

Endowed TN Pledge Scholarship Gift Agreement between

Endowed TN Pledge Scholarship
Gift Agreement



between

< Insert Donor Names>

and

#### The University Of Tennessee Foundation, Inc.

***EDUCATION WORKS!***

**<Name of Donor(s)>**

**and**

**The University Of Tennessee Foundation, Inc.**

The following sets forth an agreement by and between <name of donor(s)> (the Donor(s)) and the University Of Tennessee Foundation, Inc. (the Foundation). The Foundation is a not-for-profit corporation in the State of Tennessee organized to support the fund raising activities of the University Of Tennessee (the University) and is an organization described in Internal Revenue Code 501(c)(3). Gifts to the Foundation should be made payable to the **University Of Tennessee Foundation, Inc**.

**(I) THE GIFT**

The Donor(s) <commits/commit> $ \_\_\_\_\_\_\_\_\_\_\_ to the <Name of Endowment/Scholarship/Current Fund> as indicated by <his/her signature or their signatures>. <***Optional*** - For more information on the Donor(s) and the reason for making this gift, please refer to Appendix A.>

**(II) PURPOSE**

The gift will be used to establish the **<insert endowment name>Scholarship Endowment** at <insert campus, college, department, etc.>. The <name of committee> shall choose the recipients of the **<name> Endowed Scholarship** in accordance with University policy. The scholarship shall be open to all applicants regardless of race, color, religion, sex, national origin, citizenship, disability, age, or veteran status, subject to the following criteria:

1. Applicants must be currently enrolled at or admitted to attend the University of Tennessee, Knoxville.
2. <Specify additional preferences as needed; possibilities include but are not limited to:>
	1. Applicants must be pursuing a major in the <college or department>.
3. Preference will be given to students meeting the criteria outlined for the Tennessee Pledge Scholarship. *Please see Appendix B for specifications.*
4. Recipients selected with the Tennessee Pledge Scholarship criteria as specified in #3 above will be required to meet the retention requirements outlined for the Tennessee Pledge Scholarship in order to retain the scholarship. *Please see Appendix B for specifications.*
5. Should there be no students eligible under Tennessee Pledge Scholarship criteria students should be selected based on financial need.

<***Optional*** -A \_\_\_\_\_ percent portion of the endowment earnings may be used for expenses related to the scholarship(s). Any program, project, or activity funded shall be subject to the policies and administrative guidelines required by the University.>

The <list Dean, Director, Department Head, etc.> of the <list college or department> will determine how and how much of the annual earnings will be awarded.

If it becomes impossible or impractical to use the gift for the purpose designated by this Gift Agreement, or if this Gift Agreement is determined to be in conflict with any federal, state, or local law, regulation, or ordinance**,** the University/Foundation, in consultation with the President of the University, will direct the use of this giftin the best interest of the University and in a manner as close as possible to the original intent of the Donors as expressed in this Gift Agreement. The identity of any named funds will be retained and will always bear the name indicated by the Donor.

**(III) SCHEDULE AND FORM OF CONTRIBUTIONS**

The Donor(s) <agrees/agree> to fulfill this commitment with gifts of cash, securities or other assets over five years, according to the following schedule:

**Payment Amount: Due Date:** <month and year>

$\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

$\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

$\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

$\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

$\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

The Donor(s) or other contributors may add to this endowment with gifts of cash, securities, or other assets, which, if accepted by the Foundation, will become subject to all the covenants, terms, and conditions of this Gift Agreement. However, IRS regulations preclude this pledge from being satisfied by a donor advised fund, community foundation, or family foundation.

In the event gifts or the proceeds from the sale of donated securities or other property are insufficient to establish the minimum required endowment level within the specified payment schedule, the Foundation will contact the Donor(s) (if possible) to discuss an additional contribution. If for any reason, the donor does not fully fund the minimum endowment of $25,000 the University/Foundation has the authority to move the principal into another endowment of similar purpose and scope. **Endowment funds cannot be converted to spendable (non-endowed) funds but must remain in an endowment.**

Quarterly distributions from new endowments must be reinvested for the first year. This delay allows the endowment to begin earning prior to the initial distribution and helps preserve the long-term purchasing power of the gift. Because all endowments make distributions on the same quarterly schedule, a new endowment’s first distribution will be made after the earliest calendar quarter-end on, or following, the one-year anniversary of the endowment’s inception (i.e. An endowment created on January, 31, 2018, February 28, 2018 or March 31, 2018 would make its first distribution following March 31, 2019).

**(IV)** **RECOGNITION**

In grateful recognition of <name of donor(s)>’s generosity, this scholarship will be known as the **<name of fund> Endowed Scholarship**.

The Donor(s) <gives/give> the Foundation permission to publicly recognize <his/her/their> commitment. The Foundation will, however, clear any press releases with the Donor(s) before issuing such release.

Recipients are encouraged to write a letter of appreciation to:

[Name]

[Address]

[Address]

[Address]

 **(V)** **ADMINISTRATION**

The Foundation may, for investment purposes, commingle the property comprising this gift with any of its investment assets; however, the gift shall be entered on the Foundation’s books and records as stated in Section II. The Foundation will invest the fund and reinvest some or all of the earnings as governed by the University Of Tennessee Investment Policy. All earnings will be reinvested until the endowment principal balance reaches $25,000. Normal fees associated with the collection and disbursement of gifts and gift income may be assessed.

For a gift to the **University Of Tennessee Foundation, Inc.**, please sign and date below:

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_**

**[Name of Donor] Date**

[Address]

[Address]

[Address]

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_**

**[Name of Donor] Date**

[Address]

[Address]

[Address]

On behalf of the **University Of Tennessee Foundation, Inc.**

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_**

**Kerry Witcher**  Date

Interim President/CEO of the UT Foundation, Inc.

###### APPENDIX A

###### APPENDIX B

Tennessee Pledge Scholarship

Accessibility to an education at Tennessee’s flagship land-grant university should be available to all citizens of the state. To achieve this accessibility for qualified students from low-income families, the University Of Tennessee offers need-based scholarships to members of the fall entering freshman class who are Tennessee residents.

These need-based scholarships are offered to admitted students with a family adjusted gross income of up to $40,000, which equates to approximately 200% of the federal poverty level.

The scholarship, when combined with other federal, state and institutional aid, will cover a student’s mandatory costs – tuition, fees, room and board, and a book allowance as determined by UT – without the use of student loans.

Current Criteria:

* Family adjusted gross income (AGI) of $40,000 or less
* Tennessee Resident
* Matriculate for fall semester immediately following graduation from a Tennessee high school.
* Submit Free Application for Federal Student Aid (FAFSA)
* Award is based on all offered gift aid, including the Tennessee Education Lottery Scholarship

Award Length

* Four-year award

Current Retention Requirements:

* Annual family adjusted gross income (AGI) of $40,000 or less
* Maintain 2.0 cumulative grade point average (GPA) and federal Satisfactory Academic Progress (SAP)
* Maintain required minimum eligibility for all awarded institutional, federal and state funds.