



DELAWARE COMMUNITY FOUNDATION

**Fund**  
**Nonprofit Endowment Fund Agreement**

To establish the \_\_\_\_\_ (hereinafter called the "Fund"), we, the \_\_\_\_\_ (hereinafter called the "Nonprofit Organization"), hereby transfer, convey and pay over to the Delaware Community Foundation (hereinafter called the "Community Foundation"), as a charitable contribution, the assets specified in **Exhibit A**.

The Community Foundation is authorized to accept additional contributions to the Fund in terms substantially similar to those set forth herein.

The purpose of the Fund is to serve as an endowment for the Nonprofit Organization and its legal successors. We desire that the annual distribution from the Fund [**be paid to the Nonprofit Organization**] or [**be reinvested into the Fund until such time that the Nonprofit Organization requests distribution**]. The annual distribution shall be defined as an amount that shall be computed annually at the fiscal year-end based upon the current spending policy of the Community Foundation (currently 5% of the average Fund balance for the previous twelve quarters). We request the distribution payment on a annual basis in July of each year.

It is not our intention to distribute grants from the principal of the Fund. However, in the event of extraordinary circumstances the principal of the Fund, up to the entire Fund balance, may be distributed to the Nonprofit Organization. Recommendations for distributions of the Fund's principal shall be in writing to the Board of Directors of the Community Foundation and shall contain the statement that the request is made with the approval of at least a two-third (2/3) vote of a quorum of the then Board of Directors of the Nonprofit Organization.

We hereby acknowledge receipt of the Administrative Fee Schedule attached hereto as **Exhibit B** and accept the terms of said schedule. We further understand the fee schedule is subject to modification and may be increased or decreased at the sole discretion of the Community Foundation's Board of Directors. We agree to be bound by the most current schedule of fees published by the Community Foundation.

The Delaware Community Foundation (DCF) is a tax-exempt public charity as defined by Sections 501(c)(3) and 509(a)(1) of the Internal Revenue Code. Nothing contained in this Agreement shall be construed in such a way as to jeopardize the DCF's tax-exempt status. The Fund shall be subject to DCF's Articles of Incorporation and Bylaws, each as amended and restated from time to time, consistent with Delaware Law regarding fiduciary responsibilities and with the preservation of DCF's status as an organization described in sections 509(a)(1) and 170(b)(1)(A)(iv) of the Internal Revenue Code of 1986.

We are familiar with and accept the terms of the Procedures for the Establishment and Operation of Funds and Section VII of the Bylaws of the Community Foundation. We also understand that the Community Foundation, through its duly authorized officers of the Board of Directors, reserves the right to make the final decision regarding distributions from the Fund. In the event that the **Nonprofit** and its legal successors cease to exist, we request that the Fund be converted to a field of interest fund from which grants will be distributed to charitable agencies providing similar services as currently being provided by the Nonprofit Organization.

Signed this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
Name and Title

Accepted this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

By \_\_\_\_\_

Fred C. Sears, II  
President and CEO  
Delaware Community Foundation  
PO Box 1636  
100 W. 10th Street, Suite 115  
Wilmington, DE 19899

Fund # \_\_\_\_\_

**DELAWARE COMMUNITY FOUNDATION**  
\_\_\_\_\_ **Fund**

**FUND #** \_\_\_\_\_

**EXHIBIT A**

# DELAWARE COMMUNITY FOUNDATION

Fund

FUND # \_\_\_\_\_

## EXHIBIT B

### Annual Administrative Fees

DCF administrative fees are based on the services offered for each type of fund. The minimum to establish a fund is \$10,000, with the exception of Scholarship Funds, which require \$25,000.

#### **Donor-Advised Funds**

*All Donor-Advised Funds are charged a minimum annual fee of \$250.*

For assets up to \$500,000	1.00%
For the next \$500,000	.75%
For assets over \$1,000,000	.50%
For assets over \$2,500,000	.25%

#### **Scholarship Funds** (*Fund minimum: \$25,000*)

For assets up to \$500,000	1.50%
For the next \$500,000	1.25%
For assets over \$1,000,000	1.00%
For assets over \$2,500,000	.75%

#### **All Other Funds** (Unrestricted, Field-of-Interest, Designated, Nonprofit)

For assets up to \$500,000	1.00%
For the next \$500,000	.75%
For assets over \$1,000,000	.50%
For assets over \$2,500,000	.25%

#### **Non-Standard and Temporary Funds**

Fees for non-standard funds requiring special services are assessed on a case-by-case basis. Temporary funds typically require a fee of 2-5% of receipts. DCF staff members work with the individual or organization establishing the fund to determine a fee consistent with the service required.

### Annual Investment Fees

Fees for management of Foundation assets are passed through to each fund at our cost, which generally ranges between 0.50% and 0.65%.

**DELAWARE COMMUNITY FOUNDATION**

FUND # \_\_\_\_\_

**EXHIBIT C**