

The Community Foundation of Muncie and Delaware County, Inc.

ACORN FUND POLICY

Background: The Board of Directors of The Community Foundation of Muncie and Delaware County, Inc. recognize that there are individuals who would like to create legacy for themselves and their community but are not able to meet the \$10,000 minimum required to establish an endowed fund. The Acorn Fund concept will allow donors to grow their fund to the \$10,000 level over a period of up to five years.

Policy: The Community Foundation of Muncie and Delaware County, Inc. desires to encourage endowed philanthropy and provide user-friendly services to our donors. To this end, the Foundation will incubate growing endowment funds using the following considerations:

1. Funds established under the Acorn Fund program are intended to grow to the \$10,000 minimum over a maximum period of five (5) years. Interested donors will be asked to sign an agreement (See Attachment 1) indicating agreement with the Acorn concept.
2. First payment must be no less than \$1,000, after that, payments can be made for any amount at any time. Any person or entity may donate to the fund; however, only gifts from the original donor will reduce the pledge obligation.
3. During the fund incubation period, the Foundation will reinvest and credit all interest, dividends and market gains to the non-spendable (Corpus) of the fund. The Community Foundation will not charge an administrative fee until such time the fund reaches the \$10,000 level (earnings will not count towards \$10,000 minimum). At that time, the fund will be assessed the appropriate fee for the fund based upon the Foundation's current Administrative Fee Structure.
4. Once the Acorn Fund is fully funded, it must be invested two full quarters before distribution can be made from the Fund.
5. A Fund Agreement, indicating the type of fund, will be signed at the time the Acorn Pledge Form is signed. The Acorn Fund will be recognized in the Foundation's annual report and in all relevant Foundation information.
6. If the pledge is not fulfilled (\$10,000 is not reached in five (5) years), the donor will be given the option of directing the assets either to another Community Foundation endowed fund or to the Unrestricted Fund of the Community Foundation. Absent direction from the donor within a reasonable period of time, the assets will be placed in the Unrestricted Fund of the Community Foundation. In such case, it is the responsibility of the Donor to notify other contributors of the status of the Acorn Fund.
7. If a donor dies before the pledge is fulfilled, and the pledge is not paid in full from the donor's estate, the assets will be placed in an Community Foundation Endowment Fund, as directed in writing by the donor during the donor's lifetime or in the donor's will; or, in the absence of such direction, in an Endowment Fund with a purpose or purposes similar to the one(s) indicated by the donor in establishing the Endowment Fund, or in the Foundation's Unrestricted determined by the Board of Directors of the Community Foundation.