



Whatcom  
Community Foundation

GIVING HERE MATTERS

AGENCY NAME

Nonprofit Agency Endowment Fund SAMPLE

THIS AGREEMENT, made this \_\_\_ day of \_\_\_\_\_, 20\_\_\_, between \_\_\_\_\_ (the "Agency"), and the **Whatcom Community Foundation** (the "Foundation"), a nonprofit corporation, is as follows:

The Agency desires to create a permanent Nonprofit Agency Endowment Fund (the "Fund") with the following property (cash, securities, or other approved property donations) (the "Property") donated for public educational and charitable purposes of the Agency: \_\_\_\_\_.

NAME OF THE FUND: The Fund shall be known as the "\_\_\_\_\_"

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

ADMINISTRATION: The 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 Foundation's Articles of Incorporation, By-Laws and Policies in effect, as amended from time to time. The Foundation will assess an annual service fee to administer this Fund, according to the Administrative Service Fee Policy of the Foundation.

ASSET MANAGEMENT: Control over the investment or reinvestment of Fund assets shall be exercised exclusively by the Foundation, according to the Foundation's Investment Policy.

DISTRIBUTION AND PURPOSE: The distributable amount of the Fund shall be calculated according to the Foundation's Spending Policy and Washington's Uniform Prudent Management of Institutional Funds Act (UPMIFA), at a rate to be determined annually by the Foundation's Board of Directors, and paid to the Agency, to be used for the following purpose \_\_\_\_\_. The Foundation will pay out the full distributable amount of the fund annually, rather than accumulating distributions. Should the Agency wish to return all or part of this distribution to the Fund, it will be considered a new gift and added to the historic value of the Fund.

VARIANCE POWER: The Fund is protected from obsolescence. The Foundation's Board of Directors has the authority to modify any restriction or condition on the distribution of funds for any specified charitable purposes if in the sole judgment of the board, such restrictions or conditions become, in effect, unnecessary, incapable of fulfillment or inconsistent with the charitable needs of the community or area being served. This provision is consistent the Foundation Board's variance power as set forth in tax regulations, 1.170A-9(e)(11)(V)(B), (C) and (D).

FUND NOT A SEPARATE TRUST: The assets of the Fund shall be the assets of the Foundation and not a separate trust. The Fund shall be organized and administered so that the Federal Income Tax status of the Foundation as a public charitable organization under Section 501(c)(3) of the Internal Revenue Code, as amended, will not be adversely affected. This Agreement will be interpreted in a manner consistent with the Federal Income Tax provisions and regulations.

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

BY: \_\_\_\_\_  
Agency Representative  
Agency Name

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