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## **DESIGNATED FUND AGREEMENT**

### **SECTION A:           LEGAL AGREEMENT**

This document establishes a Designated Fund (DF) within the Community Foundation of Tompkins County, a non-profit public charity 501(c)3 corporation in New York State operating under the rules of the IRS and governed by a board of local leaders.

A Designated Fund is created by a donor for the benefit of one or more specific agencies.

An Agency is defined as either a 501(c)3 corporation, a municipality, a school district or a faith community.

Any assets received directly from a donor to this fund are the sole fiduciary responsibility and property of the Community Foundation.

Community Foundation has sole and final authority regarding the investment, use, or disposition of all assets in this fund.

The Community Foundation has sole and final authority over all distributions and grants from this fund.

### **SECTION B:           NAME AND PURPOSE**

The purpose of a DF is to maintain a permanent charitable asset. The Agency understands that distributions from the fund are restricted as specified in Section E.

The originator of this fund is \_\_\_\_\_

The name of this fund is \_\_\_\_\_

The philanthropic purpose of this fund is \_\_\_\_\_

If the purpose of this fund has a restricted programmatic purpose and is for anything more defined than general operating support, an annual report from the designated agency to Community Foundation is required before future grant distributions.

The identity/existence of this fund will be:     **PUBLIC**     **CONFIDENTIAL**

**SECTION C:            DESIGNATION**

**Designated Agency:** Originating donors are responsible for naming the agency to receive grants from this Fund. The Foundation Board of Directors has the sole right to review and approve the recommended agency based on eligibility. Once these designations are approved they cannot be changed unless the change is determined by the Foundation Board to serve the charitable needs of the community and until the changes are approved by the Board of Directors of the Community Foundation. Originating donors will supply appropriate contact information and any contact updates, as appropriate.

**AGENCY (MAY BE MORE THAN ONE):**

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**SECTION D:           ASSETS**

Assets of DFs may grow with charitable contributions and investment activity. The Community Foundation shall provide all appropriate accounting services and will use the current Statement of Investment Objectives and Policies for investment management of all funds.

The Community Foundation has full right and power to commingle and co-invest the assets of the DF with other investment assets of the Community Foundation. All contributions to the DF, and all income generated there from, as well as all future appreciation, realized and unrealized, attributable to the assets held in the DF, shall be credited to the DF. Non-gift income and appreciation shall be allocated to this fund as a proportional percentage of the total Community Foundation assets for accounting (not ownership) purposes only.

Minimum Balance Requirements

(all amounts are net of all fund activities including investment fees and philanthropic services fees to the Community Foundation)

Initial Contribution to begin a Designated Fund	\$20,000
Contingent Contribution to begin a Designated Fund	\$10,000
Required additional contributions within 2 years	\$10,000

**Asset Allocation Recommendation**

Plan A (65/35)           Plan B (80/20)           Plan C (40/60)           Plan D (ESG 65/35)

Description and Value of Initial Contribution \_\_\_\_\_

Date of Initial Contribution \_\_\_\_\_

Required Additional Contributions \_\_\_\_\_

Deadline for Required Additional Contributions \_\_\_\_\_

Anyone may make a contribution to any DF at any time according to the current Gift Acceptance Policy. The names of additional donors to the DF, if any, will be shared with the originating donors at the sole discretion of the Community Foundation’s Board of Directors. The amounts of additional contributions to the DF, if any, may at times be reported but only in aggregate formats and at schedules as determined by the Community Foundation.

**SECTION E:                    DISTRIBUTIONS:   GRANTS, PROPORTIONAL  
CONTRIBUTION FOR COMMUNITY FOUNDATION  
SERVICES & FEES**

The Community Foundation's Board of Directors maintains, and from time to time, amends a Spending Policy. This policy determines the amount of assets of the DF available to be considered for charitable purpose grant distributions to the beneficiary Agency.

Any distributions from a DF must be approved by the Board of Directors. If the purpose of this fund has a restricted programmatic purpose and is for anything more defined than general operating support, an annual report from the designated agency to Community Foundation is required before future grant distributions.

The Community Foundation shall contact the Agency annually to report the results of applying the current Spending Policy. This report will document the available funds for grant making to the Agency. The Agency shall have an annual deadline of November 30 to indicate its preference in writing to either receive the amount available as a grant or to decline the grant and have the amount remain in the balance of the fund. If the Agency fails to provide a written report of its preference, the Foundation shall take no action and spending amount shall remain in the balance of the fund.

The Board of Directors shall have the power to modify any restriction or condition on the distribution of funds for any specified charitable purposes or to specified organizations if, in the sole judgment of the Board (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 work of the beneficiary Agency.

**SECTION F:            FUTURE DISPOSITION PLANS**

Upon the circumstance of dissolution of the corporation of the Agency for this DF, the Fund will continue, as fiscally able, for the benefit of the following organization(s):

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If this section is found to be blank or incomplete at the dissolution of the corporation of the Agency then 100% of the DF will be transferred to the Community Foundation's Tompkins Today and Tomorrow Fund to assist with discretionary grant making in a field as close as possible to the original purpose and mission of the Agency.

**SIGNATURES**

**POLICIES AND PROCEDURES**

The undersigned have received and reviewed the agreement and agree to its terms and conditions described therein. The undersigned understand that any contribution received directly from a donor, once accepted by the Community Foundation, represents an irrevocable gift to the Community Foundation and is not refundable. The undersigned hereby certify that all information presented in connection with this application is accurate, and the undersigned will promptly notify the Community Foundation in writing of any changes.

**INVESTMENTS**

The undersigned understand that investments will be administered in accordance with the policies of the Community Foundation. The undersigned acknowledge that investments are subject to market and interest rate fluctuation risks, and that any gain or loss generated by the above investments will be credited or charged proportionally to the DF. The total investment return of each investment vehicle is net of its expenses.

**PROPORTIONAL CONTRIBUTION FOR COMMUNITY FOUNDATION SERVICES**

Each DF will be assessed a proportional contribution to the operational needs of the Community Foundation's office and programs in accordance with the most current rate structure which shall not exceed usual and customary rates.

**INDEMNITY**

In consideration of the Community Foundation's creating a DF at the request of the individual(s) named and for other good and valuable consideration, the undersigned hereby agrees to indemnify and hold harmless the Community Foundation, its directors, officers and other representatives against any liability, cost or expense which the Community Foundation may incur by reason of its acting in good faith upon recommendations given to the Community Foundation by any of the fund originators.

**VARIANCE POWER**

All understand that the DF to be established pursuant to this agreement will be subject to the provisions of the Bylaws and policies of the Community Foundation of Tompkins County. This includes the power reserved by the Board of Directors to modify any restriction or condition on the distribution of funds for any specified charitable purposes or to specified organizations if in the sole judgment of the Board (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 work of the Agency.

**PRIMARY FUND ORIGINATOR**

**(Donor)**

**Signature** \_\_\_\_\_

**Print Name** \_\_\_\_\_

**Date** \_\_\_\_\_

**SECONDARY FUND ORIGINATOR**

**(If applicable)**

**(Donor)**

**Signature** \_\_\_\_\_

**Print Name** \_\_\_\_\_

**Date** \_\_\_\_\_

**Community Foundation of Tompkins County**

**Signature** \_\_\_\_\_

**Title** \_\_\_\_\_

**Date** \_\_\_\_\_