

SAMPLE – SCHOLARSHIP DESIGNATED FUND

TOLEDO COMMUNITY FOUNDATION, INC.
FUND AGREEMENT

Name of Donor or Donors (hereinafter referred to as the "Donor") hereby irrevocably gives, conveys and assigns to the Toledo Community Foundation, Inc. (hereinafter referred to as the "Foundation"), a public charity described in sections 501 (c) (3) and 170 (b) (1) (A) (vi) of the Internal Revenue Code, the following property:

Type and amount of asset

To have and to hold the same absolutely, upon the terms and conditions set forth in the Articles of Incorporation and Code of Regulations of the Foundation, and further subject to the following provisions and conditions:

1. The gift shall be known as the *name of fund* (hereinafter referred to as the "Fund").

2. Available annual distributions from the Fund shall be made (according to the Foundation's spending guidelines) to *name of school system/educational institution (or its successor)* for the following purpose(s) as permitted by Internal Revenue Code Section 170:

To provide educational scholarships for *deserving graduates of name of high school (or any high school that succeeds name of high school in the future) or students of educational institution (or its successor)*.

In order to receive distributions from the Fund, the *name of school system/educational institution* must be an organization described in Section 501 (c) (3) of the Internal Revenue Code.

It is the Donor's desire that the selection criteria utilized in selecting scholarship recipients include consideration of (but are not limited to) the following:

- a) Average to above academic achievement;*
- b) Involvement in extra curricular and/or community activities (i.e., athletic, musical, artistic, academic, etc.) and/or paid employment, during his/her high school years; and*
- c) Need for financial assistance in order to pursue/continue education.*

Name of school system/educational institution shall be responsible for developing and implementing a process to be used in selecting scholarship recipients to ensure that selection is made on an objective and non-discriminatory basis. Name of school system/educational institution shall provide the Toledo Community Foundation with information regarding:

- d) The selection process, including the criteria used in selecting recipients. Such criteria shall include the selection criteria outlined above;*
- e) The names, qualifications and institutions to be attended by students selected to receive scholarships; and*
- f) Other information (relevant to the use of distributions from the Fund), which may be requested by the Foundation from time to time.*

If, in any given year, *name of school system/educational institution* determines there is no deserving recipient of the *name of Scholarship Fund*, the Foundation will be informed that no awards shall be given that year.

3. The Fund may be increased by additional gifts by the Donor or others, and any such additional gifts shall be held subject to the provisions and conditions herein stated.

4. It is understood and agreed that in the event there are liabilities associated with assets given to this Fund, such liabilities become liabilities of this Fund only and not of the Foundation or of any other component Fund.

5. It is intended that the Fund shall be a component part of the Foundation, and that nothing in this Agreement shall affect the status of the Foundation as an organization described in Section 501 (c) (3) of the Internal Revenue Code of 1986, as amended, and as an organization which is not a private foundation within the meaning of Section 509 (a) of the Internal Revenue Code.

This Agreement shall be interpreted in a manner consistent with the foregoing intention and so as to conform to the requirements of the foregoing provisions of the federal tax laws and any regulations issued pursuant thereto. The Foundation is authorized to amend this agreement to conform to the provisions of any applicable law or government regulation in order to carry out the foregoing intention. References herein to provisions of the Internal Revenue Code of 1986, as amended, shall be deemed references to the corresponding provisions of any future Internal Revenue Code.

6. The assets of the Fund may be commingled for investment purposes with the assets of other gifts made to the Foundation.

7. The Donor's expressed desire with regard to the Fund shall be respected and observed, subject however, in every case to the condition that if and whenever circumstances shall appear to the Board of Trustees of the Foundation to render unnecessary, impractical or impossible compliance with the terms of the Fund, the Board of Trustees 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 needs of the community or area served without regard to and free from any specific restriction, limitation or direction imposed by the Donor.

Agreed to and signed this ____ day of _____, 200_

DONOR

Donor's name

TOLEDO COMMUNITY FOUNDATION, INC.

Keith Burwell, President