

12/11/12

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION AUTHORIZING THE GANG TASK FORCE COORDINATOR TO EXECUTE A CONTRACT WITH THE COMMUNITY FOUNDATION OF GREATER CHATTANOOGA (CFGC) TO CREATE A FUND TO ACCEPT DONATIONS AND CONTRIBUTIONS.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CHATTANOOGA, that it is hereby authorizing the Gang Task Force Coordinator to execute a contract with the Community Foundation of Greater Chattanooga (CFGC) to create a fund to accept donations and contributions.

The Community Foundation of Greater Chattanooga will manage the fund as outlined in their standard contract attached. A service fee of one and a quarter (1.25%) percent per annum based on the balance in the fund account will be charged. The minimum charge will be \$100.00. The Gang Task Force has funds budgeted for this fee. No new funds are being requested.

ADOPTED: \_\_\_\_\_, 2012

/mms

# City of Chattanooga



## Resolution Request Form

(This form is only required for resolutions requiring expenditure of City funds)

Date Prepared: 11/26/2012

Preparer: Boyd Patterson

Department: Gang Task Force/Mayor's Office

### Brief Description of Purpose for Resolution:

Resolution Number (if approved by Council):

The Gang Task Force requests a contract with the Community Foundation of Greater Chattanooga (CFGC) to create a fund to accept donations and contributions. The Community Foundation of Greater Chattanooga will manage the fund as outlined in their standard contract (see attached). A service fee of 1-1/4% per annum based on the balance in the fund account will be charged.

The minimum charge will be \$100.00. The Gang Task Force has funds budgeted for this fee so no new funds are being requested.

Name of Vendor/Contractor/Grant, etc. \_\_\_\_\_  
Total project cost \$ 100  
Total City of Chattanooga Portion \$ 100  
City Amount Funded \$ 100  
New City Funding Required \$ 0  
City's Match Percentage % 0%

New Contract/Project? (Yes or No) Yes  
Funds Budgeted? (YES OR NO) Yes  
Provide Fund 1100  
Provide Cost Center B00105  
Proposed Funding Source if not budgeted \_\_\_\_\_  
Grant Period (if applicable) \_\_\_\_\_

### List all other funding sources and amount for each contributor.

| Amount(s) | Grantor(s) |
|-----------|------------|
| \$ _____  | _____      |
| \$ _____  | _____      |
| \$ _____  | _____      |

Agency Grant Number \_\_\_\_\_

CFDA Number if known \_\_\_\_\_

Other comments: (Include contingency amount, contractor, and other information useful in preparing resolution)

Approved by: \_\_\_\_\_

Reviewed by: FINANCE OFFICE

DESIGNATED OFFICIAL/ADMINISTRATOR

Please submit completed form to @budget, City Attorney and City Finance Officer

## AGREEMENT

THIS AGREEMENT has been made on the \_\_\_ day of \_\_\_\_\_, 2012, between THE COMMUNITY FOUNDATION OF GREATER CHATTANOOGA, INC. (the "Community Foundation") and CITY OF CHATTANOOGA GANG TASK FORCE ("TASK FORCE").

WHEREAS, TASK FORCE desires to seek contributions to the Community Foundation to be managed under the name of the Future is Ours Fund (the "Fund") for the purpose of funding on-going charitable grants in furtherance of the Community Foundation's exempt purposes; and

WHEREAS, TASK FORCE acknowledges that it is desirable for administrative convenience and economy for the assets that will comprise the Fund to be managed by the Community Foundation for the fees set forth herein; and

WHEREAS, the Community Foundation is willing to accept assets to comprise the Fund, invest and manage such assets, and make charitable grants from the income and/or principal of the Fund as set out in this Agreement all in furtherance of the Community Foundation's exempt purposes.

NOW, THEREFORE, in consideration of the foregoing, the parties agree as follows:

1. TASK FORCE and the Community Foundation hereby establish the Fund to be comprised of all additional monies received and receivable by the Fund, to be held, managed and administered by the Community Foundation in furtherance of its exempt purposes. The parties acknowledge that the Community Foundation shall be deemed the fee owner of the assets comprising the Fund and that the Community Foundation has the ultimate authority and control over the assets comprising the Fund and the income derived from such assets subject only to the Community Foundation's governing instruments. The parties intend that the Fund shall be deemed a component part of the Community Foundation and not subject to any material restriction or condition in accordance with Treasury Regulations Section 1.170A-9(f)(11) and that this Agreement should be construed accordingly. Notwithstanding anything to the contrary herein, the parties intend that the Fund shall not be deemed a "donor advised fund" as defined in Section 4966(d)(2) of the Code and the provisions hereof shall be interpreted accordingly. Accordingly, the Fund shall not be separately identified by reference to the contributions of any particular donor or donors and such contributions will not be tracked and accounted for within the Fund.

2. The assets so managed and administered by Community Foundation shall be known as the Future is Ours Fund. The Community Foundation shall have the power to perform all acts and enter into and perform all contracts and other undertakings which it may deem necessary, advisable or incidental to the management and administration of the Fund, including, but not limited to the power to:



(a) select, purchase, hold, sell, transfer, exchange and otherwise acquire and dispose of domestic or foreign securities and other investments, and otherwise deal in and exercise all rights and powers and incidents of ownership or possession under such terms and conditions as it determines acceptable with respect to all assets comprising the Fund;

(b) invest on an interim basis in U.S. Treasury obligations, money market funds or similar liquid vehicles, domestic or foreign, pending further investment decisions;

(c) open, maintain and close brokerage accounts;

(d) open, maintain and close bank accounts and draw checks or other orders for the payment of moneys.

TASK FORCE shall have no right to direct the investment or allocation of assets comprising the Fund and shall have no recourse against the Community Foundation for investment or other management decisions made with respect to the Fund. TASK FORCE acknowledges that the Community Foundation is not engaged in the business of rendering investment supervisory services as defined in Section 202(a)(13) of the Investment Advisors Act of 1940, as amended, and that no portion of the fee hereunder shall be deemed made for such services.

3. The income and/or principal of the Fund shall be used for general charitable purposes, especially to support the activities of the Gang Task Force in Chattanooga, TN. TASK FORCE acknowledges that the Community Foundation is under no obligation to make grants to any particular person or charity and that the Community Foundation may be precluded under applicable law from making grants to certain persons, charities or other organizations conducting charitable programs.

4. An Advisory Committee (the "Committee") shall be established to make recommendations regarding charitable grants. The initial members of the Committee shall be Boyd Patterson, Fred Houser and Nina Ventra. Additional members of the Committee may be selected by the members of the Committee remaining at any time. NO MEMBER OF THE COMMITTEE SHALL BE A DONOR TO THE FUND.

5. The Community Foundation shall receive, review and consider written recommendations from the Committee concerning grants to persons and charities and any conditions which should be placed upon such grants. The final decision concerning the amount, recipient, timing and conditions of any such grants shall be made by the Community Foundation and TASK FORCE acknowledges that the Community Foundation is not bound by the advice of the Committee and that TASK FORCE and the Committee has no right or recourse against the Community Foundation in the event the advice of the Committee is not followed.

6. The Committee shall not make any recommendation regarding, and the Community Foundation shall not make, any payment in the nature of a grant, loan, payment of compensation, or of a similar nature, from the Fund to a member of the Committee or a member

of the family of a member of the Committee, or an entity or trust in which any of the foregoing persons own more than 35 percent of the voting, economic or beneficial interest, to the extent such payment would constitute an excess benefit transaction within the meaning of Section 4958(c)(1)(A) of the Code.

7. In addition to the foregoing, any Committee member will be required to recuse themselves from the evaluation of any recommendation to the Community Foundation regarding any grant, loan, payment of compensation, or payment of a similar nature, in which the Committee member has a personal or financial interest and such circumstances shall be disclosed to the Community Foundation in connection with any such recommendation.

8. The Community Foundation shall charge a fee from time to time for its services in connection with the Fund. Such fee shall be charged according to a schedule approved by the Board of Directors of the Community Foundation and shall be deducted from the Fund. Fees of outside agents may also be deducted for services rendered to the Community Foundation on behalf of a Fund. The current annual fee schedule is one and one quarter percent of market value deducted pro rata on a quarterly basis. The fee is designed to reflect generally the costs of the Community Foundation in the management and administration of the Fund and may be unilaterally adjusted by the Board of Directors of the Community Foundation. TASKFORCE acknowledges that TASKFORCE has no right or recourse against the Community Foundation in the event the fees deducted from the Fund are increased or otherwise changed. The minimum annual fee shall be \$100.

9. Notwithstanding any other provision herein, the Board of Directors of the Community Foundation shall have the power to determine (with or without the approval of the Committee) that the Fund cannot continue without being classified as a donor-advised fund within the meaning of Section 4966(d)(2) of the Code, the specific purposes of the Fund cannot be attained, or that such purposes are unnecessary, incapable of fulfillment or inconsistent with the charitable needs of the community. In this event the Fund shall be used for such purposes most closely related to the charitable activities supported by TASKFORCE as the Community Foundation's Board of Directors shall determine to be appropriate, proper and legally permissible, consistent with the Community Foundation's exempt purposes.

10. This Agreement shall be deemed to continue for so long as the Fund may be in existence and shall not be deemed changed unless a modification is needed so that the Fund may be treated for Federal tax purposes as a component part of the Community Foundation or so that the Community Foundation may continue to qualify as a publicly supported organization or so that the Fund will continue to not be treated as a donor-advised fund within the meaning of Section 4966(d)(2) of the Code.

11. This Agreement shall be governed by the laws of the State of Tennessee.

12. Signed at Chattanooga, Tennessee, on the first date written above.

CITY OF CHATTANOOGA  
Gang Task Force

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THE COMMUNITY FOUNDATION OF GREATER CHATTANOOGA, INC.

By: \_\_\_\_\_

Title: \_\_\_\_\_