DRAFT - DONOR-RESTRICTED ENDOWMENT FUND AGREEMENT

Note: This form documents the terms for accepting donor-restricted funds under Article 2 of the Gift Acceptance Policy. It is generally intended for gifts over $25,000 which do not fit within the existing sub-fund structure. The Vestry or its delegates may also authorize its use for other special circumstances.

This Endowment Fund Agreement (the "Agreement") is entered into this _____ day of __________**, 20**__, by and between **[Donor Name(s)]** (the "Donor") and Good Shepherd Episcopal Church, located at 715 Kirkman Street, Lake Charles, Louisiana 70601, a Louisiana non-profit religious corporation (the "Church").

1. Establishment of the Fund

The Donor hereby gives, transfers, and delivers to the Church the property described in Schedule A, attached hereto, having a fair market value of $____________ as of the date of transfer. These assets, along with any future additions made by the Donor or other parties, shall be used to establish a permanent endowment fund to be known as the **[Name of Endowment, e.g., John Doe Memorial Youth Ministry Endowment Fund]** (the "Fund").

2. Purpose of the Fund

The Fund is established as a donor-restricted true endowment fund. The distributions from the Fund shall be used exclusively to support **[Insert specific purpose, e.g., the maintenance of the church sanctuary, scholarships for youth ministry, or general operating expenses]** in accordance with the religious and charitable mission of the Church.

3. Investment and Administration

The Church shall hold, manage, invest, and reinvest the Fund assets as an institutional fund under the **Louisiana Uniform Prudent Management of Institutional Funds Act (La. R.S. § 9:2337.1 et seq.)**, managing and investing in good faith with ordinary prudence. The Church may pool these assets with other institutional funds provided distinct identities and proportional tracking are maintained.

4. Spending Policy and Distributions

Distributions follow the Church's established Investment Policy Statement with Spending Policy per **La. R.S. § 9:2337.4**. Appropriations must be prudent for the uses and duration of the fund, considering seven statutory factors including fund duration, institutional purposes, economic conditions, inflation, total expected return, other church resources, and investment policy. Underwater funds may still disburse prudent amounts if documented properly.

5. Recognition and Reporting

The Church provides annual fiscal reports to the donor covering market value, returns, and distribution uses, unless an anonymity option is elected.

6. Variance Power / Release of Restrictions

If restrictions become impracticable or obsolete, they may be modified with written donor consent or via a Louisiana court petition under **La. R.S. § 9:2337.6** if the donor is unavailable.

7. Miscellaneous Provisions

The agreement is governed by Louisiana law and constitutes the entire understanding between the parties. Standard signature blocks for the donor and church representative conclude the formal agreement.

By signing this Agreement, the Donor and Good Shepherd representatives agree to accept the donor-restricted gift per the terms defined in the Good Shepherd Endowment Policies.

Approval:

____

Doris Oldtimer - Donor

____

Jane Doe – Senior Warden

____

Perry Mason – Chancellor

Attest:

____

Billy Graham – Rector

Attachment – Schedule A, Description of Donated Property

📌 **Next Steps for the Church:**

1. **Consult Counsel:** Have a qualified Louisiana attorney review the final agreement to ensure compliance with local bylaws and tax structures. [1, 2]
2. **Review Your Investment Policy Statement (IPS):** Maintain an updated internal Investment Policy Statement detailing the spending rule to support Section 4.