ENDOWMENT AGREEMENT

[insert name of endowment]

This Endowment Agreement ("Agreement") is made and entered into on [month, day, year] between [insert name of donor] ("Donor") and the Butte Community College Foundation, a nonprofit public benefit corporation located in Oroville, California ("BCC Foundation"), establishing an endowment to be held, managed and used by the BCC Foundation for the benefit of the Butte-Glenn Community College District.

Accordingly, the Donor and the BCC Foundation agree as follows:

1. Establishment, Acknowledgement and Naming of Endowment

By this Agreement, BCC Foundation acknowledges that the Donor has made or will make contributions to the BCC Foundation and that those contributions were made or will be made in order to establish an endowment fund known as [insert name of fund] ("Fund").

Donor understands and acknowledges the following:

A. Minimum Balance

A minimum balance of $5,000 is required to create the Fund.

B. Time Period

The required minimum balance must be reached within three years of the date on which the first contribution establishing the Fund is made.

C. Distributions

No distributions will be made until the Fund reaches the required minimum balance and thereafter will be made in accordance with BCC Foundation's Board of Directors policies.

2. Gift Purpose and Criteria

The BCC Foundation agrees to hold, invest, and administer a portion of the value and proceeds from the Fund for the purposes described herein and in accordance with the following criteria and processes:

[insert type of gift (scholarship fund, program endowment, etc.), criteria for selection of recipients or determinations of expenditures]

Final approval and adoption of all provisions shall be the responsibility of the Foundation Board of Directors.

3. Financial Administration of the Fund

The endowment corpus of the Fund shall be held in perpetuity as an endowment, and the endowed corpus and the total investment return, which may include interest, dividends, and unrealized and realized gains and losses, shall be held or disposed of in accordance with the terms and conditions prescribed herein, BCC Foundation policies and guidelines, applicable laws of the State of California, including the Uniform Prudent Management of Institutional Funds Act ("UPMIFA") as enacted by the State of California, and generally accepted accounting practices.

A. Expendable Distribution from the Fund
The amount available for spending from the Fund shall be determined annually in accordance with the BCC Foundation’s Endowed Account Guidelines for Establishing an Endowment, as established by the BCC Foundation’s Board of Directors.

**Donor understands and acknowledges the following process if the Fund is to award scholarships:**

1. The scholarship will be placed in the Foundation scholarship system for advertising and award.
2. A general scholarship committee will be used to review applications and make awards.
3. Donor will not derive a private benefit, directly or indirectly, from the selection of recipient.

**B. Investments**

For investment purposes, all contributions to the Fund will be pooled with and become part of the general endowment funds and investment assets of the BCC Foundation. BCC Foundation shall invest the Fund’s assets in accordance with the BCC Foundation’s investment policy. Although all contributions to the Fund will be pooled, the BCC Foundation shall keep records for the Fund’s balances, investments, gains and losses. The endowment corpus amount may at times be less than the original corpus amount due to realized and unrealized losses on investments, including the Foundation’s administrative service fee of 2 percent of the corpus annually.

**C. Additional Contributions to the Fund**

Any individual, corporation, foundation, trust, estate or other legal entity may make additions to the Fund, in cash or with other property that is acceptable to the BCC Foundation, and such additions shall be subject to the provisions of this Agreement.

**D. Unspent Awards**

If in a given year no use or only a partial use is made of the amount available for award from the Fund, then the unused amount shall be returned to the endowment corpus of the Fund.

**4. Alternate Application of the Fund or Its Total Investment Return**

If, within three years of the initial contribution establishing the fund, the Donor has not reached the $5,000 minimum balance required to establish an endowed fund, then the BCC Foundation, at its sole discretion, shall either grant an extension of time or funds then available will be expended expeditiously and as nearly as possible in compliance with the purposes and criteria set forth in Section 2 of this Agreement.

The Donor consents and agrees that, in the event that the management, investment, or use of the Fund becomes impractical or impossible, the BCC Foundation, in consultation with the Butte-Glenn Community College District, shall determine how to best utilize the amount available for award from the Fund in a manner that coincides as closely as possible with the Donor’s original intent and shall implement such changes to the management, investment or use of the Fund. In any such alternate application of the amount available for award, the funding source shall continue to be clearly identified as the [insert name of Fund].

**5. Administrative Service Fee**

An administrative service fee, as established by the BCC Foundation’s Board of Directors, will be assessed to the Fund annually to cover administration activities of the Fund. The BCC Foundation will calculate and charge against the Fund assets an administrative service fee of two percent (2%) based on the two-year average Fund value on the last day of June of each year.

**6. Reports**

The Donor will receive an annual report of activity of the Fund from the BCC Foundation.
7. Donor Confidentiality

The BCC Foundation respects the Donor’s right to privacy and shall treat and protect the Donor’s financial and other personal information as confidential materials to the extent permitted under applicable state and federal statute. If not otherwise prohibited in this agreement, however, the BCC Foundation shall have the right to recognize the existence of the Fund in its annual report, in its internal financial reports, and in required audit statements.

8. Amendment of Agreement and Donor Successor Management

In addition to the rights of the BCC Foundation under section 4, this Agreement may be amended during the Donor’s lifetime by mutual written consent of the Donor and the BCC Foundation. Furthermore, this Agreement shall be binding upon and inure to the benefit of the parties hereto, their successors, and assigns and the heirs, executors, administrators and legal representatives of the Donor. The Donor has not yet designated successor management for this endowment, but may do so as an amendment to this Agreement.

9. Correspondence Contacts

Any correspondence should be sent to the following:

**BCC Foundation**
Executive Director
3536 Butte Campus Drive
Oroville, CA 95965

**Donor**
[Name]
[Title]
[Address]
[City, State Zip]

10. Acceptance of Agreement

The Donor and/or designee and the authorized representative of the BCC Foundation hereby affix their signatures in acceptance of this Agreement.

**Donor/Designee**

By: ________________________________
[Donor Signature]

Name: ______________________________
Title: ______________________________
Company/Business/Corporation: ______
Telephone: __________________________
Date: ______________________________

**Butte Community College Foundation**

By: ________________________________
[Foundation Signature]

Name: ______________________________
Title: ______________________________
Telephone: __________________________
Date: ______________________________