



SCHOLARSHIP FUND AGREEMENT

This agreement is made by and between _____ of ("Donor") and The Alaska Community Foundation, an Alaska nonprofit corporation ("Foundation").

WHEREAS: the Foundation strives to respond to the changing needs of the Alaska community by building permanent philanthropic capital through individual, corporate and organizational donations.

WHEREAS: the Donor desires to make a lasting contribution to the Alaska community by making a donation to the Foundation through use of a scholarship fund.

NOW, THEREFORE, in consideration of the promises and of the mutual covenants contained in this Agreement, the parties agree as follows:

1. Creation of Fund.

The Donor wishes to establish an endowment fund and has irrevocably assigned, conveyed, transferred and delivered to the Foundation, and the Foundation has accepted the initial gift of _____ to be held by the Foundation, together with any other property the Foundation may subsequently at any time hold or acquire under this Agreement and all undistributed income from any such property, as a component fund for the uses and purposes, and subject to the terms and conditions, set forth in this Agreement.

The name of the Fund shall be the _____ ("Fund") of the Foundation.

The Fund is subject to the Foundation's Fund Acceptance and Gift Acceptance policies which are available upon request, and are available on the Foundation's Web site.

2. Management of Fund.

a. The Foundation shall hold, manage, invest and reinvest the Fund, collect the income, and shall pay and disburse grants from the Fund exclusively for general charitable uses and purposes, in accordance with the provisions specified in the Foundation's Amended and Restated Articles of Incorporation and Bylaws which provisions are hereby incorporated by reference and conclusively assented to and adopted. Assets of the Fund may be commingled for purposes of investment with other assets of the Foundation. For purposes of this instrument, the term "charitable uses

and purposes" is defined as all of those activities, uses, and purposes described in Section 501(c)(3) of the Internal Revenue Code of 1986, as from time to time amended ("Code").

b. The Foundation invests funds according to the Foundation's approved Investment Policy which is based on accepted prudent investments for the type of Fund. The Foundation does not predict any particular result and does not guarantee any particular result related to investments.

3. Use of the Fund.

a. The Foundation shall hold the Fund and award scholarships in accordance with criteria outlined in the attached Exhibit "A."

b. The Donor shall indicate below if all or a portion of the Fund shall be held as non-endowed for current grant making. If the Donor indicates that a portion of the Fund shall be non-endowed, two separate Funds will be established: one for the endowed portion and one for the available for current grant making. The fee structure differs for endowed and non-endowed Funds.

The Donor wishes the following dollar or percentage of the gift to be available for current grant making.

\$ _____ % _____

Future gifts from donor(s) will be added to the endowed Fund unless it is stated at the time of transfer that the gift is to be used for current grant making.

c. The Foundation shall approve the membership of the scholarship selection committee. The committee must have a minimum of three members and all members must sign a conflict of interest disclosure form and submit it to the Foundation prior to making scholarship selections.

d. The Donor may recommend individuals by name or position or a group of individuals or organizations to serve on the scholarship selection committee as outlined in the attached Exhibit "A." The Donor may not, however, control the committee directly or indirectly and the final appointment of the selection committee shall be made solely by the Foundation's Board of Directors ("Board").

e. The Donor may serve on the scholarship selection committee but the Donor's participation, including any member of the Donor's family, is limited to one-third of the total committee and the Donor's advice is limited to participation on the committee.

f. The Board must approve the procedures for selecting recipients on an objective and nondiscriminatory basis prior to any scholarships being awarded.

g. The Foundation shall award scholarships from any endowed portion of the Fund in accordance with the spending policy as included in the Investment Policy established by the Foundation's Board of Directors.

4. Administrative Expenses.

The Foundation shall charge the Fund fees, including investment and management fees, to the extent sufficient for reasonable and proper compensation for services and expenses of the Foundation. Fees differ based on

the type of Fund. The current fees to be charged against the Fund are set forth in the Foundation's Fee Policy which is available upon request or is available on the Foundation's Web site.

5. Fund as Component of Foundation.

The parties intend that the Fund shall be a component part of the Foundation as defined in section 1.170A-9(f)(11) of the Income Tax Regulations and that nothing in this agreement shall affect the status of the Foundation as an organization described in section 501(c)(3) of the Code and which is not a private foundation within the meaning of section 509(a) of the Code. This instrument shall be interpreted in a manner consistent with the foregoing intention and to conform with the requirements of the applicable provisions of the federal tax laws and any regulations issued under them.

The Fund is subject to the policies and procedures of the Foundation. Policies are available upon request or available on the Foundation's web site.

6. Foundation in Good Standing.

All transfers of property under this instrument are subject to the condition that the Foundation, as of the date of transfer, is classified in good standing by the Internal Revenue Service as an organization described in section 501(c)(3) of the Code and which is not a private foundation as defined in section 509(a) of the Code.

7. Governing Law.

The Fund shall be administered in and under the laws of the State of Alaska, and this instrument and its validity shall be governed by and interpreted in accordance with the laws of the State of Alaska.

8. Variance Power.

The Board shall have the power, as required by United States Treasury Regulations, to modify any restrictions or conditions on the distribution of funds for any specified charitable purpose or to specified organizations if in the sole judgment of the Board (without the approval of any advisor, trustee, custodian or agent) such restrictions or conditions become, in effect, unnecessary, incapable of fulfillment or inconsistent with the charitable needs of the community or the area served. The Board shall exercise this power consistent with the principal of maintaining, as close as possible, the original intent of the donor(s).

9. Confidentiality.

All information about donors and prospective donors shall only be disclosed within the guidelines of the Foundation's Confidentiality Policy which is available upon request or on the Foundation's Web site.

IN WITNESS WHEREOF, the Donor and the Foundation have executed this Agreement on the date appearing below their signatures.

DONOR

Name

Title (if applicable)

Date

THE ALASKA COMMUNITY FOUNDATION

Name

Title

Date

SAMPLE

Exhibit A

Scholarship Fund Charitable Purpose

CHARITABLE PURPOSES TO RECEIVE SUPPORT FROM THE FUND

The Donor establishes this Fund for scholarships using the criteria described below. Scholarships will be made according to these criteria usually on an annual basis but income available for scholarships may accumulate for a reasonable time if no appropriate scholar for the Fund exists in a given year as indicated in the Foundation's spending policy which is part of the Investment Policy.

Scholarship Criteria:

The Donor recommends the following named persons, named positions, or organizations be considered by the Board in establishing the scholarship selection committee.

Selection Committee membership:

Additional Information

Fund Name:

Please name a Fund Representative. This is the person or organization all official correspondence should be directed to including quarterly financial statements.

Name:

Title:

Organization:

Address:

Phone :

Email:

Prefer to receive ___Web-based or ___Paper statements?

If Web-based, please provide a Log-in ID _____ and Password _____

Does the organization have a website?

If yes, please provide:

Would you like the fund to be included in ACF's "Give Online" listing?

Please give contact information for Fund Advisors. These are the people authorized to recommend grants from the fund.

Name:

Address:

Phone:

Email:

Name:

Address:

Phone:

Email:

Please also provide:

- Current list of Scholarship Selection Committee Membership
- Information about applying for the Scholarship (if necessary ACF staff can assist you in developing these)
 - Copy of Application
 - Due date for Applications
 - Award Amounts
 - Criteria used by selection committee