



FUND AGREEMENT

OF THE

[ FUND NAME ]

6

**Non-Permanent Funds  
(Not governed by Spending Policy – Principal access)**

- Agency Advised Fund     Donor Advised Fund

**Permanent Endowed Funds  
(Governed by Spending Policy – no access to Principal)**

- Designated Fund                       Field of Interest Fund     Scholarship Fund
- Agency Endowed Fund     Donor Advised Fund

**Resolution for Nonprofit Organizations**

- Resolution of Approval from Donor’s Board is Required
- Resolution of Approval from Donor’s Board is Not Applicable

**Donor Information**

Name(s) \_\_\_\_\_  
 Organization \_\_\_\_\_  
 Contact Address \_\_\_\_\_  
 Telephone \_\_\_\_\_ E-mail \_\_\_\_\_

- May we list your name in our annual report and other publications?                       Yes     No
- Would you like grant recipients to know the source of the grant?                       Yes     No

**Fund Agreement**

The above-named Donor(s) (the "Donor"), gives to the Community Foundation of North Central Washington (the "Community Foundation") the following described property:

\$0.00

If other than cash, the Donor authorizes, but does not require, the Community Foundation to sell the property and convert the gift into cash. At any time additional gifts from any source may be added to the Fund.

**Distributions from Non-Permanent Funds**

Distributions shall be made from the Fund for charitable purposes. Upon request of a majority of the governing board of the Donor Organization, certifying that it has retained its status as an organization exempt from federal income tax under Section 501(c)(3) of the Code, all or any part of the principal of the Fund may be distributed to the Donor Organization. Subject to the assessment for the reasonable cost of administration of the Community Foundation, annual distributions from the Fund shall be made as follows:

\_\_\_\_\_  **Agency Advised Fund.** The Community Foundation shall distribute assets of the Fund to the Donor (Initials) Organization for furtherance of its mission provided that the Donor Organization remains in good

standing as an organization exempt from federal income tax under Section 501(c)(3) of the Code.

\_\_\_\_\_  
(Initials)  Donor Advised Fund. The amount of distributions shall be distributed for such charitable purposes as the Board of the Community Foundation shall from time to time direct. The minimum single distribution shall not be less than \$100. The Donor may, from time to time, advise the Community Foundation concerning the distributions of the Fund for such charitable purposes on an annual basis, provided:

\_\_\_\_\_  
(Initials)  such advice is consistent with the Community Foundation’s determination of charitable needs of a 501(c)(3) charitable organization and with any guidelines promulgated by the Community Foundation enumerating specific charitable needs;

\_\_\_\_\_  
(Initials)  the Donor may not direct use of funds to fulfill a pledge, for a personal benefit, to provide grants to individuals, or to fulfill any other legal obligation of a donor or donor advisor; and

\_\_\_\_\_  
(Initials)  the Community Foundation will not be bound by any advice offered by the donor, the Board of the Community Foundation at all times retaining the authority and responsibility for directing the distribution from the Fund.

The Donor may transfer the opportunity and privilege to provide grant suggestions by delivering written notice of the name, address and phone number of the Donor’s successor to the Community Foundation. In the event the Donor ceases to exist, fails to name a successor advisor, or is unable to advise the Community Foundation concerning distributions, the Community Foundation shall make all distributions from the Fund consistent with the charitable purposes of the Community Foundation.

**Distributions from Permanent Funds**

Distributions shall be made from the Fund for charitable purposes. The amount of distributions from the Fund shall be governed by the Community Foundation’s spending policy, which shall be established from time to time by the Board. The Community Foundation reserves the right to change the spending policy in its discretion and within the parameters established by the Uniform Prudent Management of Institutional Funds Act, Chapter 24.55 RCW (“UPMIFA”) and other applicable law. Subject to the terms of the spending policy of the Community Foundation, and the assessment for the reasonable cost of administration of the Community Foundation, distributions from the Fund shall be made as follows:

\_\_\_\_\_  
(Initials)  Designated Fund. Permanent endowed fund. Not returnable to Donor. Distributions shall be made annually to the following named public charity or charities:

\_\_\_\_\_  
% to \_\_\_\_\_  
\_\_\_\_\_  
% to \_\_\_\_\_  
\_\_\_\_\_  
% to \_\_\_\_\_  
\_\_\_\_\_  
% to \_\_\_\_\_

The Donor recommends that these distributions be used for the following purposes: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_.

The annual distribution shall continue so long as the named beneficiary is an organization exempt from federal income tax under Section 501(c)(3) of the Code. Any undistributed amounts will be added to the principal of the Fund.

\_\_\_\_\_  Field of Interest Fund. Permanent endowed fund. Not returnable to Donor. Distributions shall be  
(Initials) made annually to one or more public charities in the following field(s) of interest: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_.

The Board of the Community Foundation is responsible for the final selection of charities within the above parameters and the amounts of grants to be awarded to each. The Board may act upon the recommendation of a Selection Committee as constituted by the Community Foundation, in determining the grant recipients and the amounts to be awarded.

\_\_\_\_\_  Scholarship Fund. Permanent endowed fund. Not returnable to Donor. Scholarships shall be  
(Initials) awarded annually to one or more individuals seeking further education in an accredited educational program in the United States of America, and based on the following criteria and guidelines: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_.

Criteria and guidelines for scholarships may be changed, from time to time, subject to the approval of the Board of the Community Foundation. Scholarships will be limited to “qualified tuition and related expenses” as defined in Section 117(b)(2) of the Code.

\_\_\_\_\_  Agency Endowed Fund. Permanent endowed fund. Not returnable to Donor. The Community  
(Initials) Foundation shall distribute to the Donor Organization an annual amount from the Fund in accordance with the spending policy of the Foundation, and provided that the Donor Organization remains in good standing as an organization exempt from federal income tax under Section 501(c)(3) of the Code. If the Donor Organization is not in good standing, the Community Foundation may select a successor organization to receive distributions from the Fund, in accordance with the Variance Power described below.

\_\_\_\_\_  Donor Advised Fund. Permanent endowed fund. Not returnable to Donor. The amount of  
(Initials) distributions shall be distributed for such charitable purposes as the Board of the Community Foundation shall from time to time direct. The minimum single distribution shall not be less than \$100. The Donor may, from time to time, advise the Community Foundation concerning the distributions of the Fund for such charitable purposes on an annual basis, provided:

\_\_\_\_\_  such advice is consistent with the Community Foundation’s determination of  
(Initials) charitable needs of a 501(c)(3) charitable organization and with any guidelines promulgated by the Community Foundation enumerating specific charitable needs;

\_\_\_\_\_  the Donor may not direct use of funds to fulfill a pledge, for a personal benefit, to  
(Initials) provide grants to individuals, or to fulfill any other legal obligation of a donor or donor advisor; and

\_\_\_\_\_  the Community Foundation will not be bound by any advice offered by the donor,

(Initials) the Board of the Community Foundation at all times retaining the authority and responsibility for directing the distribution from the Fund.

The Donor may transfer the opportunity and privilege to provide grant suggestions by delivering written notice of the name, address and phone number of the Donor's successor to the Community Foundation. In the event the Donor ceases to exist, fails to name a successor advisor, or is unable to advise the Community Foundation concerning distributions, the Community Foundation shall make all distributions from the Fund consistent with the charitable purposes of the Community Foundation.

**Standard Fund Terms and Conditions**

1. **Tax Status of Funds.** The Fund established by this Agreement shall be a component part of the assets of the Community Foundation of North Central Washington, a 501(c)(3) public charity, as defined in Section 1.170A-9(f)(11) of the Regulations promulgated under the Internal Revenue Code (the "Code"). All contributions to such Fund are treated for tax purposes as gifts to a 501(c)(3) public charity and are tax deductible to the extent allowed by law, subject to individual and corporate limitations.

2. **Separate Fund; Compliance with Code.** This Fund, and such other gifts as may be received by the Community Foundation for inclusion in the Fund, shall be held and identified by the Community Foundation as a separate fund. The Community Foundation shall have ultimate authority and control over all property in the Fund and income derived there from, in accordance with the terms of this Agreement and subject to the Articles of Incorporation and Bylaws of the Community Foundation, as amended from time to time. Nothing in this gift shall affect the status of the Community Foundation as an organization (i) described in Section 501(c)(3) of the Code, and (ii) which is not a private foundation within the meaning of Section 509(a) of the Code. This gift shall be interpreted in a manner consistent with the foregoing sentence, and in accordance with any regulations applicable to the status of the Community Foundation as a public charity.

3. **Variance Power.** The Fund shall be subject to the governing instruments and policies of the Community Foundation, including the powers to modify any restriction or condition on the distribution of funds for any specified charitable purpose or to specified organizations if, in the sole judgment of the Board of the Community Foundation (without approval of the Donor or any trustee, custodian or agent), such restriction or condition becomes, in effect, unnecessary, no longer practicable, incapable of fulfillment, or inconsistent with the charitable needs of the area served, and to define the distributable income of any fund in such a manner as to encourage the long term growth of such fund.

4. **Fees.** The Fund shall be assessed certain fees to support the administrative costs and investment expenses of the Community Foundation. The amount of such fees shall be the amount assessed to similar funds held by the Community Foundation based upon its fee schedule in effect from time to time. The fee schedule may be adjusted in the future. A fee schedule is available upon request.

5. **Permanent Endowed Funds.** Designated Funds, Field of Interest Funds, Scholarship Funds, Agency Endowed Funds and certain Donor Advised Funds established with the Community Foundation are permanent endowed funds to be held by the Community Foundation in perpetuity. Contributions made to permanent endowed funds are irrevocable. All distributions from permanent endowed funds are subject to the provisions of this Fund Agreement.

6. **Grants to Individuals.** Due to certain provisions of the Pension Protection Act of 2006 the Community Foundation restricts the role of Donors in relation to grants to individuals. The Board of the Community Foundation is responsible for the final selection of individuals and the amounts of grants or scholarships to be awarded to each. The Board may act upon the recommendation of a Scholarship Selection Committee as constituted by the Community Foundation, in determining the scholarship recipients and the amounts to be awarded. Neither

the Donor nor parties related to the Donor may control a Scholarship Selection Committee in number or action. The Committee will use standard forms of scholarship application and standard evaluation forms as developed and/or approved and amended periodically by the Community Foundation. Scholarship selection requirements may be changed from time to time, with the approval of the Board.

7. Financial reports. The Community Foundation shall provide access to financial status reports to the Donor.

8. Investment of Assets. All assets contributed to the Fund will be managed in a pooled investment in accordance with the investment policy adopted by the Board of the Community Foundation and the Uniform Prudent Management of Institutional Funds Act, Chapter 24.55 RCW (“UPMIFA”). Upon request the Donor will be advised of the investment policy and the inherent risks undertaken therein.

9. Solicitation Policy. Donors who wish to solicit contributions for a fund at the Community Foundation must receive advance approval from the Community Foundation. Once approved, donors must use the following language in any solicitation:

“IRS regulations require us to note that the Community Foundation of North Central Washington (the “Community Foundation”) will not provide any goods or services to you in exchange for a contribution to the \_\_\_\_\_ Fund (the “Fund”). The Fund is a component fund of the Community Foundation. The Community Foundation has the authority to redirect contributions from the Fund if it becomes necessary to protect donor intent.”

“Donations raised at this event (or for this cause) will be added to the Fund at the Community Foundation. The Community Foundation is a 501(c)(3) organization. The Community Foundation may disburse grants from the Fund as recommended by the advisors to the Fund or as community needs dictate. All checks should be made payable to the Community Foundation of North Central Washington/\_\_\_\_\_ Fund.

10. Dissolution. If the Community Foundation for any reason is unable to carry out the provisions of this Fund, a Bank or other qualified organization with trustee capabilities that is active in North Central Washington shall be appointed by the Board as trustee. The trustee shall have all rights and powers given to trustees generally under the laws of the State of Washington, as now in effect and as may be enacted in the future.

11. Entire Agreement. This document represents the entire agreement between Donor and the Community Foundation.

COMMUNITY FOUNDATION  
OF NORTH CENTRAL WASHINGTON

DONOR

By: \_\_\_\_\_  
BETH STIPE, Executive Director

Donor: \_\_\_\_\_  
[PRINT NAME]

Donor: \_\_\_\_\_  
[PRINT NAME]

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Received from the Board of Directors of the Donor:

- A “Resolution of Approval of Permanent Fund that is Not Returnable to the Donor” has been received from the Donor.
- Resolution not required.