

AGREEMENT TO ESTABLISH A SCHOLARSHIP FUND

The purpose of this agreement is to establish a scholarship fund, a component fund (the "Fund") of the Community Foundation of the Florida Keys to be held and administered as follows:

1. NAME YOUR CHARITABLE SCHOLARSHIP FUND

The fund shall be known as: _____

2. FOUNDING DONOR(S) *Fill in all areas.*

Name: _____ Name: _____

Cell: _____ Cell: _____

Email: _____ Email: _____

Mailing Address: _____

Alternate Mailing Address: Dates of occupancy: from _____ to _____

3. ANONYMITY

The Community Foundation of the Florida Keys lists the names of scholarship funds on its website. Should donors prefer anonymity for all listings and grants made from the fund, please indicate below:

Advisor name anonymous Fund name anonymous

4. INVESTMENT OF FUND ASSETS

Please indicate in which investment pool the assets of your fund should be invested. Note: CAPTRUST can work within target ranges for the asset allocations per the current Investment Policy which could change. Donors may change pool allocation once a year.

_____ % Long-Term Pool – Currently a portfolio of funds professionally managed by CAPTRUST with the following allocations: 55-75% equities, 20-40% fixed income, and 0-10% alternative investments.

_____ % Long-Term/In Paradise for Good Pool – Currently a portfolio of environmentally and socially responsible ESG funds managed by CAPTRUST with 65-85% equities, 15-35% fixed income, and 0-10% alternative investments.

Initials: [] [] []

_____ % Short Term/Conservative Pool – Currently a portfolio of funds managed by CAPTRUST with 40-60% equities and 40-60% fixed income investments.

_____ % Money Market Pool – Currently Schwab Government Money Fund - Investor Shares.

_____ % Other (based upon approval of the Community Foundation of the Florida Keys Board of Governors).

The Community Foundation of the Florida Keys reserves the right to review and approve all contributions. Donors may add to their funds at any time using a variety of assets, including cash, securities, restricted stock, and real estate. As a default, all future contributions will be invested based on the allocation referenced above.

5. SCHOLARSHIP GRANT DISTRIBUTIONS

Donors may choose to make their Scholarship Fund permanent by limiting the amount available for grant distributions to the Foundation’s Spending Policy as in effect.

___ I would like my fund to be able to make grant distributions greater than those set by the Community Foundation of Florida Keys as long as a fund balance is maintained that is consistent with the Foundation’s \$10,000 minimum balance requirement for scholarship funds in effect at the time. In the event the Fund does fall below \$10,000, distributions will cease until the fund is over \$10,000.

___ I would like my fund to be permanent and limit the amount available for grantmaking to the spending policy of the Community Foundation of the Florida Keys, as amended from time to time.

6. ADMINISTRATION

The fund will be administered in accordance with the Community Foundation’s Scholarship Policies and Procedures which is available upon request.

Recipients of this scholarship shall be selected by a scholarship committee that is mutually agreed upon by the Community Foundation of the Florida Keys and the donor(s) and that the Scholarship Criteria in Attachment A will be followed in choosing the recipients.

Unless otherwise provided in this fund agreement, each Scholarship Grant shall be paid by the Community Foundation directly to the educational institution for the use of the scholarship recipient and a condition of each Scholarship Grant is that it will be used only for qualified tuition and related expenses within the meaning of IRC § 117(b)(2), and for room and board. Accordingly, a Scholarship Grant can be used only for: (1) tuition and fees required for the enrollment or attendance of the student at a qualifying institution; (2) fees, books, supplies, and equipment required for courses of instruction at such an educational institution; and (3) room and board. An additional condition is that no part of the Scholarship Grant shall be used as payment for teaching, research, or other services by the scholarship recipient required as a condition for receiving the scholarship.

Initials: [] [] []

7. FEES

It is understood that each scholarship fund is charged an administrative fee of the Foundation and the pro rata share of investment management fees for the investment pool in which it is invested. The annual fee for administrative services is currently 2%, taken directly from the fund quarterly according to our published fee schedule. Fees may change as determined by the Board. Any costs and expenses incurred by the Community Foundation in accepting, transferring, or managing property donated to the Community Foundation for the Fund, including without limitation the Community Foundation’s costs and expenses (including reasonable legal fees) of any claim or proceeding with respect to the Fund in which the Community Foundation is prevailing party, also shall be paid from the Fund.

8. GOVERNANCE

All assets of the Fund shall be assets of the Foundation and not a separate trust. The Fund shall be held and administered subject to the provisions of the Foundation's Articles of Incorporation and By-Laws as presently in effect or as amended from time to time, including those provisions that may permit the Board to amend, modify or vary any of the purposes, directions, restrictions, or conditions set forth herein. However, the Community Foundation does not anticipate exercising such authority unless, in the sole judgment of the Board of Trustees, such restriction or condition becomes, in effect, unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community area served.

9. SCHOLARSHIP CRITERIA

Please see the attached criteria that each scholarship fund shall follow. The criteria is in compliance with all applicable requirements of the Internal Revenue Code and may be amended from time to time.

I/WE HEREBY AGREE to and accept the terms of this agreement and the related policies governing scholarship funds.

Signed this _____ day of _____, 2023

Signature

Printed Name

Signature

Printed Name

Accepted as of the date set forth above
Community Foundation of the Florida Keys

By: _____
Jennifer Ann McComb
President and CEO

Initials: [] [] []