



## INSTRUMENT OF TRANSFER Organization Master Fund

Truman Heartland Community Foundation  
4200 Little Blue Parkway, Ste. 340  
Independence, Missouri 64057

We, CITY OF LEE'S SUMMIT (hereinafter called the "Organization"), hereby transfer cash or other property to establish the CITY OF LEE'S SUMMIT ORGANIZATION Fund (hereinafter called the "Fund") at The Truman Heartland Community Foundation (hereinafter called the "Community Foundation"). The Community Foundation is authorized to accept additional contributions to the Fund in terms substantially similar to those set forth herein.

The initial purpose of the Fund shall be to establish an unrestricted fund for the Organization. At the request of the Organization, additional named sub-funds may be established within the Fund provided that the establishing gift meets the Community Foundation minimum policy (currently \$5,000 per sub-fund. The Organization shall specify the following in writing to the Community Foundation when requesting the establishment of a new sub-fund: name; a description of the charitable purpose(s) and/or program(s) to be supported; endowment or non-endowment designation; and any other information, restrictions or grant administration as may be required.

We desire that the annual net income and/or principal from the Fund be distributed to the Organization for its unrestricted use. For grant distributions from endowment sub-funds, it is intended that grants will be made to the Organization from net income only. At the discretion of the Organization, *net income shall be defined as an amount that shall be computed annually based upon the current spending policy of the Community Foundation (currently 5% of the average past three year-end Fund balances).*

We hereby acknowledge receipt of the Administrative Fee Schedule attached hereto as **Exhibit A** and accept the terms of said schedule. We further understand the fee schedule is subject to modification and may be increased or decreased at the sole discretion of the Community Foundation's Board of Directors (hereinafter referred to as "Board of Directors"). We agree to be bound by the most current schedule of fees published by the Community Foundation. Furthermore, we are familiar with the Community Foundation's Fund Investment Program and recommend the allocation, as described on **Exhibit B**, be applied to the Fund. We further understand that prior to receipt of a signed Investment Recommendation Form all contributions to the Fund will be held in the THCF Money Market account.

Requests for distributions from the Fund may be made upon the Community Foundation's receipt of the written recommendation of two of the following officers of the Organization: [**Sample Officers:** *president and chief executive officer, vice president of operations, or the secretary/treasurer.*] A list of those current officers of the Organization is attached hereto as **Exhibit C**. As long as the Organization remains in good standing as a public charity, the Community Foundation will not unreasonably withhold a distribution that is recommended by the Organization.

We are familiar with and accept the terms of the procedures for the establishment and operation of funds of the Articles of Restatement of Articles of Incorporation of the Community Foundation (hereinafter called the "Articles"). We are aware that Article VIII, Section F of the Articles, gives the Board of Directors the power to modify or override any restriction or condition on the distribution of funds if in the sole judgment of the Board of Directors such restriction or condition becomes, in effect, unnecessary, incapable of fulfillment, or is inconsistent with the charitable needs of the community to which the Foundation serves. We also understand that the Community Foundation, through its duly authorized committees, reserves the right to make the final decision regarding distributions from the Fund.

In the event that the Organization and its legal successors cease to exist, we request that the Fund be converted to a field of interest fund from which grants will be distributed to charitable agencies providing similar services as currently being provided by the Organization.

Yours very truly,

**CITY OF LEE'S SUMMIT**

**Mr. Steve Arbo**

**City Administrator**

**City of Lee's Summit - Administration**

**220 SE Green Street**

**Lee's Summit, MO 64063**

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***Steve Arbo, City Administrator***

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***Date Signed***

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***Organization Signature***

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***Date Signed***

Accepted By

Truman Heartland Community Foundation:

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***President & CEO Signature***

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***Date Signed***



**DESIGNATED/ORGANIZATION MASTER FUND  
ADMINISTRATIVE FEE SCHEDULE  
Exhibit A**

As a not-for-profit organization, Truman Heartland Community Foundation's mission is to improve the quality of life in our communities through charitable giving. The fees paid by our fund holders make possible the grants and community action undertaken by the Community Foundation. Our many services are linked by our organizing principle: the needs of the community come first (see your benefits at [www.thcf.org](http://www.thcf.org)).

The schedule below represents the maximum fee based on total dollars in a fund. Each month 1/12 of the applicable rate is applied to the average balance.

<b>Annual Administrative Fees</b>
<b>The Market Value of Fund Assets</b> (based on total assets of all organization funds)
\$250 minimum fee
1.00% on the first \$500,000
0.60% on the next \$500,000
0.30 on the next \$2 million
0.25 on all over \$3 million
<i>As additional services are requested, fees may be subject to increase.</i>

- For newly established funds, the minimum annual fee is prorated over the remainder of the year.
- A **one-time charge of \$100** is made at the time of establishment.
- **Administrative fees may be assessed up to 1.5%** for other services including but not limited to: providing tax deductible receipts for donors under \$250, large number of transactions, monthly fund statements, statements to multiple representatives and in multiple formats, and supplementary accounting reports.
- Funds will be charged for any extraordinary direct expenses incurred on behalf of a specific fund (such as commission for sale of contributed stock to the funds, etc.).

Base Fee Rate: \_\_\_\_\_%

By \_\_\_\_\_  
Phillip J. Hanson, President & CEO



INVESTMENT RECOMMENDATION FORM

Exhibit B

Fund Name: City of Lee's Summit Organization Fund

SubFund Fund ID:

The Community Foundation offers donors the flexibility of having their own trusted financial advisor manage the investments of their fund, selecting the THCF Recommended Mix, or an allocation into four different types of investments. Please indicate the investment option preferred or the percentage of the funds you would like invested in each of the categories.

Option 1: I want my fund to be advised by my financial advisor listed below:

Advisor Name:
Company Name:
Address:
City/State/Zip:
Phone: Email:

Option 2: I want my fund to be invested in the Community Foundation's Investment Pool.

My Investment Recommendation (Only Complete if you select Option 2):

- Long-Term Mix 1 - Recommended Mix
Long-Term Mix 2 - American Funds - 100% American Balanced Fund
Risk Averse Mix - 100% Money Market and CD Pool
Create Your Own Mix - Money Market%, Fixed Income%, Equity%

Donors may recommend changes to investment allocation as needed to accomplish fund purposes (subject to Community Foundation Board approval). No extra fees are charged for changes.

As required by IRS regulations, I acknowledge and agree that:

- a) My above recommendation is advisory only and the Community Foundation may, at its sole and absolute discretion, follow or decline to follow my recommendation;
b) The Community Foundation may at any time, at its sole and absolute discretion, change the investment of all or any portion of the assets in the Fund;
c) If my recommendation is accepted, the investments will be administered in accordance with the financial policies of the Community Foundation; and
d) Investments are subject to normal market and interest rate fluctuation risks, and any gain or loss generated by the above investments will be credited or charged to the Fund.

Signature

Date



**ORGANIZATION OFFICERS**  
Exhibit C

1. \_\_\_\_\_  
(will receive all Community Foundation correspondence)
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_
5. \_\_\_\_\_



**LETTER OF INSTRUCTION**  
**For use by CITY OF LEE'S SUMMIT in setting up New Sub-Funds**

Truman Heartland Community Foundation  
4200 Little Blue Parkway, Ste. 340  
Independence, MO 64057

Re: \_\_\_\_\_

City of Lee's Summit wishes to establish this fund as a component sub-fund of the City of Lee's Summit Organization Fund. The purpose of the sub-fund will be: \_\_\_\_\_

A signed Investment Recommendation attached hereto as **Exhibit A** stipulates how we desire that these funds be invested.

We desire that the [annual net income] or [income & principal] be distributed to [Organization Name] for the stated purpose of fund.

Yours very truly,  
**CITY OF LEE'S SUMMIT**  
**Mr. Steve Arbo**  
**City Administrator**  
**City of Lee's Summit - Administration**  
**220 SE Green Street**  
**Lee's Summit, MO 64063**

\_\_\_\_\_  
**Steve Arbo, City Administrator**

\_\_\_\_\_  
**Date Signed**

Accepted By  
Truman Heartland Community Foundation:

\_\_\_\_\_  
**President & CEO Signature**

\_\_\_\_\_  
**Date Signed**