



(Date)

SAMPLE DESIGNATED FUND

ESTABLISHING DOCUMENT

Community Foundation for Nantucket
PO Box 204
Nantucket, MA 02554

We hereby transfer cash or other property to establish the _____ **Fund** (“Fund”) with the **Community Foundation for Nantucket** (“Community Foundation”).

The Community Foundation is authorized to accept charitable contributions to the Fund subject to the terms set forth herein.

We intend that the income and principal from the Fund be used for the following charitable purpose(s), and to be specifically designated to the following charitable entity(ies):

[If “annual net income” is chosen above, the following language should be inserted: Net income shall be defined as an amount that shall be computed annually based upon the current spending policy of the Community Foundation (currently 5% of the average past three year-end Fund balances). If any portion of the net income is not distributed in a particular calendar year, the undistributed net income for such year shall be added to principal.]

An Advisory Committee (identified on the attached document) shall recommend grant distributions from the Fund for the above specified charitable purpose(s), monitor each agency’s uses of grants distributed from the Fund and recommend to the Board of Directors of the Community Foundation such other actions as it deems appropriate under such rules of procedure as the Advisory Committee may adopt. The Community Foundation may act upon receiving and approving the written recommendation of the Chairperson of the Advisory Committee. It is understood that the Advisory Committee shall be appointed by the Community Foundation and is accountable to the Board of Directors of the Community Foundation.

The Foundation maintains investment pools with varying risk and return objectives as described in the attached Investment Recommendation Form. All investment options are reviewed and approved by the Foundation’s Board of Trustees and may change from time to time as the Board determines. You may make recommendations to the Foundation for investment of your Fund in one or more of these pools. All recommendations must be in writing.

We hereby acknowledge receipt of the CFN Procedures for Establishment and Operation of Funds, Administrative Fee Schedule attached and accept the terms of said schedule. We further understand the fee schedule is subject to modification and may be increased or decreased at the sole discretion of the Foundation' Board of Trustees. We agree to be bound by the most current schedule of fees published by the Foundation.

We have received copies and accept the terms of Articles 17.01 through 18.03 of the Bylaws of the Foundation. We also understand that the Foundation, through its duly authorized committees, reserves the right to make the final decision regarding distributions from the Fund.

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, then the Community Foundation may appoint successor advisors. In the event that the Board of Directors of the Community Foundation determines that continued distributions for the above specified charitable purpose(s) have become unnecessary, obsolete, incapable of fulfillment, impractical or inconsistent with the community's charitable needs, the Community Foundation may change the field of interest of the Fund or shall use the principal and income from the Fund for its general and charitable purposes as set forth in the Bylaws.

Sincerely,

Accepted by: _____
Margaretta S. Andrews, Executive Director
Community Foundation for Nantucket



Initial Advisory Committee Members

*(Please include name, address, phone numbers, and e-mail address for each member.
Please also indicate the chairperson of the Advisory Committee.)*

Appointed by:

Margaretta S. Andrews, Executive Director
Community Foundation for Nantucket

Date: _____