

LEGACY FUND POLICY

CARROLL COUNTY COMMUNITY FOUNDATION

Background: The Board of Directors of the Carroll County Community Foundation recognize that there are donors who would like to create a legacy for themselves and their community and also not-for-profit organizations who would like to create an endowment fund to support the programs of their not-for-profit organization but are not able to meet the \$12,500 minimum required to establish an endowed fund. The Legacy Fund concept will allow individual donors and/or not-for-profit organizations to grow their fund to the \$12,500 level over a period of up to six years.

Policy: The Carroll County Community Foundation desires to encourage endowed philanthropy and provide user-friendly services to our donors and to not-for-profit organizations. To this end, the Foundation will incubate growing endowment funds using the following considerations:

1. Funds established under the Legacy Fund program are intended to grow to the \$12,500 minimum over a maximum period of six (6) years. Interested donors will be asked to sign a Legacy Fund Form agreement (See Attachment) indicating agreement with the Legacy concept.
2. First payment must be no less than \$1,000, after that, payments can be made for any amount at any time. Any person or entity may donate to the fund and all gifts will be credited to the respective Legacy Fund.
3. During the fund incubation period, the Foundation will reinvest and credit all interest, dividends and market gains to the non-spendable (Corpus) of the fund. The Community Foundation will charge an administrative fee based upon the Foundation's current Administrative Fee Structure.
4. Once the Legacy Fund is fully funded, it must be invested two full quarters preceding the end of the calendar year before distribution can be made from the Fund the following calendar year.
5. A Fund Agreement, indicating the type of fund, will be signed at the time the Legacy Fund Form is signed. The Legacy Fund will be recognized in the Foundation's annual report and in all relevant Foundation information.
6. If the \$12,500 minimum amount is not reached in six [6] years, the donor will be given the option of directing the assets either to another Community Foundation endowed fund or to the Unrestricted Fund of the Community Foundation. Absent direction from the donor within a reasonable period of time, the assets will be placed in the Unrestricted Fund of the Community Foundation. In such case, it is the responsibility of the Donor to notify other contributors of the status of the Legacy Fund.
7. If the donor(s) die(s) before the minimum is reached and there are no provisions in the donor's estate plan to fulfill the minimum, the assets will be placed in another Community Foundation endowed fund, as directed in writing by the donor during the donor's lifetime or in the donor's will; or in the absence of such direction, in the Foundation's Unrestricted Fund.

This policy covers Legacy Funds within the Carroll County Community Foundation.