



## ENDOWMENT AGREEMENT

An ENDOWMENT AGREEMENT, entered into on {*month, day, year*} between {*full name(s) of donor or transfer authority*} and Mount Vernon Nazarene University. The purpose of this agreement is for the establishment of an endowment to be held, managed, and used by Mount Vernon Nazarene University, Mount Vernon, Ohio.

### A. Endowment to be Established

This endowment shall be designated as the

\_\_\_\_\_  
Name of Endowment **Once Fully Funded**

Mount Vernon Nazarene University shall establish this Endowment pursuant to the terms of this Agreement and University policies adopted by the Board of Trustees, on the date the University receives and accepts from the Donor the initial funding requirements. The Endowment shall be held in perpetuity by the University with assets managed for investment and appropriation for purposes described below.

### B. Transfer of Assets

The donor(s) shall have five years to submit donations to the University that are equal to or exceed the \$15,000 funding requirement. Should the original amount be less than \$15,000, no awards or naming will occur until that minimum is attained. If the endowment is for student scholarships and remains under the required threshold for the five-year period the fund will be transferred to the "Christians Helping Others in Christian Education" endowment.

The donor(s) agrees to contribute \$ \_\_\_\_\_ to be fulfilled by \_\_\_\_\_  
(amount) (date)

in the form of (check appropriate)

Charitable remainder trust or charitable gift annuity established on {*date*} with an initial fair market value of {*\$ amount*}.

Securities or bonds with a fair market value of {*\$ amount*} and described as follows:  
{*Name, identification number, and number of shares*}

Proceeds from the pledge of the following assets:  
{*Description of pledged assets and transfer schedule*}

Interest in real or other personal property described as follows:  
{*Description of real or other personal property*}

Cash in the total amount of {*\$ amount*} payable on the following scheduled:

\$ \_\_\_\_\_ Paid by \_\_\_\_\_  
(amount) (date)

\$ \_\_\_\_\_ Paid by \_\_\_\_\_  
(amount) (date)

\$ \_\_\_\_\_ Paid by \_\_\_\_\_  
(amount) (date)

\$ \_\_\_\_\_ Paid by \_\_\_\_\_  
(amount) (date)

C. Awarding Criteria

The donor(s) may designate award criteria including a target population for a fully funded endowment in a separate document entitled *Requirements for Administration*. In the event the donor is unable to approve an alternative provision as necessary, the donor agrees that the University may award the funds to the primary designated group that most closely fits the criteria of this endowment.

D. Endowment Purpose

The Endowment's payout shall be utilized exclusively for the following purpose (check one):

1. \_\_\_\_\_ Student financial assistance
2. \_\_\_\_\_ Support of the University's mission
3. \_\_\_\_\_ Support the costs of a named facility
4. \_\_\_\_\_ Other: \_\_\_\_\_

The purpose provision must be approved by the University.

E. Selection of Scholarship Recipient

Per the Family Educational Rights and Privacy Act (FERPA), Federal financial aid regulations, and University policy, the selection of the scholarship recipients will, in each case, be the responsibility of the institution through defined operating procedures.

F. Endowment Payout

The corpus (principal book value or historic dollar value) of each individual endowment fund is to remain with the University in perpetuity. The annual distribution available for spending shall be determined by the Spending Policy established by the University's Investment Committee, and in accordance with state law, including the Uniform Management of Institutional Funds Act (UPMIFA).

G. Investment of Endowment Assets

Mount Vernon Nazarene University shall invest endowment assets as an institutional fund under UPMIFA with the goal of optimizing yield and maintaining the spending power of the endowment assets. The Endowment's assets shall be subject to the investment policies of the University relating to endowments, and shall be managed in a manner that is consistent with these requirements. The University shall exercise exclusive authority over management of the Endowment, including the pooling of the Endowment investment and payout purposes, and accounting for Endowment assets under generally accepted accounting principles.

H. Additional Assets to the Endowment

Additional assets may be added to the Endowment by contribution or by transfer of other funds held by the University. Such additional assets shall not contain restrictions, conditions, or designations which are inconsistent or in conflict with this Agreement.

I. Alternative Use of Endowment Distributions

In the event the purpose of the Endowment stated in this Agreement or in the Requirements for Administration no longer corresponds to current University programs, becomes unreasonable, or cannot otherwise be accomplished, the Endowment distributions shall be made available as specified by the University President for uses most consistent with the purpose, and the source of alternative use shall clearly be identified as the *{Endowment name}*.

J. Recognition

In recognition of this gift, the donor(s) will be recognized, commensurate with giving level, in the MVNU President's Annual Report. If the donor(s) prefer not to be recognized in this publication please indicate below.

Permission to publish name(s) in President's Annual Report

Yes

No

The donor(s) agrees to allow MVNU to publish their name(s) in various University publications and press releases.

Yes

No

Name(s) to be used in publications: \_\_\_\_\_

K. Endowment Management

The Endowment shall be managed in accordance with applicable law, the provisions of this Agreement, and Mount Vernon Nazarene University endowment policies. The University shall establish criteria and procedures for the expenditure of funds appropriated from the Endowment, except that in the case of an endowment for student financial assistance purposes, written Requirements for Administration shall be established.

The foregoing Agreement may have tax and/or other legal implications. The donor(s) acknowledges that a financial and/or legal advisor for guidance regarding such issues is recommended.

Signatures

Approved by:

\_\_\_\_\_  
Donor or Transfer Authority Date: \_\_\_\_\_

\_\_\_\_\_  
Donor or Transfer Authority Date: \_\_\_\_\_

\_\_\_\_\_  
MVNU Development Office Representative Date: \_\_\_\_\_

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