

COMMUNITY FOUNDATION FOR LOUDOUN AND NORTHERN FAUQUIER
COUNTIES
DESIGNATED FUND

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

\$XXXXX endowment

\$XXXXX pass through

Check #XXXXX or Gift of Stock

The initial endowment contribution equaling or exceeding \$10,000.00, 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 “Community Foundation for Loudoun and Northern Fauquier Counties **MY Fund**” which name shall be used at all times when referring to the fund (hereafter “the Fund”).

Any public display, event, or fundraising program held for the purposes of promoting contributions to the Fund shall require prior written consent of the Foundation and will subject to the policies of the Foundation.

3. Administration.

a. The Fund is intended to serve as a permanent endowment and shall be dedicated to the payment of grants from time to time as described herein (hereafter “the charitable purpose” described in in Paragraph 4).

b. Grants from the endowment portion of this Fund shall be made in the amounts determined under the Foundation’s Distributions Policy in effect from time to time. These Foundation policies 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 from the endowment portion of the Fund in order to protect future grantmaking provisions of a Fund.

Grants from the non-endowed portion of the Fund shall not be subject to the Foundation’s Distribution and Investment Policy but held for short- and mid-term grant recommendations from the Fund’s Advisory Committee identified in Paragraph 5, below.

c. I recommend that the investment advisor that shall hold the Fund shall be determined by the Foundation’s 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. I recognize that the Foundation's administrative fee of one percent (1%) will be calculated and deducted from the endowment portion of the Fund under the Foundation's Distribution Policy. In addition, investment fees as assessed by the Foundation’s investment advisors will be calculated and deducted from the Fund.

I recognize that the Foundation's administrative fee of two percent (2%) will be calculated and deducted from any fund restricted for “pass through,” or restricted for immediate grantmaking, or such funds not placed into endowment.

Commented [A1]: Does this start immediately once the 5K is deposited?

4. Charitable Purpose. The Fund is intended as a perpetual endowment to the benefit XXXXXXXXXX

5. Grantmaking. The identity of the grant recipients and the number of grants to be given shall be determined by the Board of Directors of the Foundation or its assigned committee based on the criteria set forth in paragraph 4.

OR,

An annual grantmaking advisory committee of citizens or business representatives, each making a specific financial gift as determined by the group, shall oversee grant recommendations based on the criteria set forth in paragraph 4.

Should no grantmaking advisory committee, as described, meet or make recommendations for grants from the fund for five successive years, the Foundation's designated Grantmaking Committee shall be authorized to assume selection responsibility and apply the criteria for grants selection as set forth in this agreement.

6.Variance Power; Investment Authority. I 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 Foundation's Board of Directors (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 Foundation's Board of Directors (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 Foundation's Board of Directors 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 investor 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.

7. Fund Acceptance. I recognize that the Fund must be approved by the Foundation's 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).

Donor _____ Date _____
Address _____

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

President _____ Date _____

sample