

SAMPLE

AGREEMENT FORM – ORGANIZATIONAL FUND

On this date, _____, 201_, and with this Organizational Fund Agreement (“Agreement”), _____ (“Donor”), makes an irrevocable gift of \$_____ to the Hampton Roads Community Foundation (“HRCF” or “Foundation”), a 501(c)(3) organization authorized to receive and hold charitable funds in accordance with its Articles of Incorporation and Bylaws.

A. HRCF accepts this gift subject to the terms and conditions of this Agreement as follows:

1. That the gift shall be used to establish a permanent component fund on the books and records of the Foundation, to be known as the _____ Fund (“Fund”).
2. That, subject to the Foundation’s Gift Acceptance and Donor-Initiated Fundraising policies, the Donor and only the Donor may make additional contributions to the Fund.
3. That the Fund’s purpose shall be to provide support for the Donor. That the annual amount available for distribution from the Fund to the Donor shall be determined under the HRCF policies in effect from time to time with respect to distributions from permanent funds. The Foundation may distribute a lesser amount or make no distribution during any year if so requested by the Donor.
4. That, upon an affirmative vote of three-quarters of the Donor’s governing body, the Donor may request distributions from the fund in excess of HRCF’s spending policy provided that at least one of the following conditions is met and subject to the approval of the Foundation’s Board of Directors:
 - The distribution enables the Donor to acquire or renovate a capital asset.
 - The Donor faces unexpected financial needs that are not likely to recur, and the distribution enables the Donor to meet those needs.
 - The distribution is deemed to be in the best interest of the community.

B. In addition to the above terms and conditions, the Donor further agrees to the following administrative provisions:

1. That HRCF shall have absolute authority and discretion as to the investment of the Fund’s assets.
2. That all property and money in the Fund shall be the assets of the Foundation, may be co-mingled with other Foundation assets, and shall not be deemed to be held in trust, and the Foundation shall not be deemed to act as Trustee with respect to the Fund. HRCF shall not be required to segregate the assets of the Fund for investment purposes; however, it shall be required to maintain a separate accounting of the Fund on its books and records. HRCF shall own the assets

comprising the Fund notwithstanding the manner in which the Foundation may be required to report these assets on its financial statements.

3. That if HRCF in good faith determines that any condition or restriction on which the Fund is held, including any condition or restriction provided for in this Agreement, has become in effect, unnecessary, impractical or incapable of fulfillment, or inconsistent with the charitable needs of southeastern Virginia, the Foundation shall be authorized to modify such condition or restriction. HRCF shall notify the Donor in writing of any exercise by the Foundation of its modification power, (i) within 10 days after the Foundation's act exercising that power, and (ii) at least 30 days before the modification takes effect.
4. That, subject to the foregoing provisions of paragraph 3, if Donor ceases to exist as a charitable organization exempt from federal income tax, HRCF shall thereafter hold the Fund for charitable and benevolent purposes that the Foundation in its good faith determination most nearly approximate the original charitable and benevolent purposes of the Donor.
5. That the Fund is subject annually to an administrative fee based on the Foundation's then current administrative fee structure. The Donor(s) has received and reviewed HRCF Policy 7110 (General Support from Component Funds).

SO AGREED:

/Signature/
Deborah M. DiCroce
President & CEO
Hampton Roads Community Foundation

/Signature/
[Donor's Name]
[Donor's Address]

[Donor's Phone Number]