

ADVISED ENDOWMENT FUND AGREEMENT
between
DOUGLAS COUNTY COMMUNITY FOUNDATION
and
[DONOR(S)]

THIS AGREEMENT is made this ____ day of _____, 201_, by and between DOUGLAS COUNTY COMMUNITY FOUNDATION (“the Foundation”), a Kansas non-profit Corporation having its principal office in Lawrence, Douglas County, Kansas, and _____ (“the Donor”), residing in _____, _____, as follows:

WHEREAS, the Donor desires to create a charitable advised fund with the Foundation;
and

WHEREAS, the Foundation is a non-profit tax-exempt corporation under Internal Revenue Code (“Code”) § 501(c)(3) and a public charity under § 170(b)(1)(A)(vi) and, as such, the Foundation is an appropriate institution through which to establish a charitable advised fund;
and

WHEREAS, the Foundation has agreed to accept the Donor’s charitable advised fund subject to the following terms and conditions:

1. Name of the Fund. There is hereby established with the Foundation, and as a part thereof, a fund designated as the _____ **Fund** (“the Fund”) to receive and administer gifts in form acceptable to the Foundation.

2. Purpose. The primary purpose of the Fund shall be to provide charitable grants to such organizations and for such uses and purposes as may be designated by the Board of Directors of the Foundation or their designee, after receiving advice in writing from the Donor. In the event that the Donor is unable to give such advice, the Foundation may receive advice in writing from _____.

3. Gift. The Donor has irrevocably transferred, and the Foundation accepts and acknowledges the receipt of \$ _____ (_____ DOLLARS) to establish the Fund. Subject to the right of the Foundation to reject any particular gift, the Donor and others may make additional gifts to the Foundation for the purposes of the Fund by a transfer to the Foundation of property acceptable to the Foundation. All gifts, bequests and devises to this Fund shall be irrevocable, once accepted by the Foundation.

4. Distribution. The Donor, or, upon the Donor’s inability or failure to so act, the Donor’s designated successors, may recommend distributions or expenditures from the Fund, subject to the final approval of the Foundation’s Board of Directors and subject to the following restrictions. The principal of the Fund shall not be distributable to the extent that such distribution would reduce the principal balance of the Fund below \$10,000 (“the Endowed

Amount”). The amount of the principal of the Fund above the Endowed Amount and the income of the Fund, net of the fees and expenses set forth in paragraph 11, may be committed, granted, or expended only for purposes described in Code § 170(c)(1) or (2)(B) that are consistent with the exempt status and purposes of the Foundation. Any additions to the principal of the Fund above the Endowed Amount may be designated as endowed or as distributable, at the option of the Donor, and if no designation is made, they shall be accepted as endowed. If any gifts to the Foundation for the purposes of the Fund are received and accepted subject to a condition or restriction as to the use of the gift or income therefrom, such condition or restriction will be honored, subject, however, to the authority of the Foundation’s Board of Directors to vary the terms of any gift if continued adherence to any condition or restriction is in the judgment of the Board unnecessary, incapable of fulfillment, or inconsistent with the charitable or other exempt purposes of the Foundation or the needs of the community served by the Foundation. No distribution shall be made from the Fund to any individual or entity if such distribution will, in the judgment of the Board of Directors of the Foundation, endanger the Foundation’s status as an organization qualifying under Code § 501(c)(3).

5. Administrative Provisions. Notwithstanding anything herein to the contrary, the Foundation shall hold the Fund, and all contributions to the Fund, subject to the provisions of applicable Kansas laws and the Foundations’ Articles of Incorporation, Bylaws, and Statement of Administrative Provisions. The Foundation shall monitor the distribution of the Fund to ensure it is used exclusively for charitable or other exempt purposes (within the meaning of Code §§ 170(c)(1) or (1)(B)), and shall have all powers of modification and removal specified in United States Treasury Regulations Section 1.170A-9(e)(11)(v)(B). All actions of the Foundation’s Board of Directors hereunder shall require the affirmative vote of a majority of a quorum of the duly assembled Board of Directors of the Foundation. The Foundation agrees to provide the Donor a copy of the annual report of the finances of the Foundation as reported to the Internal Revenue Service.

6. Conditions for Acceptance of Funds. The Donor and the Foundation agree and acknowledge that the establishment of the Fund is made with awareness of, and subject to, the rules and regulations of the Internal Revenue Service and the state of Kansas applicable to Community Foundations, as the same may be amended from time to time.

7. Continuity. The Fund shall continue so long as assets are available in the Fund and the purposes of the Fund can be served by its continuation. If the Fund is terminated, the Foundation shall devote any remaining assets in the Fund exclusively for charitable or other exempt purposes that (a) are within the scope of the charitable or other exempt purposes of the Foundation’s Articles of Incorporation and (b) most nearly approximate, in the good faith opinion of the Board, the original purpose of the Fund.

8. Not a Separate Trust. The Fund shall be a component part of the Foundation. All money and property in the Fund shall be held as general assets of the Foundation and not segregated as a separate trust; provided that for purposes of determining the share of the Foundation’s earnings allocable to the Fund and the value of the principal of the Fund, the interest of the Fund in the general assets of the Foundation shall be a percentage determined by dividing the gift to the Fund by the then value of the total assets of the Foundation. This

percentage interest will be adjusted at the time of each addition to or reduction of the assets of the Foundation.

9. Accounting. The receipts and disbursements of this Fund shall be accounted for separately and apart from those of other gifts to the Foundation.

10. Investment of Funds. The Foundation shall have all powers necessary, or in its sole discretion desirable, to carry out the purposes of the Fund, including, but not limited to, the power to retain, invest, and reinvest the Fund and the power to commingle the assets of the Fund with those of other funds for investment purposes.

11. Costs of the Fund. It is understood and agreed that the Fund shall share a fair portion of the total investment and administrative costs of the Foundation. Those costs annually charged against the Fund shall be determined in accordance with the then current fee schedule identified by the Foundation as applicable to funds of this type. Any costs to the Foundation in accepting, transferring, or managing property donated to the Foundation for the Fund shall also be paid from the Fund.

The Donor has executed this Agreement and the Foundation has accepted it as indicated by the signatures below.

DONOR (or DONORS):

Date: _____

**DOUGLAS COUNTY COMMUNITY
FOUNDATION**

Date: _____

By: _____

Charles F. Blaser

Title: Executive Director