

# Sample Scholarship Endowment Language

I hereby deliver to Michigan Gateway Community Foundation the property described in the attached Schedule A to be used to establish the \_\_\_\_\_ Scholarship (the Fund) within the Michigan Gateway Community Foundation (the Community Foundation). This contribution is made subject to the following conditions.

1. The Fund will include the property described in the attached Schedule A together with any property which may later be delivered to the Community Foundation by the undersigned or any other person when specified to be included in the Fund and accepted by the Community Foundation.
2. The net income of the Fund will be distributed annually to provide a scholarship to a (specified) student who is a graduating member of (specified, or may be general) high school. The award recipient may be a full time student at (specified, or general). To qualify for this scholarship, the student must demonstrate a financial need, and must have maintained a \_\_\_ average in high school. Other selection criteria should include: ( any of those listed below)

\_\_\_\_\_Leadership  
\_\_\_\_\_Moral Character  
\_\_\_\_\_Self-help  
\_\_\_\_\_Volunteerism

*(donor decides the criteria that will determine eligibility for the award.)*

3. The Foundation will establish a scholarship committee that will recommend the award recipients, to include named person, at least two representatives of the \_\_\_\_\_ family at their pleasure, and at least two community leaders. I request the following be among those invited to serve on the establishing scholarship committee: family members: Named Persons, community leaders: Named Persons. *(This is the donor's option. Usually more general in nature, in that as time goes by, original named persons are not available)*
4. The Fund will be the property of the Community Foundation and will not be deemed a separate trust fund held by it in a trustee capacity.
5. The Community Foundation may commingle the property of the Fund with the property of other funds held by the Community Foundation, provided, however, that the separate identity of the Fund will be maintained and distributions from the Fund will be clearly identified as such to the grantees.
6. It is understood and agreed that all assets held in the Fund will be subject to the Articles of Incorporation and Bylaws of the Community Foundation, including the power contained therein for the governing board to modify, cy pres, any restrictions or conditions on the distribution of funds for any specified organization if, in its sole

judgment, those restrictions become, in effect, unnecessary, incapable of fulfillment or inconsistent with the charitable needs of the area served by the Community Foundation.

7. I understand and agree that the Fund will share a fair portion of the total administrative costs of the Community Foundation. The administrative costs charged against the Fund will at all times be reasonable, will be in accordance with the current fee schedule applicable to funds of this type, and will not exceed usual and customary rates.

Please indicate your acceptance of this donation in accordance with these terms and conditions by signing below and returning a copy of this letter to me.

Very truly yours,

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Donor

Accepted:

MICHIGAN GATEWAY COMMUNITY FOUNDATION

By \_\_\_\_\_  
Robert N. Habicht, President/CEO

Date: \_\_\_\_\_