



**COMMUNITY
FOUNDATION**
OF HARFORD COUNTY

Community Foundation of Harford County
P.O. Box 612
Bel Air, MD 21014
443.371.6062

The _____ Endowment Fund

AGENCY ENDOWMENT FUND AGREEMENT

THIS AGREEMENT ("Agreement") is made effective between the **COMMUNITY FOUNDATION OF HARFORD COUNTY, INC.**, a nonprofit Maryland corporation and community foundation ("Foundation"), and **[AGENCY NAME]** ("Agency"), a nonprofit Maryland corporation, to create an Agency Endowment Fund of the Foundation. All persons and organizations making contributions to this fund shall be bound by the terms of this Agreement.

1. **Name of Fund:** The name of the fund created hereby is **The _____ Fund** ("Fund").
2. **Contributions:** Upon signing this Agreement, the Agency has transferred and delivered to the Foundation the property described in a schedule attached hereto as in Exhibit A and made a part of this Agreement, which shall constitute the Initial Contribution to start the Fund. The Agency represents that the Initial Contribution has not been subjected to trust or other restrictions whether by its donors or otherwise, nor are such contributions required to be held permanently or for any designated purposes other than charitable purposes within the corporate or charter powers of the organization.

The Foundation shall have the right to accept subsequent contributions to the Fund from any source. Contributions by other parties shall be governed by this Agreement or future amendments.

3. **Property of the Fund:** This Fund shall be the exclusive property of the Community Foundation of Harford County and owned by it in its normal corporate capacity and shall not be deemed to be a trust fund held by it in a trustee capacity. The Foundation shall have the ultimate authority and control over the Fund and the income derived from it.

The Foundation acknowledges receipt of the Initial Contribution described above, and agrees

to accept and administer the Initial Contribution and any subsequent contributions (hereinafter collectively referred to as “Contributions”) to the Fund under this Agreement on the terms and subject to the conditions set forth in the Foundation’s governing instruments, including its Articles of Incorporation and By-Laws, as amended from time to time, and any Resolutions, Policies and Procedures adopted by the Foundation.

This Agreement shall be interpreted in a manner consistent with the within expressed intentions and so as to conform to all the requirements of the federal tax laws and any regulations issued pursuant thereto applicable to the Foundation. The Foundation is authorized to retroactively amend the Agreement to (i) conform to the provisions of any applicable law or government regulation in order to carry out the provisions of the Agreement and (ii) protect the tax status of the Foundation. The Foundation will provide the Agency with advance notice of proposed amendments but the failure by the Foundation to provide such advance notice shall not invalidate any such amendment.

4. **Investment Management:** The Foundation’s Board of Directors may delegate investment management of such assets to the Foundation’s committees, officers or employees, or to independent third parties under contract. Assets of the Fund may be comingled and invested together with others of the Foundation’s funds for investment purposes provided a reasonable method is applied for allocating to the Fund its proportionate share of total return.

Without restricting the Foundation’s investment decisions, the Agency recognizes and accepts that the Fund will be invested in a portfolio maintained by the Foundation that consists of a mix of equity and debt securities, alternative asset classes, money market, cash and equivalent, which the Foundation has designed with the intent to produce total return that will maintain the value of the Fund against the Consumer Price Index while permitting a reasonable annual distribution to the Agency, net of fees, over the long term.

The Agency recognizes and accepts that financial market volatility may result in available distributions significantly below original gift value.

5. **Purpose:** The Fund shall be used for the support of the charitable, scientific, or educational purposes of the Agency and its affiliated agencies (if any). The Fund shall be an Agency Endowment and not a Donor Advised Fund. No donor or any person appointed or designated by the Agency shall have a right to advise the Foundation to make distributions from the Fund to any organization or entity for any purpose. No distributions will be made to discharge or satisfy a legally enforceable pledge or obligation or to pay for goods or services of value for or to the Agency or a donor.
6. **Distributions to Agency:** Distributions from the Fund shall be in accordance with the Spending Policy established by the Foundation’s Board of Directors and shall be paid and distributed at least annually. The Agency may elect that distributable amounts be reinvested pursuant to the Foundation’s policies.

In transferring its property to the Fund, the Agency intends to create an endowment fund

invested in a portfolio maintained by the Foundation. However, distributions in excess of the amount dictated by the application of the Foundation's Spending Policy may be made to the Agency in any year as determined by the Board of the Foundation, within its sole and absolute discretion. Such distributions will only be made by the Foundation if it concludes that they are in the best interest of the Agency and in accordance with the charitable purposes of the Agency and the Foundation.

7. **Administrative Fee:** The Fund will be charged regularly for a proper and reasonable allocation of direct and indirect expenses attributable to the creation and the usual and normal investment and other costs of management of funds of this type plus costs attributed to services to the Fund beyond normal and usual, if any. The administrative fee charged against the Fund shall be determined in accordance with the Foundation's Fund and Administrative Fee Policy. The fee assessed by the Foundation will be subject to increase or decrease as, in the discretion of the Board, conditions require.
8. **Variance Power:** This Agreement is subject to the Foundation's authority to vary the terms of the gift. Notwithstanding any provision contained herein to the contrary, the Foundation specifically retains the right to modify any restriction or condition regarding distributions from the Fund for any charitable purpose or to any organization, if, in the sole judgment of the Foundation's Board of Directors such restriction or condition becomes unnecessary, incapable of fulfillment, or inconsistent with the charitable purpose of the Foundation or contrary to the well-being of Harford County, Maryland.
9. **Continuity of the Fund:** If the Foundation dissolves, or ceases to hold or administer the Fund or otherwise function under this agreement, the assets of the Fund, after payment or making provision for payment of any liabilities properly chargeable to the Fund, shall be distributed to the Agency.

The Fund will continue for the exclusive use and benefit of the successor or surviving organization if the Agency merges or consolidates with another entity which is also a tax-exempt charitable organization under Internal Revenue Code Section 501(c)(3). If the Agency is not then a qualified charitable organization, said assets shall be distributed in such manner and to such organization or organizations in the Harford County community as satisfies the requirements of a qualified charitable organization and serves purposes similar to those of the Agency.

9. **Foundation Activities:** The Foundation exclusively shall:
 - (a) Manage the investment of the Fund in cooperation with appropriate fiscal managers;
 - (b) Complete appropriate distributions of income from the Fund;
 - (c) Publicize the establishment and ongoing activity of the Fund;
 - (d) Issue a summary of the Fund's financial activity, including assets held, investment return generated, distributions made, and contributions accepted on a yearly basis after the end of each calendar year;
 - (e) Prepare and submit all reports required by law.

10. **Agency Acknowledgement:** The Agency agrees to all terms and conditions set forth in this agreement and acknowledges that the Agency's contributions to the Fund as set forth in Schedule A represent an irrevocable contribution to the Foundation.

11. **Scope and Interpretation:** This Agreement shall be interpreted under the laws of the State of Maryland.

IN WITNESS WHEREOF, Agency has caused this Agreement to be executed as of this _____ day of _____, 2021.

WITNESS:

AGENCY:

BY: _____

President

This Agreement is accepted with thanks and appreciation by the Foundation on the above terms and conditions on this _____ day of _____, 2021.

WITNESS:

COMMUNITY FOUNDATION OF
HARFORD COUNTY, INC.:

BY: _____

Jennifer Farrell
Executive Director



**COMMUNITY
FOUNDATION**
OF HARFORD COUNTY

**Community Foundation of Harford County
202 S. Main Street, P.O. Box 612
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NAME OF FUND

SCHEDULE A

DESCRIPTION OF PROPERTY

Delivered to the Community Foundation of Harford County for the aforementioned Agency Endowment Fund:

Assets given:

\$ _____

Date: _____



Community Foundation of Harford County
202 S. Main Street, P.O. Box 612
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Name of Fund

AGENCY CERTIFICATION

The undersigned officer of the _____ certifies to the Community Foundation of Harford County as follows:

1. _____ is an exempt organization within the meaning of 501(c)(3) of the Internal Revenue Code of 1986, assigned the Federal Employer Identification Number _____, and is a publicly supported organization within the meanings of Section 509 of the Internal Revenue Code of 1986, and regulations promulgated thereunder.
2. That the establishment of a nonprofit agency endowment fund at the Community Foundation of Harford County has been duly authorized by vote of the Board of Directors of the _____, which is, under our charter and by-laws, the appropriate body for this decision, and such authorization has not been rescinded and remains in full force and effect as of the date of this Certification. The Board of Directors understands that an initial contribution to the Community Foundation of Harford County in the amount of \$_____ has been duly authorized in order to establish said fund.

The undersigned makes this Certification to the Community Foundation of Harford County effective this _____ day of _____, 2021.

By: _____
Board Secretary



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PR Release Form

Agency Name: _____

Name of Fund: _____

Date Established: _____

Permission to report:

Agency Name: Yes No

New Fund: Yes No

Initial Gift: Yes No Amount _____

Additional Gifts: Yes No Amount _____

List Named Fund in CFHC Publications: Yes No

Comments:

Signature: _____

Signature: _____

Print: _____

Print: _____

Title: _____

Title: _____

Date: _____

Date: _____