



Knox County Foundation
Instrument of Transfer

ENTER NAME Fund
Endowed Designated Fund

This agreement is made this ____ day of ____, 2020, by DONOR NAME (hereinafter identified as “Donor”) and the Knox County Foundation (hereinafter identified as “Foundation”), to establish a Designated Fund. The Fund, to be known as **ENTER NAME Fund** (hereinafter identified as the “Fund”), will be an *endowed* Designated fund subject to the following provisions. It is acknowledged by the Donor that the establishment and administration of the Fund is subject to the resolutions and policies of the Foundation, as amended from time to time, governing designated funds.

Purpose of Fund

The Fund is being established by the Donor for the exclusive purpose of distributing charitable grants to the designated organizations as described in Attachment A.

Delivery of Irrevocable Gift

Delivery of property to the Fund shall constitute an irrevocable gift to the Foundation upon acceptance by the Foundation. The Fund shall include the property this day received from the Donor. In addition, the Donor and any individual, corporation, or organization may at any time donate property to this Fund, if such property is determined acceptable by the Foundation. The initial gift, and all subsequent gifts, will be subject to the same terms and conditions set forth within this agreement instrument. The Donor specifically desires principal of the fund (gifts) to remain intact in perpetuity (*see Attachment B, if applicable*).

Operation of Fund

Donor understands and acknowledges that the Fund will be administered by the Foundation per the following terms and conditions:

- Annual Fund Income from Fund will be used to make charitable grants, consistent with the Donor’s intentions as described in Attachment A, in accordance with its “Guidelines for Grantmaking” as they are currently adopted, and which may be amended from time to time. Fund Income shall be herein defined as the amount distributable under the Foundation’s Investment Policy, and may be amended as determined appropriate by the Foundation’s Board.
- It is intended that the Fund herein established will be continued as long as the need therefore exists and money or property is available in the Fund for this purpose. In the event that the Foundation’s Board finds that circumstances and conditions shall exist such as to render unnecessary, undesirable, impractical or impossible to implement the Fund as contained in the Agreement, the Foundation Board shall have the right to exercise its variance power to use such funds for other charitable purposes as most nearly approximates the purpose of the Fund (see Attachment A for fund alternative purpose).



- The Fund shall at all time be the property of the Foundation owned by it in its normal corporate capacity. In such capacity, the Foundation shall have the ultimate authority and control over all property in the Fund, and the income derived there from, for the charitable purposes of the Foundation. The Fund shall be a component part of the Foundation as defined in Treasury Regulation 1.70A-9(e)(11)(ii) and shall not be deemed a separate trust and shall not be held by the Foundation in a trust capacity.
- The Fund shall be presumed to be intended to be used only for charitable grant purposes and to be used in such a manner as not to disqualify any contribution from deduction as a charitable contribution in computing any federal income, gift, or estate tax of a donor or donor’s estate and not to disqualify the Foundation from exemption from federal income tax as a qualified charitable organization described in Section 501(c)(3) and 501(a)(1) of the Internal Revenue code and shall not be otherwise applied.
- Foundation shall have full authority and discretion as to the investment and reinvestment of the assets of the Fund. The assets of the Fund may be co-mingled for investment purposes and the Foundation may delegate investment management to Foundation committees and officers, Foundation employees, or contract with independent third parties.
- Foundation will keep accurate financial records related to the administration and management of this Fund and shall provide Donor written reports on the activity of the fund.
- Foundation will assess in accordance with its adopted policy, an annual fee to satisfy the administrative and investment costs of this Fund. The Foundation reserves the right to amend its fee schedule, but only as part of a policy change that affects all such Designated funds with the Foundation.
- This agreement shall 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 of any applicable law or government regulation in order to carry out the provisions contained herein.

Acceptance of Agreement

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

Donor By: _____ **Date:** _____
DONOR NAME

Foundation By: _____ **Date:** _____
Jeff Scott, Executive Director
Knox County Foundation



Attachment A
Distribution Designation

A Designated Fund allows a donor to support a favorite charity, or charities, in perpetuity. The Foundation will distribute annual fund income to the designated organizations as identified below:

1.	<u>Designated Charitable Organization</u> Qualified 501(c)3 Non-Profit Entity	<u>Distribution %</u> X%
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Distribution of Annual Fund Income – Stated Purpose

The distribution of annual fund income shall be used to ... (support general operations / specific program of Organization / other stated intention of donor).

Alternative Purpose of Fund

Should the above referenced charitable organization cease to exist, no longer qualify as a IRS Section 501(c)3 charitable organization, or other event that makes distributions unnecessary, impractical, or impossible to complete, Donor request that annual fund income be distributed as follows: