

**[FUND NAME HERE]**  
**SAMPLE FUND AGREEMENT**  
**Donor-advised Endowment Fund**

THIS AGREEMENT, made this \_\_\_\_ day of \_\_\_\_\_, 200\_, between \_\_\_\_\_  
\_\_\_\_\_(the "Donor"), and the Whatcom Community Foundation  
(the "Community Foundation"), a nonprofit corporation, is as follows:

The Donor desires to create a Donor-advised Endowment Fund (the "Fund") with the following property (donated cash, securities, or other property) (the "Property") donated for public educational and charitable purposes:

\_\_\_\_\_.

The Donor hereby irrevocably assigns, conveys, transfers and delivers the Property to the Community Foundation. The donor or any other person may from time to time add to the Fund, subject to the terms and conditions herein set forth:

FIRST: The Fund shall be known as the "\_\_\_\_\_ **Fund.**"

SECOND: The Community Foundation shall hold, manage, invest and reinvest the Fund, shall collect the income and shall pay and disburse the distributable amount for public educational and charitable uses and purposes, in accordance with the policies of the Community Foundation. The distributable amount of the Fund shall be calculated using a twelve-quarter trailing average working backward from the June 30 balance each year. The distribution rate in effect at the time of the distribution is a percentage of the fair market value of the Fund pre-approved by the Foundation Board of Directors for all endowed funds. The **spending rate is announced annually in May.**

THIRD: The following person(s) may from time to time make suggestions to the Board of Directors concerning grants from the Fund (exclusively for public educational and charitable uses and purposes): \_\_\_\_\_  
\_\_\_\_\_. Such suggestions may be accepted or rejected, in whole or part, by the Board of Directors in its sole and absolute discretion. If the advisors are unable or unwilling to serve in the advising capacity, the balance of the Fund will be transferred to the Foundation's Unrestricted Fund.

FOURTH: The Fund is protected from obsolescence and subject Foundation Board's variance power as set forth in tax regulations, 1.170A-9(e)(11)(V)(B), (C) and (D).

FIFTH: The Foundation has explained the Uniform Management of Institutional Funds Act (UMIFA) to the Donor, who understands that there could be some years in which a full distribution cannot be made because it would drop the balance below the historic value of the Fund. The historic value of the Fund is the sum total of all the gifts made to the Fund, but does not include any investment income earned by the Fund.

SIXTH: The Fund will be charged an annual service fee as spelled out in the Foundation's policies. The Donor has been given a written copy of the current Administrative Service Fee Policy of the Foundation.

The parties hereto have executed this agreement in duplicate as of the date and year first written above.

BY: \_\_\_\_\_  
Donor

BY: \_\_\_\_\_  
CEO, Whatcom Community Foundation

\_\_\_\_\_  
Donor