THIS FUND AGREEMENT (“Agreement”) is made this ___ day of ___, 20___ between the McPHERSON COUNTY COMMUNITY FOUNDATION, a community foundation (“Foundation”), and ______________________ (“Donor”), to establish a scholarship fund of the Foundation.

1) Creating the Fund.

   Initial Contribution. The donor hereby contributes ___________ to the Foundation to create the ___________________________ (the “Fund”). The Donor or any other person may make a subsequent contribution to the Foundation for the Fund. All contributions to the Fund shall be administered pursuant to the terms and conditions of this agreement. The Fund shall be held by the Foundation.

2) Purpose of the Fund.

   a) The purpose of the fund is to provide scholarships for ___________________________ planning to pursue a post-secondary degree.

   b) In the event that is becomes unnecessary, undesirable, impractical or impossible to utilize funds for such purposes, the Foundation shall have the right to utilize the Fund for scholarships for ___________________________ planning to attend post-secondary schools or such other charitable purposes as it deems appropriate in accordance with its governing instruments.

3) Distributions from the Fund.

The Foundation shall make distributions from the Fund in accordance with a Spending Policy adopted by the Foundation’s Board of Director’s (the “Board”) for funds of the Foundation. The Spending Policy states: The McPherson County Community Foundation Endowment Fund spending rate will be set at a level that can reasonably be expected to allow for real growth of endowment principal over time given the asset allocation policy and long-term performance results.

The Finance/Investment Committee will recommend a minimum spending rate subject to board approval regardless of current year fund performance, subject to minimum requirements and donors instruction.
4) **Scholarship Selection Committee.**

A selection committee for the Fund will be designated by the Board annually. Donors or their family members may not make up the majority of any advisory committee. There must be no benefit to a donor, relative of a donor, or individual selected solely by the donor. Members of an advisory committee must disclose any familial relationship with any applicant and must refrain from voting on that particular applicant.

5) **Administration.**

a) The Foundation shall administer the Fund in accordance with the terms of this Agreement, under and subject to the Foundation’s governing instruments, as amended from time to time, and in accordance with procedures for the administration of similar funds of the Foundation, including charges for Foundation services.

b) No distribution shall be made from the Fund to satisfy a pledge or other commitment of the Donor or any other person with right to advise the Foundation.

c) Any recipient of benefits from the Fund shall be advised that such benefits are from the Fund.

d) It is intended that the Fund shall be a “component part” of the Foundation.

e) Charges shall be assessed against the Fund annually based on the Investment Policies and consistent with the charges assessed against similar funds of the Foundation.

**DONORS:**

By: ___________________________________________ Date: ________________

By: ___________________________________________ Date: ________________

**McPHERSON COUNTY COMMUNITY FOUNDATION**

By: ________________________________ By: ________________________________

Becky Goss, President/CEO Chair-McPherson County Community Foundation