

PHILADELPHIA FOUNDATION

ORGANIZATIONAL ENDOWMENT FUND AGREEMENT

THIS FUND AGREEMENT (“Agreement”) is made this _____ day of _____, 202____, between the PHILADELPHIA FOUNDATION (“PF”) a community foundation, and _____ (“Organization”) to establish an organizational endowment fund of PF.

1. Creation of the Fund

- (a) Background. The mission of the Organization is to _____.
- (b) Initial Contribution. The Organization hereby contributes \$ _____, to PF to create the _____ Fund (“Fund”). The Organization or any person or other organization may make a subsequent contribution to PF for the Fund upon approval of PF. All contributions to the Fund shall be administered pursuant to the terms and conditions of this Agreement. The Fund shall be held by The Philadelphia Foundation, Inc.

2. Purpose of the Fund

- (a) The purpose of the Fund is to provide a permanent income stream to the Organization and for the charitable purposes of the Organization so long as the Organization is recognized as exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code or any successor provision of federal tax law.
- (b) In the event that it becomes unnecessary, undesirable, impractical or impossible to utilize the funds for such purposes or to comply with any other conditions of this Agreement, PF shall have the right to utilize the Fund for such charitable purposes or to modify such conditions as it deems appropriate in accordance with its governing instruments.
- (c) PF shall not make any determination that it is unnecessary, undesirable, impractical or impossible to use the funds for the purpose set forth in this Agreement or to comply with any other conditions of this Agreement without having given at least 30 days prior written notice to the Organization. Notice shall be deemed sufficient if mailed certified mail, return receipt requested, to the last known address of the Organization, whether or not received or receipted by the Organization.

3. Distributions from the Fund

- (a) PF shall make distributions (“Distribution”) from the Fund in accordance with a Spending Policy adopted by PF’s Board of Managers (the Board) for component funds of PF. The Spending Policy is designed to allow the funds to be invested on a “total return” basis to maintain and, if possible, increase the real value (as adjusted for inflation) of the funds, while at the same time providing a relatively steady and predictable level of funding for grantees.

- (b) The Spending Rate in effect on the date hereof provides for PF to spend annually 5% of the average fair market value of the Fund calculated over 20 trailing quarters. The administrative fee, currently 1% of the value of the Fund (or \$250 minimum), is included in this spending policy.
- (c) PF has a non-discrimination policy that is applicable to all grantees. PF will not issue grants to any organization which discriminates on the basis of race, color, religion, national origin, sex, gender identity, sexual orientation, age, disability, or any other legally protected characteristics.

4. Administration

- (a) PF shall administer the Fund in accordance with the terms of this Agreement, under and subject to PF's governing instruments, as amended from time to time, and in accordance with procedures for the administration of similar funds of PF, including charges for PF services. The Fund, and distributions from the Fund, shall be subject to the PF's ultimate control and absolute discretion.
- (b) Fees: Charges shall be assessed against the Fund consistent with the charges assessed from time to time against similar funds of PF. The current annual administrative fee is 1% of the value of the Fund (or \$250 minimum). In addition, all contributions will be charged a processing fee, currently 1% of each new gift.
- (c) It is intended that the Fund shall be a "component part" of PF.
- (d) PF shall provide the Organization such information relating to the Fund as the Organization may reasonably request from time to time.

5. Gift Irrevocable, Limited power of Amendment.

Gifts to this Fund are irrevocable. The parties may amend this Agreement by mutual written consent provided that no such amendment shall change the charitable character of the Fund. In addition, for the purpose of ensuring that the Fund qualifies as a component part of the PF for federal tax purposes, PF acting alone shall have the power to modify the terms of this Agreement. This Agreement is the final, complete and exclusive agreement between the parties and supersedes all prior negotiations and agreements, whether written or oral, with respect to the Fund.

6. Controlling Law

This Agreement shall be governed by the laws of the Commonwealth of Pennsylvania, without regard to conflicts of law principles.

IN WITNESS WHEREOF, PF and the Donor have executed this Agreement.

PHILADELPHIA FOUNDATION

By: _____

Pedro A. Ramos
President and CEO

Date: _____

ORGANIZATION

Witness:

Witness:

Witness:

Board Chair
Date: _____

Treasurer
Date: _____

Executive Director
Date: _____

Information for Organization Signers Named Above:

Name _____

Address _____

Home Phone _____ Other Phone _____

Employer _____ Title _____

E-mail _____ Date of Birth _____

Name _____

Address _____

Home Phone _____ Other Phone _____

Employer _____ Title _____

E-mail _____ Date of Birth _____

Name _____

Address _____

Home Phone _____ Other Phone _____

Employer _____ Title _____

E-mail _____ Date of Birth _____