

The Scholarship Fund

An Endowed Scholarship Fund
of the Community Foundation of Northern Colorado

THIS AGREEMENT is made and entered into this _____ day of _____, 20____, by and between the **Community Foundation of Northern Colorado**, (herein the "**Foundation**") and _____, (herein the "**Donor**").

PRELIMINARY STATEMENT

The Foundation is a tax-exempt foundation established and operating as a community foundation. By this Agreement, the Donor and the Foundation agree to establish a special fund that shall be maintained and operated in accordance with this Agreement.

WHEREFORE, the Foundation and the Donor agree:

1. The Foundation shall receive, commingle, invest and reinvest the contribution and any proceeds from sale of the contributed property as a part of the general funds and investments of the Foundation.
2. The Foundation shall establish a Scholarship Fund that shall be named the: _____, (herein referred to as the "Fund"). The Foundation shall maintain a separate accounting for the Fund, which shall be increased in respect to contributions, gains and income to the Fund, and decreased in respect to grants, losses, expenses and disbursements from the Fund. Donor may elect to add or change successor advisors at any time.
3. This Fund is permanently endowed, and the Fund shall have both ~~an~~ ~~endowed~~ and ~~spendable~~ portions. Annually, or at more frequent intervals, the Board of Trustees of the Foundation shall make grants from the Fund, following the criteria established for the Fund (see attached). A selection committee to review applications will be established by the Foundation, and the Donor may provide input. Grants from the endowed portion of the Fund shall be limited to the spending policy established by the Foundation's Board of Trustees (currently an annual distribution of 5% of the Fund's total market value based on the most recent 16 quarters). New gifts to the Fund will be applied to the endowed portion of the Fund unless otherwise designated by the person or organization making the gift.
4. As required by the Internal Revenue Code and Regulations, the Fund shall only be used in furtherance of the Foundation's charitable purposes. The Foundation shall retain ultimate authority and control over the investment, expenditure, distribution and grants of principal and income from the Fund.
5. The Foundation shall have the power to modify any restriction or condition on the distribution of funds for any specified organizations if in the sole judgment of the Foundation's Board of Trustees (without the approval of any trustee, custodian or agent), such restriction or condition becomes, in effect, unnecessary, incapable of fulfillment or inconsistent with the charitable needs of the community or area served. This Fund is not a Trust or a separate legal entity of any kind.

BOARD OF TRUSTEES

Bruce Hach, Chair
Ray Caraway, President
LuAnn Ball
Randy Davis
Constance Dohn
Joe Gebhardt
Krishna Murthy
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Spiro Palmer
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Eric Peterson
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6. Funds and assets of the Foundation may only be used for the "charitable purposes" described in the Articles of Incorporation of the Foundation as educational, scientific, literary, public or other purposes permitted to be carried on by organizations described in Sections 170(c)(1) and 170(c)(2) of the Internal Revenue Code of 1954, as amended, and corresponding provisions of future revenue laws.

7. Administrative Provisions. The Foundation will hold and administer the Fund in accordance with the terms of this Agreement and all procedures, rules and regulations of the Foundation; including future amendments thereto (all of which provisions and amendments are incorporated by reference). The Foundation may charge the Fund with a share of the Foundation's operating and administrative expenses. The administrative fee charged against the fund shall be determined in accordance with the current fee policy. Presently, Scholarship Funds are charged an annual fee of 2%.

IN WITNESS WHEREOF, the parties have executed this Agreement

COMMUNITY FOUNDATION of NORTHERN COLORADO:

By _____
Ray Caraway, President

(DONOR):

By _____
(Signature)

Print Name:

By _____
(Signature)

Print Name:

Address:

City/State/Zip:

Email:

Phone: