



## **AGENCY ENDOWMENT FUND AGREEMENT COLFAX PUBLIC LIBRARY**

This Agreement is made on \_\_\_\_\_ by and between the Colfax Public Library (the "Designated Agency") and the Community Foundation of Dunn County, Inc., (hereinafter referred to as "the Foundation") is a Wisconsin nonprofit corporation exempt from taxation under the Federal Revenue Code section 501(c)(3) with the mission to enhance the quality of life of the citizens of Dunn County, Wisconsin.

The Designated Agency agrees to create and maintain with the Foundation an Agency Endowment Fund ("the Fund") under the following terms and conditions:

### **1. Name**

The Fund shall be known as the Colfax Public Library Endowment Fund and shall be identified as such by the Foundation and its Board of Directors in the course of administration and distribution thereof.

### **2. The Property of the Fund**

It is understood and agreed by all parties that all assets contributed to the Fund shall become an irrevocable gift to the Foundation and legal control and responsibility for the Fund rests with the Foundation. In carrying out such responsibilities, the Foundation shall hold, manage, invest, and reinvest the Fund, and shall collect the income and shall pay and disburse monies from the Fund to the Designated Agency in accordance with this Agreement and the policies of the Foundation.

### **3. The Purpose of the Fund**

The Fund shall be used to support the charitable purposes of the Agency described as follows: This fund supports the long-term needs of the Colfax Public Library. Annual distributions help cover general operating costs like books, programs, technology, and staff, so the library can continue serving the Colfax community for years to come.

#### **4. The Distributions of the Fund**

- a. A portion of the income of the Fund, after deducting the fees due to the Foundation, shall be distributed annually to the Agency. The term "income" as used in this Agreement shall include interest, dividends and unrealized earnings of the Fund.
- b. The amount available for distribution shall be determined in accordance with the Foundation's spending policy, as may be amended from time to time, but currently there is an amount up to 5% of the Fund's balance as of January 30th each year. The Fund's balance is determined using its average over twenty trailing quarters.
- c. The distributions as provided in this section shall be made out of income only so that the principal of the Fund will be preserved and maintained as an endowment.

#### **5. Component Fund**

It is intended that the Fund shall be a component part of the Foundation and not a separate entity for tax purposes, and that nothing in this Agreement shall affect the status of the Foundation as a charitable organization described in Section 501(c)(3) of the Code, and as an organization that is not a private foundation within the meaning of Section 509(a) of the Code. This Agreement shall be interpreted to conform to the requirements of the foregoing provisions of the federal tax laws and any regulations issued pursuant thereto. The Fund shall be held and administered subject to the provisions of the Foundation's incorporating documents and By-Laws as presently in effect or as each may from time to time be amended, including those provisions which may permit the Foundation's Board to amend, modify or vary any of the directions, restrictions or conditions set forth herein.

#### **6. Fees and Responsibilities**

Pursuant to the policies of the Foundation, no administrative fees will be charged to acorn funds as of the date of this agreement. We understand that the Foundation reserves the right to increase the fee if, because of changed circumstances, it considers it impractical or uneconomical to administer this fund. The Foundation shall assume responsibility for check writing, bookkeeping, investment management, tax reporting, auditing, and furnishing to the Designated Agency, quarterly reports of all Fund income and expenses.

#### **7. Variance Power**

The undersigned acknowledges that the Board of the Foundation has the power and the duty to modify any restriction or condition on the distribution of funds for any specified charitable purpose or organization, if, in the sole judgment of the Foundation's Board, (without approval of any participating trustee, custodian or agent), such restriction or condition becomes, in effect, unnecessary, incapable of fulfillment or inconsistent with the charitable needs of the community or area served.

## 8. Investment

The Fund's assets may be combined with other Foundation assets for investment purposes. The Foundation has the right to invest our contributions in such manner as the Board of Directors of the Foundation may in its discretion determine. However, the Foundation shall keep separate accounts of this upon acceptance of our gift as set forth above, this letter shall constitute our entire agreement concerning the Fund.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

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Lisa Bragg-Hulburt, Colfax Public Library

Accepted as of the date set forth above.

Community Foundation of Dunn County

By: \_\_\_\_\_  
Georgina Tegart, Executive Director Date

By: \_\_\_\_\_  
Bill Butsic, Board Chair Date