

This agreement template is customized on a case-by-case basis depending on individual donor requirements.
This document is for illustration purposes only.

CENTRAL INDIANA COMMUNITY FOUNDATION, INC.

**DONOR-DESIGNATED ENDOWMENT FUND AGREEMENT FOR
“Legal Name of the Donor”**

THIS AGREEMENT, made and entered into on _____, 20__, by and between Central Indiana Community Foundation, Inc. (hereinafter referred to as the "Foundation"), and _____ (the "Donor"),

WITNESSETH:

WHEREAS, the Donor desires to create a donor-designated endowment fund in the Foundation;
and

WHEREAS, the Foundation is a public foundation exempt from taxation under Internal Revenue Code ("Code") section 501(c)(3), a public charity described in section 170(b)(1)(A)(vi) of the Code, and accordingly an appropriate institution within which to establish such a charitable endowment; and

WHEREAS, the Foundation is willing and able to create such an endowment, subject to the terms and conditions hereof:

NOW THEREFORE, the parties agree as follows:

GENERAL PROVISIONS:

1. **ESTABLISHMENT OF THE FUND** There is hereby established in the Foundation, and as a part thereof, a donor-designated endowment fund ("Fund") to receive gifts, in whatever form of money or property, and to administer the same.

2. **PURPOSE** The primary purpose of the Fund shall be to provide support as directed by the Board of Directors of the Foundation (the "Board") to organizations described in Code sections 509(a)(1), (2), or (3) and specified in paragraph 13 hereof.

3. **GIFTS** The Donor hereby transfers irrevocably to the Foundation the property described on the attached Exhibit A to establish the Fund. Subject to the right of the Foundation to reject any particular gift, any person whether an individual, corporation, trust, estate or organization 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 in whole or in part for the Fund. All gifts, bequests and devises to this Fund shall be irrevocable once accepted by the Foundation.

4. **DISTRIBUTION** Distributions from the Fund shall be committed, granted or expended in accordance with the then current spending policies of the Foundation, for purposes described in Code section 170(c)(1) or (2)(B) to organizations described in sections 509(a)(1), (2), or (3). If any gifts to the Foundation for the purposes of the Fund are received and accepted subject to a Donor's conditions or restrictions as to the use of the gift or the income therefrom, said conditions or restrictions will be honored, subject, however, to the authority of the Foundation's Board of Directors ("Board") 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 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 Foundation endanger the Foundation's Code section 501(c)(3) status. During the life of the Donor, the Donor may elect to allow distributions from the Fund that would bring the fund balance below historic gift value. After the death of the Donor, no distributions shall be made from the Fund that would bring the fund balance below historic gift value.

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 the applicable Indiana laws and the Foundation's Bylaws. The Board shall monitor the distribution of the Fund, and shall have all powers of modification and removal specified in United States Treasury Regulation Section 1.170A-9(e)(11)(v)(B).

The Board agrees to provide any Donor that has contributed to the Foundation at least \$10,000 a copy of the annual examination of the finances of the Foundation as reported upon by independent certified public accountants.

6. **CONDITIONS FOR ACCEPTANCE OF FUNDS** The Donor agrees and acknowledges that the establishment of the Fund herein created is made in recognition of, and subject to, the terms and conditions of the Bylaws of the Foundation as from time to time amended, and that the Fund shall at all times be subject to such terms and conditions, including but not by way of limitations, provisions for:

- (a) Presumption of Donors' intent;
- (b) Variance from Donors' direction;
- (c) Amendments.

7. **CONTINUITY** The Fund shall continue so long as assets are available in the Fund and the purposes in 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 purposes that:

(a) are within the scope of the charitable purposes of the Foundation's Bylaws 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 trust property of a separate trust; provided that the Fund shall be allocated its pro rata share of the net earnings of the Foundation's Permanent Endowment Pool, such percentage interest being subject to adjustment at the time of each addition to, or reduction of, assets in the Permanent Pool.

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.

SPECIFIC PROVISIONS:

12. **NAME OF THE FUND** The name of the Fund shall be the _____
Fund (the "Fund").

13. **CHARITABLE ORGANIZATIONS TO BE SUPPORTED** The Fund shall provide support as directed by the Board to the following organizations described in Sections 509(a)(1), (2), or (3) and the annual allocation from the Fund, net of fees and expenses set forth in paragraph 11, shall be distributed in the percentages indicated:

NAME OF CHARITY

**PERCENT OF
ANNUAL ALLOCATION**

If any named organization ceases to exist or fails to be described in Sections 509(a)(1), (2), or (3), then its share of the annual allocation from the Fund shall be distributed to _____

OR its share of the annual allocation to the Fund shall be divided equally among the remaining organizations described in Sections 509(a)(1), (2), or (3).

IN WITNESS WHEREOF, the Donor has executed this Agreement and the Foundation has caused this Agreement to be approved by its Board of Directors and to be executed by a duly authorized officer, all as of the day and year first above written.

Central Indiana Community Foundation, Inc.

Donor

Brian Payne, President

Robert A. MacPherson, VP for Development

Donor

11/10 je

EXHIBIT A

LIST OF INITIAL DONATIONS TO FUND

SAMPLE