

**DONATION AGREEMENT  
SCHOLARSHIP FUND**

**THIS AGREEMENT** is made and entered into on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, between \_\_\_\_\_ (the Donor) and the Kansas Rural Communities Foundation, a Kansas non-profit corporation (the Foundation).

**IT IS AGREED:**

**TRANSFER.** The Donor hereby gives, assigns, transfers, and delivers to the Foundation, the sum of: \$\_\_\_\_\_. This property and all future gifts and other additions (the Property) shall be held, administered, and distributed in accordance with this Agreement.

**SEGREGATION OF FUNDS.** The Property shall be held by the Foundation under the name of \_\_\_\_\_ Scholarship Fund (the Fund). The income and principal of the Fund may be either commingled with other Foundation assets or held in a separate account.

**PURPOSE OF THE FUND.** To provide financing of scholarships according to the criteria detailed in Attachment A to this Agreement.

**CHARITABLE USE.** The principal and income from the Fund shall be granted or expended for or in furtherance of the purposes of the Fund. The applicable laws and governing instruments of the Foundation require that the Foundation have legal control over the donated property. If the purpose for which the Fund was established is no longer possible or practical, after consultation with the Board of Directors, the Foundation may designate an alternate use or uses similar to the original purpose of the Fund. No restriction or condition is or will be imposed upon the administration of this Fund which prevents the Foundation from freely and effectively employing the assets or income therefrom in furtherance of charitable purposes.

**VARIANCE POWER.** The Board of Directors of the Foundation assures that the assets which establish this fund and the future value of those assets will be reserved for the charitable purposes of the community or area served by giving the Board of Directors of the Foundation the power to: (a) receive gifts from any source, whether such gifts be permanent or temporary, or reject gifts in accordance with the Foundation's Gift Acceptance Policy and Investment and Spending Policy; (b) modify fund restrictions and conditions through the exercise of its variance power; notwithstanding any provision in the Bylaws or in any instrument making a transfer, creating or adding to a fund or trust of the Foundation. Such power shall include the authority (i) to vary the terms of any gift as well as the power to modify any restriction or condition on the distribution of funds for any specified charitable purposes or to specified organizations if in the sole judgment of the governing body (without the necessity of the approval of any participating trustee, custodian, or agent), such restriction or condition becomes, in effect, unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community or area served; and (ii) to replace any Trustee, Custodian or Agent for breach of fiduciary duty under the laws of the State of Kansas.

**ADMINISTRATIVE FEE:** The Foundation shall assess a reasonable fee for establishing and administering the Fund based on the current fee schedule for Funds as published by the Foundation. The administrative fee will be taken from the income generated by the Fund.

WITNESS THE EXECUTION HEREOF as of the day and year first above written.

DONOR(S):

KANSAS RURAL COMMUNITIES FOUNDATION:

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

**SAMPLE \* SAMPLE \* SAMPLE \* SAMPLE \* SAMPLE \* SAMPLE \***  
**KANSAS RURAL COMMUNITIES FOUNDATION**  
**DONATION AGREEMENT**

**ATTACHMENT A**

“\_\_\_\_\_ **SCHOLARSHIP FUND**”  
**SCHOLARSHIP RECIPIENT SELECTION CRITERIA**

- At least one scholarship recipient shall be selected at the end of each school year.
- The recipient shall be a \_\_\_\_\_.
- The annual scholarship amount to be awarded shall be \$\_\_\_\_\_. However, if at some future time, the Fund becomes large enough to be an endowment fund, the annual scholarship amount shall be determined by the guidelines used at such time by the Foundation for annual disbursements from endowment funds, thereby allowing the Fund to remain in perpetuity.
- Disbursement of the scholarship shall be after \_\_\_\_\_ and prior to \_\_\_\_\_.
- The scholarship must be used for \_\_\_\_\_.
- The recipient shall be a \_\_\_\_\_.
- Special consideration shall be given to \_\_\_\_\_.
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- Special consideration shall be given to \_\_\_\_\_.
- A standard application form used by the Foundation shall be completed by each applicant.
- The recommended recipient shall be submitted for approval to the Kansas Rural Communities Foundation by \_\_\_\_\_.
- (DONOR) \_\_\_\_\_ shall be notified as to the selected recipient prior to public announcement or payment of the scholarship award.