



NATIONAL CENTER FOR
FAMILY PHILANTHROPY

Family Giving Online Knowledge Center Sample Forms, Checklists, and Policies

TITLE: Sample Letter of Engagement for a Legal Advisor

SOURCE: *Resources for Family Philanthropy: Finding the Best People, Advice, and Support*

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SAMPLE LETTER OF ENGAGEMENT FOR A LEGAL ADVISOR

TERMS OF ENGAGEMENT

This memorandum is to confirm our mutual understanding of the terms under which The ABC Law Firm is to be engaged to render legal services on behalf of The XYZ Family Foundation.

Assignment:

Provide general tax and legal advice regarding the operation of the Foundation, the conduct of its grantmaking program, compliance with federal and state regulations, and maintenance of its tax exempt status, including response to inquiries from officers and directors, review of tax returns, and other routine matters. Litigation and other extraordinary matters requiring the expenditure of more than XX hours are not included.

Fees:

Flat monthly retainer of \$XXX. [Or, alternatively: Fees for the legal services to be rendered are determined primarily by the actual time spent on any particular matter, based upon an hourly billing rate of \$XX.]

Disbursements:

The hourly rate quoted above is a net figure, and includes standard overhead items such as local or long-distance telephone charges, photocopying costs, postage, computerized research, word processing costs, and local transportation. That hourly rate would not, however, cover such items as the following:

- Travel expenses for travel outside the Washington, D.C. area
- Cash outlays for such things as filing fees, Internal Revenue Service charges, etc.
- Expenses incurred at your request, such as costs of messenger service, overnight express service, etc.

Payment:

Statements are rendered on a monthly [quarterly, etc.] basis, and are due upon receipt. Any amounts remaining unpaid after 30 days may become subject to interest at 1% per month.

Initial retainer:

Please send an initial retainer of \$XXX to enable us to commence work on your matter.

Term of Engagement:

The engagement shall run initially through December 31, XXXX, and may be terminated by either party on thirty days written notice to the other party. Upon termination, we agree to return promptly all files, correspondence, documents, records, tax forms, minute books, etc., remaining in our possession (except internal materials).

We appreciate very much this opportunity to serve you and look forward to providing you with efficient and high quality professional service. Please review the foregoing and, if you agree, so indicate by signing in the space provided below and returning a signed copy to us. Please call if there are any questions regarding this memorandum.

ACKNOWLEDGED AND AGREED:

The XYZ Family Foundation:

By: _____

Title: _____

Date: _____