



Springfield Foundation  
For good. For ever.®

LETTER OF TRANSMITTAL  
FUND AGREEMENT

**SAMPLE ADVISED FUND**

To the Board of Trustees:

Enclosed please find a check in the amount of \$(AMOUNT) payable to the Springfield Foundation, an Ohio not-for-profit corporation, for its charitable, educational and public purposes.

This gift hereby creates a fund as provided for or contemplated by the Articles of Incorporation and Code of Regulations establishing The Springfield Foundation subject to all the terms and conditions contained therein, and any amendments or additions thereto at any time made, except as hereinafter set forth.

I. NAME OF FUND

The Fund so established shall be known as the (NAME OF FUND) Endowment Fund of the Springfield Foundation.

II. PURPOSE

Donor(s) reserves the right to suggest annually to the Trustees of The Springfield Foundation as to the distribution of the fund's income among those charitable organizations as are eligible to receive distributions by the terms of the Articles of Incorporation and Code of Regulations of The Springfield Foundation. In all events The Springfield Foundation shall have the right to make final determination on the distribution of said funds.

At the Donor(s) death, the Advised Fund shall become a (TYPE OF FUND) Endowment Fund of the Springfield Foundation. Income shall be distributed from the Fund for the purpose of (EXPLAIN PURPOSE) at the discretion of the Foundation's Board of Trustees.

III. OPERATION OF FUND

Donor(s) understand and acknowledge that the Fund will be administered by Foundation on the following terms and conditions:

- A. Income from the Fund shall be distributed not less than annually for the purpose described in Item II hereinabove. The Donor may also choose to reinvest into the principal of the Fund all or a portion of said income.

“Income” shall be herein defined as the amount distributable under the Statement of Investment Policy for Foundation for endowment funds in effect at the time this Fund is activated and as may be amended from time-to-time by Foundation’s Governing Board.

- B. Foundation shall have full authority and discretion as to the investment and reinvestment of the assets of the Fund. Assets will be invested with other permanent assets within Foundation for maximum safe return at economical management costs.
- C. Foundation will keep accurate financial and other records related to the administration and management of this Fund and shall provide written reports on the activity of the Fund. In addition, the Fund will be included in the annual report of Foundation, and in other appropriate printed documents, in keeping with the reporting for other similar, named funds within Foundation.
- D. Foundation may assess an annual fee to satisfy the administrative and investment costs of this Fund. These operating expenses shall be paid from the net income of the fund. In addition, the usual fees associated with liquidating various contributed assets (such as stockbroker transaction fees) shall be paid from the fund.
- E. It is intended that the Fund will be a component part of Foundation as defined in Treasury Regulation 1.170A – 9(e) (11) (ii) and not a separate trust. Furthermore, nothing in this Agreement shall affect the status of Foundation as an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, and as an organization which is not a private foundation within the meaning of Section 509(a) of the Code.

This Agreement will be interpreted in a manner consistent within the foregoing intentions and so as to conform to the requirements of the foregoing provisions of the federal tax laws and any regulations issued pursuant thereto.

Foundation is authorized to retroactively amend this Agreement to conform to the provisions or any applicable law or government regulation in order to carry out the provisions contained hereinabove.

- F. The Donor(s) understand and declare that this Agreement and the donations it represents are absolute and irrevocable and that, after the execution of this

instrument, the Donor(s) shall have no right, title, interest or incidents of ownership in the property described in Schedule A or any additional property transferred to this fund. Further, the Donor(s) shall have no unilateral right to alter, amend or terminate this agreement.

G. Variance Power. The variance power of a community foundation gives a community foundation greater flexibility to adapt to the changing charitable needs of the community it serves. The variance power is an I.R.S. legal requirement of all community foundations in the United States. Specifically, the variance power gives a community foundation unilateral power to change the charitable purpose of a fund if circumstances have sufficiently changed to make the original restriction inappropriate. The governing board of a community foundation must have and commit itself toward exercising the variance power over charitable purposes. The governing body must have the power to modify any restriction or condition on the distribution of funds for any specified charitable purpose or to any specified organization if, in the sole judgment of the governing body, such restriction or condition becomes, in effect, unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community or area served.

IV. ADDITIONS TO THE FUND

Donor(s) shall have the right and are encouraged to add to this fund from time to time.

V. ACCEPTANCE

By execution of this Agreement, Donor(s) and Foundation signify their acceptance of the terms and conditions as set forth herein.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Donor Name

We hereby acknowledge receipt of the above gift, and agree to administer the same under the Articles of Incorporation of the Springfield Foundation.

\_\_\_\_\_  
Ted Vander Roest, Executive Director

\_\_\_\_\_  
Date

## **Schedule A**

Property transferred to the Springfield Foundation to establish the (NAME OF FUND)  
Endowment Fund:

- 1.