



**SAMPLE FUND DOCUMENT**  
**DONOR ADVISED FUND**  
**AGREEMENT**

THIS AGREEMENT is made this \_\_\_\_\_, 2016 by \_\_\_\_\_, hereinafter referred to as "Donors", and the Central Kansas Community Foundation, a 501 (c) (3) corporation organized under the nonprofit corporation law of the state of Kansas, with its principal office located at 301 North Main, Newton, KS. hereinafter referred to as "Foundation."

WHEREAS, Donors have made an initial gift hereby the transfer of cash or other property to establish the \_\_\_\_\_ ("Fund") with **Central Kansas Community Foundation** ("Foundation");

WHEREAS, the Foundation is authorized to accept charitable contributions to the Fund subject to the terms set forth herein; and

NOW, THEREFORE, the Foundation represents that it has received this Agreement, and that it will make distributions as provided herein and in accordance with the Donors' directions, which are stated as follows:

Donors intend that the income and principal (or "**annual net income**") from the Fund be available for distribution in accordance with the charitable purposes set forth in the Bylaws of Central Kansas Community Foundation.

**DISTRIBUTION.** Distributions shall be made by the Foundation after receiving and approving the advice in writing from \_\_\_\_\_ or \_\_\_\_\_.

In the event the Donor or his/her Successors do not provide direction in writing for any given year, the Foundation per this agreement may make distributions to the follow:

- |    | Charity | % |
|----|---------|---|
| 1. |         |   |
| 2. |         |   |

**SUCCESSOR ADVISORS.** When their privilege to advise the Fund terminates upon death or resignation, or incapacity to serve, the successor advisors to the Fund shall be \_\_\_\_\_ and \_\_\_\_\_. When or if two persons are eligible to be successor advisors, they shall act by unanimous consent; when or if more than two persons are eligible to be successor advisors, then a grant recommendation by a majority of such persons shall constitute an effective recommendation for consideration by the Foundation. Succeeding generations may serve as successor advisors to the Fund in accordance with the Foundation's policies.

Successor advisors shall have the ability to recommend grant distributions from the income and principal of the Fund by advising the Foundation in writing. **[If “annual net income” is chosen above, the following language should be inserted:** Net income shall be defined as an amount that shall be computed annually based upon the current spending policy of the Foundation (currently 5% of the year-end Fund balances). If any portion of the net income is not distributed in a particular calendar year, the undistributed net income for such year shall be added to principal.

**ADMINISTRATIVE FEE.** Donors hereby acknowledge receipt of the Administrative and Investment Management Fee Schedule attached and accept the terms of said schedule. By completion of the agreement, Donors further understand the fee schedule is subject to modification and may be increased or decreased at the sole discretion of the Foundation’s Board of Directors. Donor agrees to be bound by the most current schedule of fees published by the Foundation.

Donor further understands that the Foundation, though its duly authorized committees reserves the right to make the final decision regarding distributions from the fund. The Fund shall be the exclusive property of the Foundation, held by its corporate capacity, and shall not be deemed a trust fund held by it in a trustee capacity. The Foundation shall have the ultimate authority and control over all property in the Fund, and the income derived from it, in accordance with the Articles of Incorporation and Bylaws of the Foundation (as they may be amended from time to time), and the terms of this Agreement, applied in a manner not inconsistent with said Articles and Bylaws.

**Exercise of Variance Power.**

- a. This Agreement is subject to the Foundation’s authority to vary the terms of the gift. As stated in Article V Section 3 of the Foundation’s Bylaws, the Foundation may exercise variance power.
- b. The Foundation shall promptly notify the Donor of any decision made to exercise the variance power. Notification of the exercise of the power shall be delivered in writing to the last known address of the Donor within 90 days following the Board’s decision. The Foundation shall also notify the Donor if it becomes aware of any other action instituted or proposed by any person to vary the purposes, uses or method of administration of the Fund.
- c. If the Foundation ceases to be a qualified charitable organization or if the Foundation proposes to dissolve, the asset of the Fund shall, after payment or making provision for payment of any liabilities properly chargeable to the Fund, be distributed for cause previous recipients. If that recipient(s) is not then available, said assets shall be distributed in such a manner and to such organization or organizations in the area community as satisfies the requirements of a qualified charitable organization and serves purposes similar to those of the original recipient(s).
- d. **Exercise of Variance Power.** The board 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. Donors acknowledge the authority of the Board of Directors to alter distribution, but requests that to the maximum extent possible the purposes stated in this Agreement be followed.

**If the donor does not designate a specific charitable purpose for the Fund, the following sentence should be used (and the last paragraph below should be deleted):** If the persons named above are not available to advise and consult with the Foundation due to death, resignation, or incapacity to serve, The Foundation shall use the principal and income from the Fund for its general and charitable purposes as set forth in the Bylaws.

**If the donor has designated one or more specific charitable purposes for the Fund, the following sentences should be used (and the paragraph directly above should be deleted):** If the persons named above are not available to advise and consult with the Foundation due to death, resignation, or incapacity to serve, the Foundation may appoint successor advisors. In the event that the Board of Directors of the Foundation determines that continued distributions for the above specified charitable purpose(s) have become unnecessary, obsolete, incapable of fulfillment, impractical or inconsistent with the community’s charitable needs, the Foundation may change the field of interest of the Fund or shall use the principal and income from the Fund for its general and charitable purposes as set forth in the Bylaws.

Donor

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
Angie Tatro, Executive Director  
Central Kansas Community Foundation