

ENDOWMENT AGREEMENT

This Endowment Agreement (“Agreement”) is made and entered into on the _____ day of _____, 20____. Between _____ (“Donor”) and the Yuba Community College District Foundation (“Foundation”), a nonprofit public benefit corporation located in Yuba City, California. The purpose of the agreement is to establish an endowment fund to be held, managed and used by the Foundation for the benefit of the Yuba Community College District.

Accordingly, the Donor and the Foundation agree as follows:

1. Establishment, Acknowledgement and Naming of Endowment

By this Agreement, the Foundation acknowledges that the Donor has made, or will make, contributions to the Foundation, and that those contributions made, or that will be made, are for the purpose of establishing an endowment fund known as the _____ Endowment Fund (“Fund”).

Donor understands and acknowledges the following:

- A. Minimum Balance: A minimum balance of \$12,000 is required to create the Fund.
- B. Time Period: The required minimum balance of \$12,000 must be reached within three years of the date on which the first contribution establishing the Fund is made.
- C. Distributions: No distributions will be made until the Fund reaches the required minimum balance and thereafter will be made in accordance with Foundation policies.

2. Gift Purpose and Criteria

The Foundation agrees to hold, invest, and administer a portion of the value and proceeds from the Fund for the purposes described herein, and/or accordance with the following criteria detailed on the Foundation Scholarship Criteria Form attached to this agreement.

Endowment Purpose: _____

Foundation Scholarship Criteria Form Attached

Final approval and adoption of all provisions shall be the responsibility of the Foundation Board of Directors.

3. Financial Administration of the Fund

The endowment corpus of the Fund shall be held in perpetuity as an endowment, and the endowed corpus and the total investment return, which may include interest, dividends, and unrealized and realized gains and losses, shall be held or disposed of in accordance with the terms and conditions prescribed herein, Foundation policies and guidelines,

applicable laws of the State of California, including the Uniform Prudent Management of Institutional Funds Act (“UPMIFA”) as enacted by the State of California, and generally accepted accounting practices.

4. Expendable Distribution from the Fund

The amount available for spending from the Fund shall be determined annually in accordance with the Foundation’s Endowed Account Guidelines for Establishing an Endowment, as established by the Foundation’s Board of Directors.

Donor understands and acknowledges the following process if the Fund is established for the purpose of awarding scholarships:

- A. The scholarship will be placed in the Foundation scholarship system for advertising and awarding of the scholarship.
- B. A scholarship committee will be used to review applications and make awards.
- C. Donor will not derive any private benefit, directly or indirectly, from the selection of recipient.

5. Investment

For investment purposes, all contributions to the Fund will be pooled with and become part of the general endowment funds and investment assets of the Foundation. Foundation shall invest the Fund’s assets in accordance with the Foundation’s investment policy. Although all contributions to the Fund will be pooled, the Foundation shall keep records for the Fund’s balances, investments, gains and losses. The endowment corpus amount may at times be less than the original corpus amount due to realized and unrealized losses on investments, including the Foundation’s administrative service fee of 2 percent of the corpus annually.

6. Additional Contributions to the Fund

Any individual, corporation, foundation, trust, estate or other legal entity may make additions to the Fund, in cash or with other property that is acceptable to the Foundation and such additions shall be subject to the provisions of this Agreement.

7. Unspent Awards

If in a given year no use or only a partial use is made of the amount available for awarding from the Fund, then the unused amount shall be returned to the endowment corpus of the Fund.

8. Alternate Application of the Fund or Its Total Investment Return

If, within three years of the initial contribution establishing the Fund, the Fund has not reached the \$12,000 minimum balance required to establish an endowed fund, then the Foundation, at its sole discretion, shall either grant an extension of time, or the funds available will be expended expeditiously and as nearly as possible in compliance with the purposes and criteria set forth in Section 2 of this Agreement.

The Donor consents and agrees that, in the event that the management, investment, or use of the Fund becomes impractical or impossible, the Foundation, in consultation with the Yuba Community College District, shall determine how to best utilize the amount available for award from the Fund in a manner that coincides as closely as possible with the Donor's original intent and shall implement such changes to the management, investment or use of the Fund. In any such alternate application of the amount available for award, the funding source shall continue to be clearly identified as the name of the fund stated on page one of this agreement.

9. Administrative Service Fee

An administrative service fee, as established by the Foundation's Board of Directors, will be assessed to the Fund annually to cover administration activities of the Fund. The Foundation will calculate and charge against the Fund assets an administrative service fee of two percent (2%) based on the two-year average value of the Fund on the last day of June of each year.

10. Reports

The Donor will receive an annual report of activity of the Fund from the Foundation.

11. Donor Confidentiality

The Foundation respects the Donor's right to privacy and shall treat the Donor's financial and personal information as confidential materials to the extent permitted under applicable state and federal statute. If not otherwise prohibited in this agreement, however, the Foundation shall have the right to recognize the existence of the Fund in its annual report, in its internal financial reports, and in required audit statements.

12. Amendment of Agreement and Donor Successor Management

This Agreement may be amended during the Donor's lifetime by mutual written consent of the Donor and the Foundation. Furthermore, this Agreement shall be binding upon and inure to the benefit of the parties hereto, their successors, and assigns and the heirs, executors, administrators and legal representatives of the Donor.

13. Correspondence Contacts

Any correspondence should be sent to the following:

Foundation
Thomas Lowden
Executive Director
425 Plumas Blvd., Suite 200
Yuba City, CA 95991
530.740.1704
foundation@yccd.edu

Donor
Name: _____
Address: _____
City/St/Zip: _____
Phone: _____
Email: _____

14. Acceptance of Agreement

The Donor and/or designee and the authorized representative of the Foundation hereby affix their signatures in acceptance of this Agreement.

Yuba Community College District Foundation

Donor

Thomas J. Lowden, Executive Director

(print) _____

Date: _____

Date: _____