

COMMUNITY FOUNDATION for LOUDOUN AND NORTHERN
FAUQUIER COUNTIES
SCHOLARSHIP FUND

1. Gift. We wish to establish a component fund with Piedmont Community Foundation doing business as Community Foundation for Loudoun and Northern Fauquier Counties (hereafter “the Foundation”) a Virginia nonprofit corporation with the gift of the following-described property:

\$XX00.00 via check #

The initial contribution totaling less than \$25,000.00, will be placed in a separate subaccount maintained by the Foundation until the amount of the money in the sub-account equals or exceeds \$25,000.00. Until the amount of the money in the separate sub-account equals or exceeds \$25,000.00, the income from the money will be periodically deposited into the general unrestricted account of the Foundation. If the amount of the money in the separate subaccount does not equal or exceed \$25,000.00 within five years after the date of this letter, all money in the subaccount shall be redirected at the discretion of the Board of Directors. All money shall immediately upon contribution become the property of the Foundation over which the Foundation shall exercise exclusive legal control, and shall not be refundable under any circumstances.

OR

The initial contribution equaling or exceeding \$25,000.00, will be placed in a separate subaccount maintained by the Foundation. All monies shall immediately upon contribution become the property of the Foundation over which the Foundation shall exercise exclusive legal control, and shall not be refundable under any circumstances.

2. Fund Name; Fundraising/Outreach. The fund shall be known as the **Good Education Scholarship**” a component fund of Piedmont Community Foundation which name shall be used at all times when referring to the fund (hereafter “the Fund”).

Any public display, event, or fundraising program that mentions the Fund shall require prior written consent of the Foundation.

3. Administration.

a. The Fund is intended as a perpetual endowment for academic scholarships and shall be dedicated to the payment of scholarships to benefit recipients (hereafter “the charitable purpose”) in the amounts determined under the Foundation’s Distributions Policy in effect from time to time.

b. Distributions from the endowment Fund shall be subject to Foundation policies that track both current market value of the Fund and Historic Dollar Value, defined as “the fair value of the endowment funds at the time it is established, as increased by each donation to the fund and by accumulations as directed by the applicable gift instrument.” (Historic Dollar Value does *not* include interest, dividends, appreciation, or other earnings, to a fund’s balance unless the fund instrument so specifies. It also does not include grant distributions that are not distributed or taken during any given fiscal year.) Unless otherwise determined by the Board of Directors or its designated committee, Fund balances that are equal to or less than Historic Dollar Value shall suspend grantmaking distributions in order to protect future grantmaking provisions of a Fund.

c. We recommend that the investment advisor that shall hold the Fund shall be determined by the Board of Directors or its designated committee.

d. The Fund shall be open-ended, i.e., additional contributions of cash or property are permitted to be made by any person or entity.

e. We recognize that the Foundation's administrative fee of not more than two percent (2%) will be calculated and deducted from the Fund. In addition, investment fees as assessed by investment advisors will be calculated and deducted from the Fund.

The Foundation shall apply a one-time 2% fee to gifts received and restricted as “pass through” and held for recommended for scholarship distribution.

4.Variance Power; Investment Authority. We recognize and consent that the Fund is subject to the terms and provisions of the Articles of Incorporation and Bylaws of the Foundation, including the ability of the Board of Directors of the Foundation (a) to modify any restriction or condition on the distribution of funds for any specified charitable purpose or purposes or to a specified charitable organization or organizations if in the sole judgment of the Board (without the necessity of the approval of any participating 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; (b) to replace any participating trustee, custodian, or agent for breach of fiduciary duty under Virginia law; and (c) to replace any participating trustee, custodian, or agent for failure to produce a reasonable return of net income over a reasonable period of time, as determined by the Board all without the necessity of obtaining my approval or the approval of any other person or interested party.

The Foundation is authorized, at its discretion, to direct the investment advisor to invest any part or all of the Fund in securities or in other property, real or personal, in good faith and with the care that an ordinarily prudent person in like circumstances would invest his or her own funds in similar circumstances. Investment decisions about an individual asset shall be made not in isolation but rather in the context of the Foundation's portfolio of investments as a whole and as a part of an overall investment strategy having risk and return objectives reasonably suited to the Fund and to the Foundation. We recognize that the Fund will not hold interests in any closely-held businesses, unless specific provision is made therefore.

5. Charitable Purpose.

a. Academic Scholarships shall be annually provided in the following manner:

An eligible recipient shall:

- i. Be a northern Virginia resident with an undergraduate allied health degree;
- ii. Be accepted and plan to attend (within 6 months of this scholarship award) or currently attending as a part-time or full-time an accredited higher education institution to achieve a higher degree in teaching.
- iii. Complete and deliver an application for scholarship
- iv. Personally appear before the Selection Committee for an interview if requested by the Selection Committee,
- vi. Include a 250-300 word essay

b. To continue to receive the scholarship after the first year of study, the recipient shall:

- i. Not have previously received and lost a scholarship from the Fund;
- ii. Maintain a “B” average as determined by the College or University;
- iii. Be limited for renewed funding to no more than three years.
- iv. Complete and deliver by an annual spring deadline set and publicized by the Community Foundation annually a renewal application to the Foundation.

b. The purpose of the Fund is to provide financial assistance to recipients by making a payment to the college or university that the recipient will attend to be credited toward the cost of tuition, books, fees, and room and board.

c. The scholarship award shall be made payable to school, college or university to benefit the individual.

d. Students meeting scholarship renewal criteria as determined in 9 (b) shall be given award priority over first-year student applicants.

f. In the event that a recipient does not in fact timely attend a college or university, the amount of the Fund dedicated to payment of the scholarship awarded to that recipient shall be added back to the Fund.

g. The recipients shall be determined from among the pool of eligible recipients and recommended for approval to the Board of Directors of the Foundation by a Selection Committee designated by the Board of Directors.

6. We recognize that scholarships from this fund cannot be made to any of our family members. For purposes of this letter, the term “family member” shall mean any sibling, ancestor, descendant, or a spouse thereof.

7. Fund Acceptance. We recognize that the Fund must be approved by the Board of Directors of the Foundation, and will not be approved if implementation of the objectives of the Fund are not within the parameters permitted so that such implementation would negatively impact on the Foundation’s status as a tax-exempt organization exempt from income taxes as a community foundation under Internal Revenue Code Section 501(c)(3).

XXXXX

Date

XXXX

Date

APPROVED AS AUTHORIZED:
Community Foundation for Loudoun and Northern Fauquier Counties

President

Date

DRAFT