

SCHOLARSHIP FUND AGREEMENT

Thank you for setting up a scholarship fund. Your fund will be administered by the Greater Kansas City Community Foundation, a 501(c)(3) public charity.

Please complete the following form and return to scholarships@growyourgiving.org.



816.842.7444 | www.growyourgiving.org

GREATER KANSAS CITY COMMUNITY FOUNDATION SCHOLARSHIP FUND AGREEMENT

1

Your Fund

Name your Fund as you like. You can include your name or remain anonymous.
Examples: *James Smith Memorial Scholarship Fund, Smith Family Scholarship Fund.*

Name of Fund

2

Founder(s) of Fund

List additional Founders in Section 11.

Mr. Mrs. Ms. Dr. _____

First Name

Middle Initial

Last Name

Suffix

Preferred Name or Nickname

Date of Birth

Address Home Work

City

State

Zip Code

Phone Home Work Cell

Email Address

Mr. Mrs. Ms. Dr. _____

First Name

Middle Initial

Last Name

Suffix

Preferred Name or Nickname

Date of Birth

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City

State

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Email Address

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Scholarship Fund Purpose

The Fund will provide scholarships for the following purpose(s):

Fund purpose examples:

- To honor an individual's memory by assisting students who have attended that individual's school.
- To assist students who attended a specific high school and who are pursuing higher education in a specific field or major.
- To assist students who are attending or plan to attend a specific college or university and who have demonstrated a strong work ethic both inside and outside the classroom.

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Scholarship Award Guidelines

Scholarship awards will be disbursed in equal payments in August and January. The January payment will be released provided the recipient continues to meet established criteria and submits a transcript. The type and amount of aid shall be at the discretion of the Community Foundation's Board of Directors and may include, but are not necessarily limited to:

\$ _____ Annual amount awarded to each recipient <i>(Minimum annual award for each recipient is \$1,000)</i>	_____ Maximum number of new recipients selected each year
--	--

Scholarship award covers the following expenses: *(Select all that apply.)*

- | | | |
|---|---|--|
| <input type="checkbox"/> Tuition | <input type="checkbox"/> Fees | <input type="checkbox"/> Books |
| <input type="checkbox"/> Required course-related expenses | <input type="checkbox"/> Room and board | <input type="checkbox"/> Other educational expenses
<i>(Examples: summer courses, test prep courses, equipment)</i> |

Select one:

- One-time award *(Recipient receives scholarship for one year and may not reapply for future awards from the Fund.)*
- Past recipients must reapply annually for future awards from the Fund.
- Automatic renewal(s) for up to _____ year(s), provided recipient satisfies renewal requirements.
- One-time award every _____ year(s).

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Scholarship Criteria

The pool of potential applicants must be sufficiently broad so that the granting of scholarships fulfills a charitable purpose and does not merely benefit private interests.

Who is eligible to receive an award? (Select all that apply.)

- High school seniors with a _____ minimum cumulative GPA who are planning to continue their education as full-time students at two- or four-year colleges/universities and/or vocational/technical schools.
- Postsecondary Students
 - Minimum cumulative GPA: _____
 - Minimum GPA for most recently completed semester: _____
 - Full-time students
 - Part-time students
- Students planning to pursue _____ (Major(s) or Degree(s))
- Students who graduated from _____ (High School(s))
- Students planning to attend _____ (Postsecondary School(s))
- Students who live in _____ (City, County, State)*

*Our staff's expertise is working with students and schools in the Kansas City metro area.

Additional eligibility criteria

Award is based on: (Select all that apply.)

- Academic Achievement
- Community Service
- Extracurricular Activities
- Financial Need

Preferences or other areas to consider when determining recipient(s):

If scholarship is paid in two payments (fall and spring), list criteria required to issue second payment:

Annual renewal requirements, if applicable: (Select all that apply.)

- Minimum cumulative GPA: _____
- Minimum GPA for most recently completed semester: _____
- Full-time student
- Part-time student

Additional renewal requirements

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Advisory Committee

The Advisory Committee may include donors to the Fund, the person in whose honor the Fund is established, and related parties, but they may not make up a majority of the Committee. The Advisory Committee is appointed by and is accountable to the Community Foundation. List any additional Advisory Committee members in Section 11.

Please check here if you would like the Community Foundation staff to serve as the Advisory Committee.

Mr. Mrs. Ms. Dr. _____

Name of Advisory Committee Chair		Preferred Name or Nickname		
Address	<input type="checkbox"/> Home <input type="checkbox"/> Work	City	State	Zip Code
Phone	<input type="checkbox"/> Home <input type="checkbox"/> Work <input type="checkbox"/> Cell	Email Address		
Briefly Describe Relationship to the Fund		<i>Examples of relationship descriptions include:</i> <ul style="list-style-type: none"> • Funder or relative of Founder (describe exact relation) • Subject matter expert • Relative of individual in whose honor fund was established (describe exact relation) 		

Manager of Scholarship Funds

Greater Kansas City Community Foundation

Name of Advisory Committee Chair		Organization		
<i>1055 Broadway Blvd., Suite 130</i>		<i>Kansas City</i>	<i>MO</i>	<i>64105</i>
Address		City	State	Zip Code
<i>816.627.3436</i>		<i>scholarships@growyourgiving.org</i>		
Phone		Email Address		

Appointed by the Community Foundation

Briefly Describe Relationship to the Fund

Appointed by: _____ Date _____
Greater Kansas City Community Foundation

Mr. Mrs. Ms. Dr. _____

Name of Advisory Committee Chair

Preferred Name or Nickname

Address Home Work

City

State

Zip Code

Phone Home Work Cell

Email Address

Briefly Describe Relationship to the Fund

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Email Address

Briefly Describe Relationship to the Fund

Appointed by:

Greater Kansas City Community Foundation

Date

Please select one of the following options for your Fund’s investments.

Option 1: The assets in the Fund will be invested separately in a financial advisor managed account on your advisor’s platform. Your financial advisor will have online access to view your Fund information, including balance, contribution and grant history, and will make investment selections for your Fund on your behalf.

This option is available for funds with assets of \$100,000 or more. The Community Foundation will contact your financial advisor to set up the investment account. A Founder, Advisory Committee member, or family member of a Founder or Advisory Committee member may not be named as the Fund’s financial advisor.

Financial Advisor Name		Firm Name			
Address		City	State	Zip Code	
Phone		Email Address			

Option 2: The assets in the Fund will be invested in the Community Foundation’s Investment Pools.

This option is available for funds of any size. Select a mix from the options listed below, or create your own mix. Allocations are rebalanced to targets once a month. In the interim, cash coming into the Fund will be held in the Money Market Pool.

Mix Options ▶	MORE RISK Long-Term Goals Lower Spending Rate			LESS RISK Short-Term Goals Higher Spending Rate		
	AGGRESSIVE	MODERATELY AGGRESSIVE	MODERATE	CONSERVATIVE	RISK AVERSE	CUSTOM MIX*
Money Market	3%	5%	10%	20%	100%	
Short-Term Fixed Income	10%	25%	35%	42%	0%	
Intermediate-Term Fixed Income	10%	10%	15%	18%	0%	
Domestic Equity	55%	43%	29%	14%	0%	
International Equity	22%	17%	11%	6%	0%	

*Combined total must equal 100%

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Contribution Information

Estimated Initial Contribution: \$ _____

If you know how you plan to contribute, please provide details. If there are additional assets you plan to contribute to the Fund, please list in Section 11. If you plan to contribute an interest in a private business or real estate, please contact us to discuss the donation process.

Check

Wire

Bank Name: _____

Securities or Mutual Funds

Number of Shares and Symbol(s):

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Professional Advisor Information

Please list any additional professional advisors (accountants, attorneys, financial advisors) with whom the Community Foundation may share information about your Fund should they inquire.

Professional Advisor Name & Profession

Firm Name

Professional Advisor Name & Profession

Firm Name

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Referral Information

If someone guided you in the decision to establish the Fund, please provide the following information about your referral.

Name	Organization Name		
Address	City	State	Zip Code
Phone	Email Address		

If you did not receive a personal referral, please share how you heard about us:

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Additional Information

Please include any additional information you would like us to know.

12 Terms & Required Signature(s)

The Founder(s) establish this Fund with the Community Foundation.

The Founder(s) agree to establish the Fund with a minimum fund balance of \$25,000. The Founder(s) intend that the income and principal from the Fund provide annual scholarships for the purpose(s) stated in Section 3.

For assets in a financial advisor managed account: The assets in the Fund will be managed directly by the named financial advisor on a discretionary basis, until such time that the Community Foundation or the Fund Advisor(s) exercise(s) the option to make a different selection for management of this Fund. The named financial advisor will manage the assets of this Fund in accordance with the most current financial policies and standards of the Community Foundation, which can be found at www.growyourgiving.org/fap-guidelines. The Community Foundation will regularly review the financial performance of this Fund.

For assets in the Community Foundation's Investment Pools: The responsibility for managing the Community Foundation's investment program is vested in the Community Foundation's Board of Directors through its Investment Committee. The percentages in the mix options may change from time to time upon Investment Committee review. For additional details regarding investment mixes and pools, refer to www.growyourgiving.org/investing to view the Investment Performance Summary and the Supplemental Report.

As required by IRS regulations:

- a) the investment recommendation is advisory only and the Community Foundation may, at its sole and absolute discretion, follow or decline to follow the recommendation;
- b) the Community Foundation may at any time, at its sole and absolute discretion, change the investment of all or any portion of the assets in the Fund;
- c) if the investment recommendation is accepted, the investments will be administered in accordance with the financial policies and fiduciary standards of the Community Foundation; and
- d) investments are subject to normal market and interest rate fluctuation risks, and any gain or loss generated by the above investments will be credited or charged to the Fund.

The Community Foundation's administrative fee schedule is attached. The fee schedule is subject to modification and may be increased or decreased at the sole discretion of the Community Foundation.

The Scholarship Fund Policies are attached; signing below indicates acceptance of these policies. The Community Foundation reserves the right to make the final decision regarding distributions from the Fund.

If the persons named in this document or after the date of this document are not available to advise and consult with the Community Foundation due to death, resignation or incapacity to serve, the Community Foundation shall use the principal and income from the Fund for scholarships honoring the Founder(s)' intent. However, in the event that the Board of Directors of the Community Foundation determines that continued distributions for the specified scholarship purpose named in this document have become unnecessary, obsolete, incapable of fulfillment, impractical or inconsistent with the community's charitable needs, the Community Foundation may change the purpose of the Fund or shall use the principal and income from the Fund for its general and charitable purposes.

_____ Founder Signature	_____ Date
_____ Printed Name	
_____ Founder Signature	_____ Date
_____ Printed Name	

Accepted by: _____
Greater Kansas City Community Foundation _____ Date

13 Administrative Fees

This administrative fee schedule applies to funds at the Greater Kansas City Community Foundation. Administrative fees are used exclusively to support our mission-based operations. These fees are your investment in a 501(c)(3) public charity dedicated to increasing charitable giving, educating and connecting donors to community needs they care about, and leading on critical community issues.

The administrative fee structure illustrates the annual cost for a fund. These fees are assessed to the Fund on a monthly basis. (The monthly fee equals one-twelfth of the annual fee, based on the average fair market value of Fund assets for the month. If there are no assets in the Fund for the entire month, there is no fee.) For newly established funds, the annual fee is prorated over the remainder of the year.

Fund Assets up to \$7 million	Annual Administrative Fee
first \$500,000	1.00% or \$250 <i>(whichever is greater)</i>
next \$500,000	0.60%
next \$2 million	0.30%
next \$4 million	0.10%

Sample Fee Calculations

Fund assets of \$10,000
 \$250 minimum fee applies: 1.00% of \$10,000 is less than \$250
Total annual administrative fee = \$250 (\$21/month)

Fund assets of \$30,000
 1.00% fee on \$30,000 = \$300
Total annual administrative fee = \$300 (\$25/month)

Fund assets of \$600,000
 1.00% fee on the first \$500,000 = \$5,000
 0.60% fee on the next \$100,000 = \$600
Total annual administrative fee = \$5,600 (\$467/month)

For funds with assets of \$7 million or more, please contact us at info@growyourgiving.org or 816.842.0944.

Funds will be charged for direct expenses incurred by the Community Foundation on behalf of a specific fund, such as commissions for the sale of contributed stock or legal fees. The Community Foundation may request additional fees for extraordinary services such as special grant processing and review (which may apply pursuant to a contract with the Community Foundation or after the death of the founder(s) of the Fund if no advisors are serving) or other non-standard services.

For funds receiving a bequest that will be fully disbursed to one or more charities upon receipt, the Community Foundation will assess a one-time 3% fee on such bequest.

Contributions to Scholarship Funds

Contributions to scholarship funds at the Community Foundation are gifts to a public charity and eligible for the maximum tax deduction allowed by law. The Community Foundation accepts gifts of cash, publicly traded securities, private business interests (closely held stock, limited liability company interests, limited partnership interests), and real estate. Contributions are subject to the review and approval by the Community Foundation prior to acceptance and are irrevocable once accepted. The Community Foundation does not provide legal, tax or financial advice, so the Community Foundation encourages donors to consult with their own professional advisors prior to making a contribution.

Contributions of Non-Cash Assets

The general policy of the Community Foundation is to sell all contributed property as soon as practical after receipt to minimize market risk. For non-publicly traded securities or other assets for which no readily liquid market exists, the Community Foundation will exercise discretion as to the timing and price of sales. Any costs incurred by the Community Foundation necessary for the disposition of securities and other assets and for the management of such assets prior to disposition will be an expense of the scholarship fund. Should sufficient liquidity not be available in the scholarship fund to cover any expenses, taxes or liabilities due as a result of the fund's ownership of a non-cash asset, the donor of such asset(s) agrees to contribute additional liquid assets to the scholarship fund as necessary to fully and timely cover such obligations.

Fund Activity and Fund Statements

The Community Foundation is responsible for ensuring the Fund is used for scholarship purposes and does not confer any private benefit on a donor or any other person. Fund statements showing gift, grant and investment activity for a scholarship fund are available through the online donor portal.

Advisory Committee

The Advisory Committee recommends scholarships from the Fund to eligible students and may recommend investments and other fund-related matters to the Community Foundation. Ideally, the majority of the Advisory Committee includes individuals with expertise related to the scholarships being awarded. It is recommended that the Advisory Committee be made up of a minimum of three to five individuals. The Community Foundation will review the composition of the Advisory Committee on an annual basis and appoint additional Advisory Committee members as deemed necessary.

The Community Foundation may act upon receiving and approving the written recommendation of the Advisory Committee Chair. The Advisory Committee is appointed by and is accountable to the Community Foundation. All scholarships awarded must be pursuant to an objective and nondiscriminatory procedure that has been approved by the Board of Directors of the Community Foundation.

If there are no persons on the Advisory Committee who are available to advise and consult with the Community Foundation due to death, resignation, or incapacity to serve and no additional Advisory Committee members have been appointed by the Community Foundation, then the Community Foundation shall review all eligible scholarship applications and make the selection(s) independently.

Application Award Recommendations

The Advisory Committee determines the application questions, which must be approved by the Community Foundation. The Community Foundation hosts an online application and provides online access to completed applications to the Advisory Committee members for review. The Committee verifies applicants' eligibility and suggests final candidate(s) to the Community Foundation for award. Information provided by applicants is to remain confidential and shall only be used for purposes of determining scholarship eligibility. Scholarship recommendations made by the Advisory Committee for the Fund must receive approval from the Manager of Scholarship Funds for the Community Foundation.

The Advisory Committee Chair will provide the annual scholarship recommendations to the Community Foundation in writing, and must confirm the following:

- All scholarship recommendations were made pursuant to the approved objective and nondiscriminatory procedure outlined in the Scholarship Fund Agreement.
- Fund donors, the person(s) in whose honor the Fund is established and related parties did not control the selection process either directly or indirectly.
- The recommended student(s) for scholarship award(s) are not related to the Founder(s), the person(s) in whose honor the Fund was established, any member of the Advisory Committee or any donor to the Fund.
- Scholarship payments from the Fund will not fulfill a legally binding pledge or commitment.

Anti-Discrimination Policy

Discrimination against minorities is prohibited. Scholarships that favor minorities are generally permissible. Criteria used in selecting scholarship recipients must objectively relate to the purpose of the scholarship and be applied equally to all applicants.

Who Can Manage the Investments of a Scholarship Fund

A Founder or Advisory Committee member may recommend that a scholarship fund be invested in the Community Foundation's investment pools or with a financial advisor. Financial advisors may manage the investments of a scholarship fund as long as the financial advisor is not (i) a Founder, (ii) a member of the Advisory Committee, (iii) any family member of a Founder/Advisory Committee member (defined as that person's spouse, ancestors, children, grandchildren, great grandchildren, brothers, sisters and the spouses of children, grandchildren, great grandchildren, brothers and sisters) and (iv) any entity where more than 35 percent of the entity is owned/controlled by any of these persons.

Confidentiality and Privacy Policy

The Community Foundation holds all information concerning our donors and their scholarship funds in strict confidence. The Community Foundation will only release information about a donor if the donor has given permission, or if a government agency or court has the legal authority to request the information. All personal data collected on this form is subject to the Community Foundation's privacy policy, which can be found at www.growyourgiving.org/privacy-policy.

Bequests and Beneficiary Designations

The Community Foundation can carry out donors' charitable goals beyond their lifetimes. To name a scholarship fund at the Community Foundation as a beneficiary of a will, trust, life insurance policy or retirement plan account, the following language may be helpful in completing estate planning documents or beneficiary designation forms: After describing what the donor wants to leave to the fund (i.e., a percentage of the estate/trust/account or a specific dollar amount), please note that it will pass "to the Greater Kansas City Community Foundation (EIN 43-1152398) for the following component fund: [name of the fund]."

Fundraising

The Community Foundation cannot sponsor or reimburse expenses for any fundraising activities or any other events intended to benefit any scholarship fund, and will not be responsible for the collection of any amounts from any benefit, ball, banquet, athletic event or third-party online fundraising page. The Community Foundation will only be responsible for the proper disbursement of funds actually received. Any advertising, promotional or other materials must be consistent with this policy.

Additional information about fundraising can be found at www.growyourgiving.org/fundraising-guidelines.

Honoring Donor Intent/Variance Power

The Community Foundation carries out a donor's charitable intent through a scholarship fund. In rare circumstances, the Community Foundation may determine that the specified scholarship purposes may have become unnecessary, obsolete, incapable of fulfillment, impractical or inconsistent with the community's charitable needs. In that case, the Community Foundation may need to exercise its variance power to change the specified scholarship purpose of the fund. In doing so, the Community Foundation will strive to make distributions that are consistent with the donor's scholarship interests.

Additional Detail on These Policies

Please see the Procedures for the Establishment and Operation of Funds and relevant sections of the Bylaws of the Greater Kansas City Community Foundation, available at www.growyourgiving.org/procedures.