RESOLUTION 95-59

TO ESTABLISH AN EDUCATION AND TRAINING TRUST FUND

WHEREAS, the City of Bloomington believes that education and training can be key elements for citizens to prepare for full participation in the cultural, economic, political, and social life of the community; and

WHEREAS, the City of Bloomington has supported the Community Alliance for Lifelong Learning in its efforts to make substantial and sustainable improvements in the quality of life for all the citizens of our community through lifelong learning; and

WHEREAS, the City of Bloomington would like to contribute financial support that would act in perpetuity to enhance education and training opportunities throughout the community; and

WHEREAS, pursuant to IC 6-3.5-6-17.5, the Monroe County Income Tax Council (CITC) elected to reduce Monroe County's COIT special account balance from a six-month to three-month reserve and receive a one-time distribution of County Option Income Tax (COIT) from the special account to Monroe County governmental entities; and

WHEREAS, cities are authorized to establish permanent endowments with nonprofit community foundations to serve the purposes of the city pursuant to IC 36-1-14, and the City wishes to use $125,000 to establish a designated endowment for an education and training fund in the Bloomington Community Foundation; and

WHEREAS, the Bloomington Community Foundation is a nonprofit Indiana corporation exempt from taxation under Internal Revenue Code Section 501(c) (3), a public charity described in Internal Revenue Code Section 170 (b) (1) (A) (vi), and a charitable nonprofit community foundation pursuant to IC 36-1-14, and is accordingly an appropriate institution within which to establish such an endowment;

WHEREAS, the Redevelopment Department of the City of Bloomington has prepared a Funding Agreement with the Bloomington Community Foundation outlining the terms of the Fund;

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE COMMON COUNCIL OF THE CITY OF BLOOMINGTON, MONROE COUNTY, INDIANA, THAT:

Section 1. The Funding Agreement between the Redevelopment Department of the City of Bloomington and the Bloomington Community Foundation, as attached as Exhibit A, be approved and incorporated herein by reference.

Section 2. The Community Alliance for Lifelong Learning Board shall comply with the following conditions before their recommendations will be accepted by the Bloomington Community Foundation:

A. The Board's records regarding the Fund and their recommendations to the Fund shall be public records pursuant to IC 5-14-3-1 et seq. and all portions of their meetings at which matters pertaining to those topics are discussed or voted upon shall be public meetings pursuant to IC 5-14-1.5-1 et seq.

B. Recommendations regarding proposals for education and training programs should not duplicate existing federal, state, and local programs.

Section 3. Severability. If any section, sentence, or provision of this resolution, or the application thereof to any person or circumstance shall be declared invalid, such invalidity shall not affect any of the other sections, sentences, provisions, or applications of this

ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this resolution are declared to be severable.

PASSED and ADOPTED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this 6th day of December, 1995.

Iris Kiesling

IRIS KIESLING, ~~President~~
Bloomington Common Council

SIGNED and APPROVED by me upon this 13th day of December, 1995.

Tomilea Allison

TOMILEA ALLISON, Mayor
City of Bloomington

ATTEST:

Patricia Williams

PATRICIA WILLIAMS, Clerk
City of Bloomington

SYNOPSIS

This resolution approves a Funding Agreement between the City of Bloomington and the Bloomington Community Foundation. According to the Agreement, the City will provide the Foundation with a $125,000 endowment for grants to education and training programs. Upon complying with certain conditions, the Community Alliance for Lifelong Learning Board will be authorized to make recommendations to the Foundation on grant applications. One of those conditions, which barred applicants who are in default with the City from receiving fund monies, was removed by amendment. Those in favor of the amendment thought that the Board would be in a better position to develop these type of criteria.

Signed copies to
Redevelopment
Controller 3

Bl. Com. Fd.
CALL
Mayor

Chamber of Commerce

ACCOMPANIES RESOLUTION 95-59

DESIGNATED TRUST ENDOWMENT FUND AGREEMENT

BETWEEN

THE REDEVELOPMENT DEPARTMENT OF THE CITY OF BLOOMINGTON

AND

THE BLOOMINGTON COMMUNITY FOUNDATION

This Agreement made and entered into on Jan 10, 1996 at Bloomington, Indiana, between the Redevelopment Commission of the City of Bloomington, hereinafter referred to as the City, and the Bloomington Community Foundation, hereinafter referred to as the Foundation. The Foundation agrees to engage in activities as set forth below and to comply with all provisions of this Agreement and the City agrees to provide funding, as set forth below.

WHEREAS, pursuant to IC 6-3.5-6-1 et.seq., county option income tax ("COIT") has been imposed in Monroe County, Indiana, since 1984, and the City receives a distributive share of the COIT; and

WHEREAS, pursuant to IC 6-3.5-6-17.5, the Monroe County Income Tax Council (CITC) elected to reduce Monroe County's COIT special account balance from a six-month to three-month reserve and receive a one-time distribution of COIT from the special account to Monroe County governmental entities; and

WHEREAS, the City believes that education and training can be key elements for citizens to prepare for full participation in the cultural, economic, political, and social life of the community; and

WHEREAS, the City has supported the Community Alliance for Lifelong Learning in its efforts to make substantial and sustainable improvements in the quality of life for all the citizens of our community through education; and

WHEREAS, the City would like to contribute financial support to enhance education and training opportunities throughout the community for perpetuity; and

WHEREAS, cities are authorized to establish permanent endowments with nonprofit community foundations to serve the purposes of the city pursuant to Indiana Code 36-1-14, and the City wishes to use $125,000 of its COIT revenues to establish a designated endowment for an education and training fund in the Foundation; and

WHEREAS, the Foundation is a nonprofit Indiana corporation exempt from taxation under Internal Revenue Code ("Code") section 501(c)(3), a public charity described in section 170

(b) (1) (A) (vi) of the Code, and a charitable nonprofit community foundation pursuant to Indiana Code 36-1-14, and accordingly an appropriate institution within which to establish such an endowment; and

WHEREAS, the Foundation is willing and able to create such an endowment as an Education and Training Trust Fund, subject to the terms and conditions hereof;

NOW THEREFORE, the parties agree as follows:

1. Name of the Fund. There is hereby established in the Foundation, and as a part thereof, a fund designated as the Education and Training Trust Fund (hereinafter referred to as "the Fund") to receive gifts, in whatever form of money and property, and to administer same.

2. Purpose. The purpose of the Fund shall be to provide funds for education and training programs or organizations working in support of such programs be they for-profit or not-for-profit, serving the citizens of the City.

3. Endowment. The City, through the Redevelopment Department's 1995 General Fund Budget, hereby agrees to transfer to the Foundation the sum of $125,000 to be held by the Foundation as a permanent endowment for the Fund. Such transfer will be made by the City during 1996 after receipt by the City of its one-time COIT distribution from the State of Indiana. Subject to the right of the Foundation to reject any particular gift, any person, whether an individual, corporation, trust, estate or organization (hereinafter referred to as "Donor") may make additional gifts to the Foundation for the purposes of the Fund. Subject to the requirements of IC 36-1-14, all gifts, bequests and devises to the Fund shall be irrevocable once accepted by the Foundation.

4. Distribution.

(a) General Provisions. Distribution from the Fund shall be made according to the following procedures:

The Community Alliance for Lifelong Learning ("CALL") shall establish guidelines for distribution of sums from the Fund ("the Guidelines"). Applications for funding through the Fund shall be made through CALL. CALL shall consider the applicant's proposed project's compliance with the Guidelines and shall make a written recommendation to the Foundation. The Foundation shall make the distribution as recommended unless it determines that the distribution will endanger its tax-exempt status pursuant to 26 USCA Sec. 501(c)(3) or will endanger the fiscal integrity of the Fund. If the Foundation does not accept a recommendation on the application, it shall notify the City in writing of the reasons for the decision not to accept the recommendation, and representatives of the applicant, Foundation, and CALL shall meet to try to reach agreement upon the terms upon which a distribution could be made.

CALL shall promulgate and subscribe to its own Rules of Procedure. A record of its transactions shall be kept and a report thereof shall be made annually to the Mayor and City Council. All CALL meetings shall be open to the public in order to ensure public participation.

No distribution shall be made from the Fund to any individual or entity if such

distribution will, in the judgment of the Foundation, endanger the Foundation's Code section 501(c)(3) status.

(b) Annual Earnings. The annual earnings allocable to the Fund, which initially will be based on the $125,000 donated by the City, net of the fees and expenses set forth in paragraph 10, shall be committed, granted or expended for purposes described in this agreement. Annual earnings may be used to make grants pursuant to this agreement.

Principal. The principal shall not be used to make grants.

5. Administrative Provisions. Notwithstanding anything herein to the contrary, the Foundation shall hold the Fund, and all contributions to the Fund, subject to the provisions of the applicable laws and the Foundation's Articles of Incorporation and Bylaws. The Foundation agrees to provide the City and any Donor that has contributed to the Foundation at least $10,000 a copy of the annual examination of the finances of the Foundation.

The Foundation's records regarding the Fund shall be public records pursuant to IC 5-14-3-1 et. seq. The Foundation shall inform the City Clerk's office of the time and place of its meetings sufficiently in advance of each meeting to permit inclusion of the information on the City's weekly list of meetings. The Foundation shall permit members of the public to attend its meetings.

6. Conditions for Acceptance of Funds. The Foundation, City and Donors agree and acknowledge that the establishment of the Fund herein created is made in recognition of, and subject to, the terms and conditions of the Articles of Incorporation and Bylaws of the Foundation as from time to time amended, the terms and conditions of this agreement, and Indiana law, including, but not limited to, Indiana Code 36-1-14 et.seq., and that the Fund shall at all times be subject to such terms and conditions.

7. Continuity. The Fund shall continue so long as assets are available in the Fund and the purposes of the Fund can be served by its continuation. Subject to the requirements of IC 36-1-14, if the Fund is terminated, the Foundation shall devote any remaining assets in the Fund exclusively for purposes that:

(a) are within the scope of the charitable purposes of the Foundation's Articles of Incorporation; and

(b) most nearly approximate, in the good faith opinion of the Foundation's Board, the original purpose of the Fund and the provisions for distribution contained in this agreement.

If the Foundation loses its status as a public charitable organization, is liquidated, or violates any condition of the endowment set by the City, the Foundation agrees to return the donation to the general fund of the City.

8. Accounting. The receipts and disbursements of the Fund shall be accounted for separately and apart from those of other gifts to the Foundation.

9. Investment of Funds. The Foundation, or its agent, shall have all powers necessary to carry out the purposes of the Fund according to the terms of this agreement, including, but not limited to, the power to retain, invest and reinvest the portions of the Fund not

committed for purposes of this agreement, and the power to commingle the assets of the Fund with those of other funds for investment purposes.

10. Costs of the Fund. The Foundation shall receive an annual fee for administering the fund in the amount of one percent (1%) of the principal of the Fund.

11. Jurisdiction. Initially only projects located within Monroe County shall be eligible for funding pursuant to this Agreement. If other Donors decide to contribute a significant source of revenue for the purposes of this Agreement and for the benefit of areas outside of Monroe County, the City and Foundation agree to amend the Agreement to allow for participation outside the area of Monroe County for funding under this Agreement.

12. Amendment Procedure. Subject to IC 36-1-14, this Agreement may be amended by resolution of the City's Common Council and the Foundation's Board of Directors.

IN WITNESS WHEREOF, the City has approved this Agreement through its Mayor and Common Council, and the Foundation has caused this Agreement to be approved by its Board of Directors and to be executed by a duly authorized officer, all as of the day and year first above written.

CITY OF BLOOMINGTON, INDIANA

By: Tomilea Allison

Tomilea Allison
Mayor

Iris Kiesling

Iris Kiesling
President, Common Council

Attest: Patricia Williams

Patricia Williams
City Clerk

Date

BLOOMINGTON COMMUNITY FOUNDATION, INC.

By: Jack Mulholland 1/10/1996

Jack Mulholland
Executive Director

Ilknur Ralston

Ilknur Ralston
Board President

01-05-1996

Date