



THE COMMUNITY FOUNDATION

ACORN ADVISED ENDOWMENT FUND

This ACORN ADVISED ENDOWMENT AGREEMENT ("Agreement") is made this _____ day of _____, _____ between Rochester Area Community Foundation, a charitable Foundation ("Foundation"), and _____ ("Donor") to create an Acorn advised endowment fund ("Fund") of the Foundation.

(1) Name of Fund. The name of the Fund created hereby is the _____

(2) Initial Contribution. Upon signing this Agreement, the Donor will transfer and deliver to the Foundation the property described as follows: _____

(3) Purposes. The purposes of the Fund are to further or carry out the charitable and educational purposes of the Foundation.

(4) Successor Advisor(s) to the Fund. After the donor(s) lifetime(s) the following person(s) is (are) authorized to provide grantmaking recommendations for the Fund:

After their lifetimes, remaining balances will be added to the Foundation's general endowment, or if more than \$25,000 will be:

- maintained in the name of the fund as a permanent endowment for general community purposes
- maintained in the name of the fund as a permanent fund for the following broad field(s) of interest: _____

(5) Management. The Foundation hereby agrees to accept cash and other valuable property transferred to it by the donors and others who wish to participate in the Fund. Gifts to the Fund shall be invested and reinvested as part of the Foundation's permanent endowment funds, subject to the same policies for investment, determination of current distribution amount, and allocation to cover Foundation administrative costs, as shall be adopted from time to time for its permanent endowment funds. Any fundraising activity must be approved by the Community Foundation in advance. The Fund is open-ended and can be added to at any time. It is intended that the Fund will grow to a minimum of \$25,000 within ten years through annual or planned gifts. If the fund does not reach \$25,000 within ten years (and if there is no planned gift), its assets will be added to the 21st Century Fund.

(6) Distributions. Distributions from the Fund shall be made in accordance with such procedures for the administration and operation of such funds of the Foundation as may be in effect from time to time. Until such time as the Fund reaches a value of \$25,000, income earned by the Fund will be returned to the Fund. Once the Fund reaches \$25,000, the Foundation agrees to receive recommendations regarding distributions for charitable uses. If the fund has remained dormant without grantmaking for five years, the Foundation will make every effort to secure grantmaking advice from the advisor(s) and, if unsuccessful, will make distributions in accordance with Board-designated priorities for this region.

(7) Compensation to Foundation. As compensation for its services the Foundation shall receive those fees which it customarily charges for services of a nature similar to those required herein. (currently 1% of fund value annually).

The Fund is protected from obsolescence. Should the purposes for which the Fund is established ever become obsolete or incapable of fulfillment, the Board of Directors of Rochester Area Community Foundation shall exercise its judgment to select a similar use for the funds which will most nearly fulfill the original charitable intent of the Fund.

The Foundation represents that it is a not-for-profit tax exempt organization authorized to establish the Fund, which has received a 501(c)(3) tax exempt designation from the Internal Revenue Service, and that contributions to the Fund will be tax deductible by the donors. Any statement in this Agreement notwithstanding, contributions to the Fund, like all endowment contributions to the Foundation, are permanent funds of the Foundation and must be administered in accordance with the charter and bylaws of the Foundation and in accordance with applicable laws and regulations governing the Foundation.

DONOR

ROCHESTER AREA COMMUNITY FOUNDATION

Sign _____

Sign _____

Print _____

Title _____

Date _____

Date _____