



AGENCY GROWTH ENDOWMENT FUND AGREEMENT

An Agency Endowment offers non-profit agencies the benefits of professional investment oversight, an excellent investment performance record, and a spending policy that works to provide a stable annual flow of grant dollars to the organization. An Agency Growth Endowment allows an Agency to grow toward the minimum Endowment fund amount over the course of several years.

THIS AGREEMENT is made and entered into on _____, by and between the Starved Rock Country Community Foundation (the "Foundation") and the _____, (hereinafter referred to as the "Agency").

WITNESSETH:

WHEREAS, the Agency desires to create a charitable designated endowment in the Foundation; and

WHEREAS, the Foundation is a non-profit Illinois corporation exempt from taxation under Internal Revenue Code ("Code") section 501(c)(3), a public charity described in section 170(b)(1)(A)(vi) of the Code, and accordingly an appropriate institution within which to establish such a charitable endowment; and

WHEREAS, the Foundation is willing and able to create such a Fund as an Agency Growth Endowment Fund, subject to the terms and conditions hereof;

NOW, THEREFORE, the parties agree as follows:

1. NAME OF THE FUND. There is hereby established in the Foundation a fund designated as The _____ Growth Endowment Fund, (hereinafter referred to as "the Fund") to receive gifts, in whatever form of money or property, and to administer the same.

2. PURPOSE. The primary purpose of the Fund shall be to assist with assuring the long-term fiscal health of the Agency.

3. GIFTS. The Agency will transfer irrevocably a minimum contribution of \$3,000 to establish the Agency Growth Endowment Fund. An Agency Growth Endowment Fund may be established with an irrevocable transfer of \$3,000, AND a commitment to irrevocably contribute at least \$3,000 annually until the Fund reaches the minimum Agency Endowment level of \$15,000. The Agency and other Donors may make additional gifts to the Foundation for the purposes of the Fund by a transfer to the Foundation of property acceptable to the Foundation in whole or in part for the Fund. All gifts, bequests and devises to this Fund shall be irrevocable once accepted by the Foundation.

4. AMOUNT OF DISTRIBUTION. The Fund may grant to the Agency that portion of its total assets as permitted by the spending rate policy adopted by the Board of Directors of the SRCCF. The Agency acknowledges that this spending rate

policy is subject to change by the Board of Directors of the SRCCF. Grants to the Agency of a Growth Endowment will generally not be made until the \$15,000 minimum Agency Endowment level is achieved.

5. OTHER DISTRIBUTIONS. Grants of the realized net appreciation of Fund principal may be distributed to the Agency. Recommendations for such distributions may be made from time to time to the SRCCF by the named Advisor(s) to the Fund. All recommendations from the Agency advisor shall be solely advisory, and the Foundation may accept or reject them, applying reasonable standards and guidelines with regard thereto. No distribution shall be made from the Fund to any entity if such distribution will, in the judgment of the Foundation, endanger the Foundation's Code section 501(c)(3) status.

6. ADMINISTRATIVE PROVISIONS. Notwithstanding anything herein to the contrary, the Foundation shall hold the Fund, and all contributions to the Fund, subject to the provisions of the applicable Illinois laws and the Foundation's Articles of Incorporation and Bylaws. The Board shall monitor the distribution of the Fund to ensure it is used exclusively for charitable or other exempt purposes (within the meaning of Code section 170(c)(1) or (2)(B) and shall have all powers of modification and removal specified in United States Treasury Regulations Section 1.170A-9(e)(11)(V)(B),(C), and (D).

7. CONDITIONS FOR ACCEPTANCE OF FUNDS. The Agency agrees and acknowledges that the establishment of the Fund herein created is made in recognition of, and subject to, the terms and conditions of the Articles of Incorporation and Bylaws of the Foundation as from time to time amended, and that the Fund shall always be subject to such terms and conditions, including, but not by way of limitation, provisions for:

- a) Presumption of Agency's and other Donor's intent;
- b) Variance from Agency or Donor's direction;
- c) Amendments.

8. CONTINUITY. The fund shall continue so long as assets are available in the Fund and the purposes in the Fund can be served by its continuation. If the Fund is terminated, the Foundation shall devote any remaining assets in the Fund exclusively for charitable or other exempt purposes that:

- a) are within the scope of the charitable or other exempt purposes of the Foundation's Articles of Incorporation, and,
- b) most nearly approximate, in the good faith opinion of the Board, the original purpose of the Fund.

9. NOT A SEPARATE TRUST. The Fund shall be a component part of the Foundation. All money and property in the Fund shall be part of the pool of endowment funds and held as general assets of the Foundation and not segregated as trust property of a separate trust; provided that for purposes of determining earnings allocable to the Fund and the value of the principal of the Fund, the interest of the Fund in the pool of endowment funds shall be a percentage determined by dividing the total amount of all gifts to the Fund by the then value of all endowment funds of the Foundation, such percentage interest being subject to adjustment at the time of each addition to or reduction of the endowment funds of the Foundation.

10. ACCOUNTING. The receipts and disbursements of the Fund shall be accounted for separately and apart from those of other gifts to the Foundation and the Foundation shall provide the Agency with an annual accounting of the Fund. The Financial Accounting Standards Board has issued Standard 136, which sets out the accounting rules for a fund established with the SRCCF by an organization that is also the recipient of distributions from that fund. Assets that are placed with the

SRCCF by the Agency itself can be recorded as an asset on the Agency's balance sheet. Assets that are contributed to the SRCCF by donors other than the Agency must be recorded as assets of the SRCCF.

11. **INVESTMENT OF FUNDS.** The Foundation shall have all powers necessary, or in its sole discretion desirable, to carry out the purposes of the Fund, including, but not limited to, the power to retain, invest and reinvest the Fund and the power to commingle the assets of the Fund with those of other funds for investment purposes. Investments shall be made in accordance with written investment objectives, policies and procedures adopted by The Foundation, a copy of which will be provided to a Donor upon request.

12. **COSTS OF THE FUND.** In order that the Fund shall share a fair portion of the total investment and administrative costs of the Foundation, the Foundation shall be entitled to withdraw annually from the Fund an amount equal to two percent (2%) of the corpus of the Fund.

IN WITNESS WHEREOF, the Agency has executed this Agreement and the Foundation has caused this Agreement to be approved by its Board and to be executed by a duly authorized officer, all as of the day and year first above written.

BY: _____ BY: _____
Agency Officer Agency Officer Date

BY: _____, President and CEO, SRCCF

The Starved Rock Country Community Foundation includes information about donors, grantees and funds in our social media, website and other printed materials. Sharing stories of the funds our donors establish inspires others. Indicate your recognition preferences below:

- This Fund name may be included in print and online publications, and my/our name(s) can be disclosed.
- This Fund story may be included in print and online publications.
- Do not list my/our name(s) or Fund on fund listings.
- Other: _____

DRAFT

Connecting People Who Care with Causes that Matter
STARVED ROCK COUNTRY COMMUNITY FOUNDATION
241 Marquette Street LaSalle, IL 61301 info@srccf.org www.srccf.org
FOR. GOOD. FOR. EVER.