THE JEFFERSON COMMUNITY FOUNDATION

SCHOLARSHIP FUND AGREEMENT

This agreement made and entered into on this _____day of _____, 20____ by and between the JEFFERSON COMMUNITY FOUNDATION ("JCF") and _____, hereinafter referred to as the "Donor". The Donor has delivered a gift of $_____, or the absolute transfer of property, described in Exhibit A, to the Foundation. This constitutes an ***outright and irrevocable*** gift by the Donor to JCF to be used in carrying out its general charitable purposes as set forth in JCF's Declaration of Trust, as amended from time to time, and for the purposes and under the conditions set forth in this agreement. The purpose of this gift is to establish a permanently endowed fund of the Foundation which shall be known as the
Scholarship Fund ("the Fund"). The fund shall be distributed upon the following terms and conditions.

1. The Fund is established to primarily benefit the geographical area served by JCF through grants made to deserving and qualified scholarship recipients;

2. The Fund shall include property received from Donor, such property as has been or as may be, from time to time, transferred to JCF by Donor for inclusion in the Funds, such property as may, from time to time, be received by JCF from any other source and accepted by it for inclusion in the Fund, and all income form the foregoing property;

3. The Fund shall be the property of JCF held by it in its normal capacity, subject to its governing documents and written policies and any future amendments to the instruments and policies of JCF, all of which are incorporated by reference; it shall not be deemed a trust fund held by it in a trustee capacity.

4. Assets of the Fund may be commingled for purposes of investment with other assets of JCF. Control over the investment or reinvestment of such assets and the asset management of the Fund will be exercised exclusively by JCF. Upon signing of this fund agreement, the donor wishes the monies to be invested in (initial one):

☐ In a diversified portfolio as described in the JCF Investment Policy Statement, or the

☐ Short Term Case Equivalents Account

_____ _____

Donor Initials Date

5. The Fund shall provide scholarships from the Fund's principal or net income to _____
_____
_____
_____[*describe nature of scholarships to be awarded*].
Net income shall be calculated as a percentage of the market value of the Fund using a total return investment and spending approach as provided for in JCF's Investment and Spending Policies (as may from time to time be amended).

Scholarship recipients shall be selected by the Advisory Selection Committee. The Advisory Selection Committee members and process for selecting and replacing members are attached as Exhibit B. The procedures and guidelines for selection of scholarship recipients are attached as Exhibit C.

The scholarship program established by this Fund and recommendations of scholarship disbursements by the Selection Committee shall be consistent with JCF's Policies and Procedures for Scholarship Programs as may be amended from time to time. Recommendations of the Committee are advisory in nature and the final authority rests with JCF.

6. In the event there are no scholarship distributions from this Fund for more than two (2) consecutive years, the Foundation's board may award scholarships in accordance with JCF's Fund Spending Policy regarding the annual rate of distribution in line with donor's original intent.

7. JCF will provide all appropriate accounting and related financial management services associated with the Fund. The Fund will periodically be assessed the JCF administrative fee, which is currently calculated as a percentage of the Fund's market value as provided by JCF's Investment and Spending Policies. The Fund will periodically be assessed an investment management fee that is in accordance with the fees charged by the investment managers and advisors used by JCF. Fees are reviewed periodically and may increase or decrease from time to time.

8. It is intended that the Fund shall be a component part of JCF and not a separate trust and nothing in this agreement shall affect the status of JCF as an organization described in Section 501(c)3 of the Internal Revenue Code of 1986, and an organization which is not a private foundation within the meaning of Section 509(a) of the Code. This agreement shall be interpreted in a manner consistent with the foregoing intention and so as to conform to the requirement of the foregoing provisions of the federal tax laws and regulations issued pursuant thereto. JCF is authorized to amend this agreement to conform to the provisions of any applicable law or government regulation in order to carry out the foregoing intention. References herein to provisions of the Internal Revenue Code of 1986 shall be deemed references to the corresponding provisions of any future Internal Revenue Law.

_____ _____

Donor Initials Date

I/WE HEREBY ACKNOWLEDGE THAT THIS AGREEMENT and the gifts it represents are **ABSOLUTE AND IRREVOCABLE** and that, after the execution of this fund agreement, I/we shall have no right, title, interest or incidents of ownership in the property described in Exhibit A or any additional property transferred by the Fund. Further, I shall have no unilateral right to alter, amend or terminate this fund agreement.

_____ _____

DONOR Date

WE HEREBY ACKNOWLEDGE RECEIPT OF THE ABOVE GIFT, and agree to administer this Fund in accordance with the terms and conditions set forth in this fund agreement under the provisions of the Declaration of Trust of JCF.

_____ _____

JEFFERSON COMMUNITY FOUNDATION Date

EXHIBIT A

THE _____ FUND

Description of property donated: _____

_____

_____

_____

_____

_____ _____

Donor Initials Date

EXHIBIT B

ADVISORY SELECTION COMMITTEE

The Community Foundation shall appoint all members of any advisory selection committee charged with the evaluation of candidates for Scholarships. The agreement by the JCF to administer the scholarship fund set forth herein shall constitute the initial appointment by the JCF of the members of the scholarship advisory selection committee nominated by the Donor below.

No combination of Donor advisors, persons recommended or designated by Donor advisors (or persons related to any of these persons) to a fund that makes Scholarship Awards may, directly or indirectly, control any advisory selection committee established in connection with such Fund. For example, Donor advisors, persons recommended or designated by Donor advisors and persons related to any of these persons shall not constitute a majority of any such advisory selection committee (persons may include individuals, partnerships, corporations or trusts). Where a Donor advisor recommends a person for appointment to an advisory selection committee based on objective criteria related to the expertise of such person, such person will not be deemed to be appointed or designated by the Donor advisor. Donor advisors and related persons may provide advice with respect to the selection of grant or award recipients solely as members of an advisory selection committee.

Every member of any advisory selection committee charged with the evaluation of candidates for Scholarship Awards shall adhere to the relevant policies of the Community Foundation as they may be adopted and amended from time to time, including without limitation a conflict of interest and confidentiality policy. Every member of any advisory selection committee charged with the evaluation of candidates for Scholarship Awards shall be obligated to disclose any personal knowledge of and relationship with any potential grantee under consideration and to refrain from participation in the award process in a circumstance where he or she would derive, directly or indirectly, a private benefit if any potential grantee or grantees are selected over others. No scholarship covered by this policy may be awarded to any member of the Community Foundation's Board, any substantial contributor to the Community Foundation, any employee of the Community Foundation, or any other disqualified person as defined in IRC §4946(a) with respect to the Community Foundation, or, with respect to Scholarship Awards from a particular Fund, any Donor advisor or substantial contributor to such Fund or any member of an advisory selection committee to such Fund, or for a purpose that is inconsistent with the purposes described in IRC §170(c)(2)(B).

Each advisory selection committee established under this policy shall forward its recommendations to the Community Foundation in such a form and on such schedule as the JCF Board shall establish. The Community Foundation's Board shall approve each Scholarship Award made under this policy.

_____ _____

Donor Initials Date

The contact person for this Scholarship Fund is as follows:

Name:_____
Address:_____
_____
Telephone Number:_____
Alternate Telephone Number:_____
E-mail Address:_____

The Members of the Scholarship Advisory Selection Committee shall be as follows:
[Minimum of three, attach pages for additional members, if necessary]

Member Number 1:

Name:_____
Address:_____
_____
Telephone Number:_____
Alternate Telephone Number:_____
E-mail Address:_____

Member Number 2:

Name:_____
Address:_____
_____
Telephone Number:_____
Alternate Telephone Number:_____
E-mail Address:_____

Member Number 3:

Name:_____
Address:_____
_____
Telephone Number:_____
Alternate Telephone Number:_____
E-mail Address:_____

_____ _____

Donor Initials Date

PROCEDURES AND GUIDELINES FOR ADMINISTRATION OF
THE _____SCHOLARSHIP FUND

1. Projected Number of Scholarships and Amount(s): _____
   As the Fund grows in assets through investment or further additions, the donor's advisory committee or JCF Board will be empowered to increase the number of awards and amount.

2. Criteria for Selection and Eligibility:

   The criteria to be used in selecting scholarship recipients from a fund established at the Community Foundation must be based on criteria that are appropriate to accomplishing the underlying purpose of the scholarship fund as described in the agreement creating such Fund. Community Foundation Board members will work with donors to establish Funds that fulfill the donor's charitable goals and feature clear selection criteria.

   A. Scholarship Awards

   For Scholarship Awards, such criteria may include, but are not limited to, the following: prior academic performance, performance of each applicant on tests designed to measure ability and aptitude for educational work; recommendations from instructors for such applicant and any others who have knowledge of the applicant's capabilities, additional biographical information regarding an applicant's career, academic and other relevant experiences, financial need and conclusions which the grant selection committee may draw as to the applicant's motivation, character, ability or potential. Criteria may also include the applicant's place of residence, past or future attendance at a particular school, past or proposed course of study or evidence of his or her artistic, scientific, or other special talent. Preference may be given to applicants of a particular sex, race, ethnic background or religion so long as such preference does not violate public policy.

   Recipients of Scholarships must be (1) secondary school students; (2) undergraduate or graduate students at a college or university who are pursuing studies or conducting research to meet the requirements for an academic or professional degree; or (3) students – whether full time or part time – who receive a scholarship for study at an educational institution that provides an educational program acceptable for full credit toward a bachelor's or higher degree, or offers a training program to prepare students for gainful employment in a recognized occupation and it authorized under federal or state law to provide such a program and is accredited by a national recognized accreditation agency and all Scholarship Awards must be used for tuition and related expenses at an educational institution described in IRC §170(b)(1)(a)(ii), i.e., such institution must normally maintain a regular faculty and curriculum and must normally have a regularly organized body of students in attendance at the place where the educational activities are carried on.

_____ _____

Donor Initials Date

The Community Foundation reserves the right to impose additional, minor reasonable restrictions and/or requirements upon the awarding of Scholarship Awards and the administration of such Awards. Any substantial or material changes will be made only with approval of the Community Foundation's Board.

Additional Examples – Criteria of Eligibility:

A. Residency requirement
B. Level of study supported (undergraduate or graduate)?
C. Renewable beyond one year? Maximum number of renewals?
D. Field or fields of study and/or career guidelines?
E. Need based, merit based, both or neither?
F. Limitations on place of study? (within Wisconsin? Within continental U.S.A.?)

JCF will publicize the availability of this scholarship in its printed materials, will serve as a resource for the Advisory Selection Committee, and will distribute scholarship checks to the appropriate institutions; scholarships may not be paid out to individuals.

_____ _____

Donor Initials Date

Print Submit Form to JCF