

Grafton Street Fund

Charter

August 2005

Mission

The mission of Grafton Street Fund is to seek out, promote, and support innovative and successful non-profit organizations.

Vision

On a practical level, the Membership plans on growing the fund over time, allowing the opportunity to present at least one annual grant towards a non-profit organization. Looking more broadly, the Membership hopes to advance the concept of active charitable giving among young adults, relying on the Fund as a sustainable model for others to follow and improve.

History

In 2005, twelve friends formed the Fund around the common goal of increasing the influence of their charitable giving by combining their finances, knowledge, and skills. Having lived together in college, the Membership has long shared an interest in the uniquely positive effect a non-profit organization can have on its surrounding community. The creation of this Fund serves as both a commitment to charitable giving and as an acknowledgment that a small group of individuals working together can create affirmative and lasting change.

Membership Structure

The membership of the Fund will initially be limited to the 12 founding members:

Brian Abrams
Jeff Castellano
Neel Dey
Amit Doshi
Matt Humbaugh
Bryan Leach
Mike Lin
Pete Meyerdirk
Theo Shybut
Jim Stewart
Dave Walker
Grant Wiens

All members of the Fund will share equal financial commitments and each member will have one vote.

Fiscal Year

The Fund's fiscal year will begin on July 1 and end on June 30 of the following calendar year.

Officers & Directors

The membership will elect four members to the Board of Directors to oversee the operations of the fund.

The roles and responsibilities for the Directors will be as follows:

Chairman – Responsible for overseeing and coordinating all Fund activities, including planning of the Annual Meeting and social events

Treasurer – Responsible for creating all necessary accounts, managing all fundraising efforts including yearly member donations, managing the investment of funds, and handling necessary paperwork and relevant financial information for the membership

Secretary – Responsible for scheduling meetings and writing all agenda, minutes, updates, and quarterly/annual reports

Director of Philanthropy – Responsible for organizing the screening, evaluation, and decision-making process for Fund grants

The election process will begin with nominations for all positions. Members may nominate themselves and nominees may decline their nomination if they do not wish to run. Candidates who have been nominated for multiple positions will be required to choose only one position for which to run. Once the nominations have been finalized, the membership will vote for one nominee in each position. Directors must be elected by at least a majority vote. In the event that the winner of the most votes for a particular position does not have a majority, there will be a runoff between the top two vote getters.

Directors will serve one-year terms with the option to run for re-election in perpetuity. Terms of service will begin and end at the time of the Fund's annual meeting. Directors must be capable of attending three-fourths of the meetings either in person or telephonically.

A Director may be removed with cause before the end of his term with a three-fourths supermajority vote by the membership. If, for any reason, a Director resigns or is removed from his position prior to the end of his term, the Fund will call a special election to replace him for the remainder of his term.

The acting Chairman of the Board will serve as the authorized signatory on all necessary legal and financial documents. The Treasurer will also be authorized to sign on behalf of the Fund should a second signature be required or should the Chairman be unavailable to sign.

Board Meetings / Membership Meetings

It is anticipated that the Board of Directors will hold at least one meeting each fiscal quarter. The Board of Directors may re-evaluate the frequency of Board meetings at any time, but a minimum of four meetings will initially be required each year. Each Board meeting requires a quorum of greater than 50% of Directors present either in person or telephonically. All Board resolutions require a majority vote by the Directors present. Decisions on which the Board is deadlocked will be referred to the membership for a vote.

In addition to the quarterly Board meetings, there will be one annual meeting for the full membership. A quorum of greater than 50% will be required either in person or telephonically. Additional membership meetings or conference calls may be requested by any member at any time.

Grant Recipient Selection Process

Each member of the Fund will nominate up to three potential grant recipients. From this pool, the Board will select no greater than 10 nominees to present to the general membership for voting. Grant recipients will be selected using instant runoff voting. Each member will rank his preference of candidates in a list from first to last. The first-place vote of each member is counted. If no candidate receives a majority of the first-place votes, the candidate with the least number of first-place votes will be eliminated. Each member's ranking list will have the eliminated candidate removed and lower ranked candidates will advance one spot. The process then repeats by counting the first-place vote from each member's updated ranking list. One candidate will be eliminated each round until a winner emerges with a majority of the vote. All members of the Fund will have equal voting rights regardless of relative individual contribution to the Fund or any other factor. Any ties will be decided by the Board.

The annual grant may be made any time before the end of the fiscal year. Although the Fund will initially be limited to one grant per year, the possibility of multiple grants may be revisited by the membership and the Charter may be amended by a three-fourth supermajority to accommodate additional grants and specify the process by which they will be selected.

Grant Amounts

Grants will be the greater of \$250 or 5% of the Fund. The grant constraints can be overridden by a three-fourths supermajority.

Member Contributions

Each of the founding members will make the following contribution commitments:

Founding Member Contribution Requirements					
	2005	2005-2009	2010-2014	2015-2019	2020-Perpetuity
Yearly Minimum	\$100	\$50	TBD	TBD	TBD
Five-Year Benchmark	NA	\$2,000	TBD	TBD	TBD

Benchmarks refer to goals for cumulative contributions through defined five-year time periods. Annual minimum requirements remain regardless of total cumulative contributions. There will be no limit on individual member donations but any donations in excess of a five-year benchmark will not count toward future five-year benchmarks. Each five-year benchmark must be chosen two years prior to the beginning of that five-year period.

Failure to meet contribution requirements will result in a review by the disinterested Board of Directors and possibly a vote of dismissal by unanimous consent of the remaining membership. Any member whom the membership dismisses or who voluntarily resigns may not be held responsible for any further financial obligations.

Fund will accept contributions from any individual or organization interested in supporting its mission, provided they do not come with any restrictions. Restricted contributions will require a three-fourth supermajority vote of the group. External contributions proactively solicited by individual members can be allocated toward those members' benchmarks with majority approval from the membership.

The membership reserves the right to change the contribution commitment at any level at any time with a three-fourths supermajority vote.

Structure and Fund Termination

The Fund will be established as a donor-advised fund and will require as three-fourths supermajority vote from the membership to approve the host foundation.

Should the Fund wish to exit the initial host foundation and join another host foundation or become a private foundation, it may elect to do so with a three-fourths supermajority approval of the membership.

No later than one year following the death of the fourth to last surviving member of the Fund, the final three members will determine, and recommend to the Board of Trustees of the Fund's current host foundation, the allocation of all the fund's remaining assets. These final three members will do this in accordance with the mission of the Fund as stated in its Charter. The liquidation of the Fund's assets by its final three members will mark the Fund's official termination.

In the event that the surviving three members cannot reach an agreement or if fewer than three members are alive and capable of making a decision, the host foundation will become the custodian of the Fund.

Amending Charter

The Charter must be unanimously ratified by all members. Any member may submit a written proposed amendment to the Board of Directors at any time. Upon receipt of the proposed amendment, the Board of Directors will present it, discuss it and vote on it at the next scheduled Board meeting. The acceptance of an amendment requires a three-fourths supermajority approval by the membership.

On this 20th day of June, 2005, each of the members below hereby ratified this Charter via telephone or email, accepted membership into the Fund, and agreed to adhere to the rules and procedures stated herein.

_____/ s / _____
Brian Abrams
Member

_____/ s / _____
Jeff Castellano
Member

_____/ s / _____
Neel Dey
Member

_____/ s / _____
Amit Doshi
Member

_____/ s / _____
Matt Humbaugh
Member

_____/ s / _____
Mike Lin
Member

_____/ s / _____
Bryan Leach
Member

_____/ s / _____
Pete Meyerdirk
Member

_____/ s / _____
Theo Shybut
Member

_____/ s / _____
Jim Stewart
Member

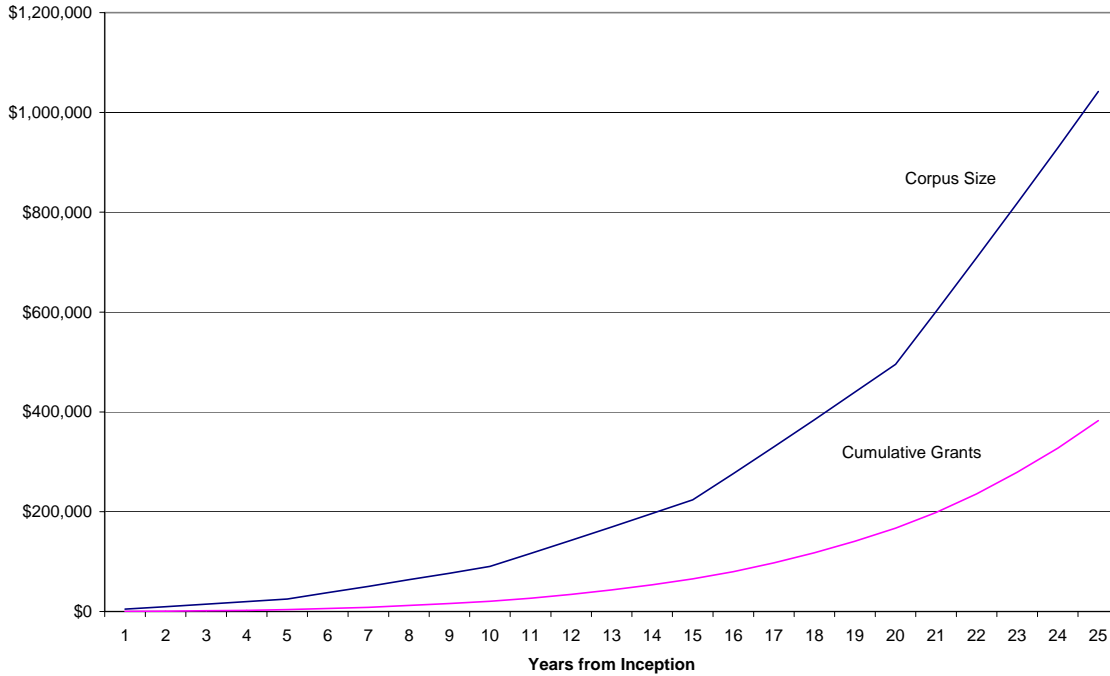
_____/ s / _____
Dave Walker
Member

_____/ s / _____
Grant Wiens
Member

Appendix: Grant and Fund Analysis

The figure below projects the potential growth in total fund value and cumulative grants assuming contributions spread equally over five-year benchmark periods and a 7% return on invested capital.

Figure A: Fund Growth Analysis



The Fund’s baseline financial analysis assumes a 7% annualized return on investment. Figure B shows the sensitivity of both total fund value and cumulative grants through 2029 to return on investment assumptions.

Figure B: Fund Sensitivity to Annual Investment Returns

	Annual Investment Returns				
	5.0%	6.0%	7.0%	8.0%	9.0%
Corpus Size After 25 Years	\$907,828	\$971,566	\$1,041,976	\$1,119,946	\$1,206,498
	Annual Investment Returns				
	5.0%	6.0%	7.0%	8.0%	9.0%
Cumulative Grants After 25 Years	\$339,605	\$360,144	\$382,527	\$406,964	\$433,694