

## ESA FOUNDATION IRREVOCABLE ENDOWMENT AGREEMENT

The undersigned, \_\_\_\_\_ agrees to donate funds to establish an endowment with the ESA Foundation. The ESA Foundation agrees to accept said funds and maintain them as an endowment, determine and distribute scholarships based on the established rolling spending rate set by the ESA Foundation Board of Directors [if that amount is present in the endowment's available balance] not to exceed 7% the of the total endowment funds, and the total fund balance. This endowment shall be used exclusively for the specific purpose of a scholarship.

This endowment shall be entirely subject to the rules, regulations, and bylaws of the ESA Foundation and the requirements of Section 501(c) 3 of the Internal Revenue Code.

In the event the income from this fund is insufficient, in the opinion of the ESA Foundation, to carry out its intended purpose, the ESA Foundation may expend such portions of the principal of the fund as it deems appropriate or combine the income with other funds held by them for that same purpose.

This **AGREEMENT** is made this \_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_\_

Between the ESA Foundation and \_\_\_\_\_  
[Individual / Chapter / Council or other Organization establishing endowment]

**TERMS OF AGREEMENT:**

I. Amount forwarded to establish endowment: \$ \_\_\_\_\_  
[\$ 100 minimum]

II. This Endowment is to be known as:  
 \_\_\_\_\_

or  
 An Honorarium Endowment to be known as:  
 \_\_\_\_\_

or  
 A Memorial Endowment to be known as:  
 \_\_\_\_\_

**III. Special Criteria for the Endowment**

[Example: Specific Major – i.e. nursing, teaching, engineering, etc.; limited to students in a certain state or to a specific university / college, etc. or GPA or **ANY MAJOR, ANY STATE, ANY SCHOOL, GPA 3.00 minimum on 4.00 scale**].

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

**IV. Judging Criteria to be used for Scholarship judging: (Select one – 1)**

X	Criteria	Service / Leadership	Financial Need	Scholastic Ability
	A	20	35	35
	B	15	50	25
	C	15	25	50
	D	50	20	20
	E	30	30	30
	F	40	40	10

In the event that there are no qualified applicants for the scholarship associated with this endowment, I request that the scholarship committee:

\_\_\_\_\_ Select the winner from the following Scholarship:

\_\_\_\_\_ [name of scholarship]

\_\_\_\_\_ Contact me about considering altering the criteria for the scholarship to attract applicants

\_\_\_\_\_ Not award the scholarship, but allow endowment funds to build for the year

- V. All accounts will be maintained with a Restricted Account Principal of \$5,000 and any additional money will be placed in the Available account balance.
- VI. When the Endowment's Restricted Account Principal is \$5,000, an endowment is eligible to award a scholarship in a given amount based on 'giving criteria' if that amount is present in the endowment's **Available Balance** as of December 31 of any given year.

**VII. The Endowment is Irrevocable**

The ESA Foundation Board of Directors shall administer this endowment. Once the endowment is established, moneys are not refundable and in the event the terms of agreement cannot be met, the Board of Directors shall determine the appropriate action.

Signature of Representative: \_\_\_\_\_ Date: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

Accepted for the ESA Foundation: \_\_\_\_\_  
[Signature Endowment Chairman] [Date]

Address \_\_\_\_\_

City / State / Zip \_\_\_\_\_

Phone \_\_\_\_\_ Email \_\_\_\_\_

**VIII. The Contact Person**

An official contact for each Endowment will be appointed. According to law, it is the ESA Foundation Board of Directors that has the legal responsibility to administer the Endowments. An Endowment Statement will be sent to the designated contact after the close of each financial year – December 31. The Endowment Statement contains information on the current fund balances, the return on investment, the spending rate based on the average of the three-year return on investment, the 7% Endowment cap calculation, and the number and amount of scholarships to be given.

The "Contact Person" for this Endowment will be:

\_\_\_\_\_ ESA Foundation Board of Directors **OR**

1<sup>st</sup> Contact Name \_\_\_\_\_

Address \_\_\_\_\_  
City / State / Zip \_\_\_\_\_  
Phone # \_\_\_\_\_ E-Mail \_\_\_\_\_

2<sup>nd</sup> Contact Name \_\_\_\_\_  
Address \_\_\_\_\_  
City / State / Zip \_\_\_\_\_  
Phone # \_\_\_\_\_ E-Mail \_\_\_\_\_