional advisors.

- Advisors maintain and strengthen client relationships by providing ongoing investment management of charitable assets.
- Advisors earn greater client confidence by working in tandem with the Boston Foundation on charitable giving.
- Advisors build knowledge and connections to philanthropic opportunities and trends with particular depth in local issues.
- Advisors are invited to special events—such as educational seminars, networking opportunities, site visits—as well as other programs the Foundation hosts.
- Advisors connect across generations when helping families establish a philanthropic legacy through the Boston Foundation.

### TO LEARN MORE, CONTACT:

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At the Boston Foundation

## PROCESS CHART FOR PROFESSIONAL ADVISORS

The chart below describes the seven steps to take when opening an Advisor Managed Fund (AMF) at the Boston Foundation (TBF), including those responsible for each step.

STEP 1:	STEP 2:	STEP 3:	STEP 4:	STEP 5:	STEP 6:	STEP 7:
<b>Exploratory Conversation</b>	<b>Submit External Manager Documentation</b>	<b>Documentation Review and Chief Investment Officer Conversation</b>	<b>Open Donor Advised Fund and Transfer Funds</b>	<b>Begin Investment Management of TBF Donor Advised Fund</b>	<b>Philanthropic Services Available to Client</b>	<b>Ongoing AMF Process and Monitoring</b>
<p>Identify possible AMF candidate (fit with Boston Foundation mission and services, minimum \$500,000)</p> <ul style="list-style-type: none"> <li>Contact the Boston Foundation</li> <li>Preliminary discussion with Professional Advisors team</li> <li>TBF sends you our External Investment Manager Checklist</li> </ul>	<p>Advisor submits External Manager Checklist documentation (e.g. asset allocation, rebalancing strategy, custodial relationships, etc.)</p>	<p>Our Chief Investment Officer reviews the documentation provided</p> <ul style="list-style-type: none"> <li>Meeting with CIO to discuss checklist and items not covered in checklist (e.g. recent leadership changes)</li> <li>Work together to establish an Investment Policy Statement – TBF can share our standard policy as a starting point</li> <li>Establish relevant performance benchmarks</li> </ul>	<p>Your client fills out the DAF Agreement and provides a letter that recommends your firm be retained by TBF to manage assets in the DAF</p> <ul style="list-style-type: none"> <li>TBF enters into investment management agreement with your firm (the Investment Manager)</li> <li>TBF enters into custody agreement with a mutually agreed upon custodian</li> <li>Client transfers funds to the new custody account in the name of the Boston Foundation and funds are then managed by the Investment Manager. Alternatively, the client may have previously funded their DAF and request that funds be transferred to the new custody account for management by the Investment Manager.</li> <li>The Boston Foundation issues a gift receipt for the value of new assets</li> </ul>	<p>The funds can now be invested by your firm</p> <ul style="list-style-type: none"> <li>TBF asks that approximately six months' worth of grants be maintained in one of the TBF-managed pools to allow for grantmaking</li> </ul>	<p>The donor is assigned a relationship manager to help achieve donor's philanthropic goals</p> <ul style="list-style-type: none"> <li>Donor gains access to our Donor Portal for grantmaking, research, fund balance, etc.</li> <li>Donor joins TBF's large community of donors for site visits, workshops and seminars</li> <li>Donor has access to fresh research about issues affecting Greater Boston and information about effective programs and nonprofits</li> </ul>	<p>Your firm issues quarterly performance reports to TBF (as with other clients)</p> <ul style="list-style-type: none"> <li>Measure performance against agreed upon benchmarks</li> <li>Replenishments to DAF can be made at any time</li> <li>AMF minimum (\$500,000) must be maintained; if funds fall below the minimum and remain below for six months, investment management reverts to TBF</li> </ul>

To learn more, contact: Megan Hathaway Foy, CAP®, Director, Professional Advisor Relations at [megan.hathaway@tbf.org](mailto:megan.hathaway@tbf.org) or Kate Guedj, CAP®, Senior Vice President & Chief Philanthropy Officer at [Kate.Guedj@tbf.org](mailto:Kate.Guedj@tbf.org)