UNIVERSITY OF WISCONSIN FOUNDATION
MEMORANDUM OF AGREEMENT

Wisconsin Regional Art Program Fund
Division of Continuing Studies

THIS MEMORANDUM OF AGREEMENT is made by and between Wisconsin Regional Artists Association, Inc., ("Donor") the University of Wisconsin Foundation, a non-profit, non-stock Wisconsin Corporation with principal offices in Madison, Wisconsin ("Foundation"), and the other parties who are signatories to this agreement and whose signatures appear below. Where there is a School, College or other University of Wisconsin – Madison ("University") division involved, it is referred to in this document as the “Unit.” If a Department within any Unit is involved as a signatory, it is referred to generically as the “Department.”

WHEREAS, the Board of Directors of the Donor has sole authority to act on behalf of the Donor.

WHEREAS, the Donor has previously established a fund with the Foundation known as the Wisconsin Regional Art Program Fund and has been assigned Fund Number 132902864; and

WHEREAS, this agreement shall hereby replace the original Memorandum of Agreement dated May 1, 2000 and the amended agreement dated October 27, 2004 related to the establishment and operation of this fund; and

WHEREAS, the Fund shall continue be invested and managed by the Foundation as a permanent endowment fund in accordance with the Foundation's standard investment and distribution policies and procedures for such funds as those procedures may exist and be altered from time to time;

NOW THEREFORE, the parties to this Memorandum of Agreement agree that the Foundation shall receive, hold, invest, reinvest, administer, and distribute any and all monies received for the described Fund in accordance with the following terms and conditions:

1. **Statement of Donor intent.** The Donor wishes to support the UW-Madison’s Wisconsin Regional Art Program

2. **Operational details of the Fund.** Each year the Foundation will advise the Chairperson of the Department of the Liberal Arts and Applied Studies (LAAS) and the Wisconsin Regional Art Program Director of the total amounts of support available for distribution in support of the Fund’s objectives. Funds available for distribution shall be used only for expenses of the Wisconsin Regional Art Program that are not covered by the University of Wisconsin and are approved by the Donor. Any spendable endowment
income not needed for the year is to be reinvested with the principal of the fund. It is the responsibility of the Wisconsin Regional Art Program or the Donor to advise the Foundation on the amount of spendable endowment income to reinvest.

3. **Continuing recognition.** All monies distributed from the Fund shall be acknowledged by the Foundation, the University, the Unit and/or the Department in any publicity or announcements as having been made available by the generosity of Wisconsin Regional Artists Association and the Wisconsin Regional Art Program Fund.

4. **Additional contributions by the Donor or others.** Additional contributions to the Fund by the Donor, or others, may be accepted at any time with the approval of the Foundation.

5. **Commitment to Fund stewardship.** The Foundation, and any University partners who are signatories of this agreement believe strongly in good stewardship of all funds and agree to supply information from time to time to the Donor, the Donor’s successors and assigns, or individuals or entities identified by the Donor in paragraph six (6) about the operation and beneficial impact of this Fund. The Chair of the Department, the Dean or Director of the Unit, and/or other campus partners who are signatories of this agreement agree to cooperate with the Foundation in performing these stewardship functions on an ongoing basis and agree to provide such information and details as they are legally allowed to provide from time to time to the Foundation and/or the Donor, the Donor’s successors and assigns, or other identified individuals in order to adequately inform these individuals of the activities and projects being supported by this Fund. The stewardship of this Fund shall also include financial information on the management and distributions made from this Fund to support Fund objectives.

6. **Stewardship Reports.** The Donor will automatically receive stewardship reports on this fund. Please list the names of any other individuals or entities who should receive periodic stewardship reports: None.

7. **Notification of amounts available for distribution.** The Foundation shall, through electronic access or by other means, notify the campus partners identified in this agreement of the total amounts of support available for distribution in support of the Fund’s objectives.

8. **Management of the Fund as an endowment.** The Fund shall be managed by the Foundation as a permanent endowment fund. The Foundation, through its Board of Directors and various investment committees, manages the Foundation’s endowment. The Foundation makes changes to its endowment management, investment, and distribution policies from time to time as dictated by market conditions and other
factors. A copy of the current endowment spending plan is included as part of Exhibit A attached to this agreement.

9. **No intention to create a trust.** No provision of this document is intended to create any form of trust, including but not limited to a perpetual charitable trust. It is the intention of the parties to create or modify an institutional fund for the purposes described in this document. The Fund is to be managed by the Foundation and would be subject to the provisions of the Uniform Prudent Management of Institutional Funds Act (or its successor) in the State of Wisconsin.

10. **Foundation expense recapture for the management and operation of endowment funds.** The Foundation is not a division of the University and does not receive financial support from the University to cover its operational expenses and as such needs to fund itself and its operations. Part of the Foundation’s recapture of expenses comes from periodic charges against endowment accounts. A copy of the current funding formula related to endowment funds is attached to this agreement as part of Exhibit A. This formula may change from time to time. It is understood by all parties to this agreement that the Foundation is entitled to recapture its operational expenses under this formula or any future amended formula.

11. **Discontinuation provision.** Should the Division of Continuing Studies discontinue providing staff support for WRAP, The WRAP fund endowment account balance may be transferred, at the request of the Donor, to an account with another charitable organization with a tax status with the IRS that is the same as the then current tax classification of the UW Foundation.

12. **Change or modification of Fund purpose.** During the existence of the Donor, the Donor, in consultation with the Foundation and the affected University entities, shall have the right to alter the purpose and terms of the Fund created by this agreement, so long as the change of purpose shall not violate any law or IRS regulation that would cause the gift to lose its deductibility for income tax purposes, and so long as such change or modification shall continue to benefit the Wisconsin Regional Art Program of the University of Wisconsin-Madison.

13. **Foundation’s power to modify if consultation with the Donor and/or Donor’s successors and assigns is impossible (cy pres power).** All parties to this agreement are in accord that the Fund needs to remain a viable source of support to carry out the intentions of the Donor as they are expressed in this document and any ancillary materials related to this Fund and to that end, it is understood and agreed that should the purpose for which the Fund is instituted become impossible to perform or impractical to the extent that the Foundation is unable to use the support generated by
the Fund under the existing terms of the agreement for five (5) consecutive years, and if, at that time it is impossible or impractical to consult on a modification of the Fund terms with the Donor, the Donor’s successors and assigns, and/or the individuals identified in paragraph six (6) of this document, the Foundation, through a resolution passed by its Board of Directors, may devote the Fund to other purposes as close to the Donor’s original intent as it can at that time devise.

In making this gift, it is the intent of the Donor to supplement those activities that would normally be construed as the province and responsibility of the State of Wisconsin and its agencies. The support distributed by the Foundation is intended to be incremental in nature in order to provide a margin of excellence in support of the goals and objectives detailed in this Memorandum of Agreement.
This contractual agreement is entered into by the parties signing below in their various capacities. The effective date of this agreement shall be, unless otherwise specified in this agreement, the date upon which the first assets were received by the Foundation and placed into the described fund.

This agreement is executed in duplicate this ___ day of _____________, 20__.

APPROVED:

By: Mary Ann Inman  
Wisconsin Regional Artists Association, Inc.  
Mary Ann Inman, President  
Date: 11-4-15

University of Wisconsin Foundation

By: ______________________  
Michael M. Knetter, President  
Date: 11/10/15

University of Wisconsin – Madison  
Division of Continuing Studies

By: ______________________  
Jeffrey S. Russell, Dean  
Date: 10/29/15
EXHIBIT A:

University of Wisconsin Foundation
Institutional Advancement Fee for funding Development Operations

The University of Wisconsin Foundation annually allocates a total of 1.0 percent of the Foundation's Endowment Pool market value, on a lagged basis, to the Foundation's General Fund to support the operations of the Foundation. This institutional advancement fee is calculated at a rate of 1/4 of 1 percent per quarter and is applied to the previous quarter's market value.

University of Wisconsin Foundation
Endowment Investment Expenses

The Foundation charges back to the Endowment Pool all expenses related to the investment of assets in the Endowment. These charges include, but are not limited to; direct expenses paid to outside investment managers, advisors, agents, internal investment staff, and investment accounting costs, including software, technology infrastructure, and other costs related to the investment function.

University of Wisconsin Foundation Endowment Fund
Spending Plan Calculation Summary

The Foundation allocates a fixed percentage of a market value average to the “spendable endowment income” account of an Endowment fund. The Foundation formula allocates 1.125% on a quarterly basis (4.5% annually) to the average (most recent 16 quarters) adjusted market value of each respective fund, and applies the result as new "spendable endowment income."

The Foundation always reserves the right to change the institutional advancement fee formula and/or the spending plan formula from time to time at the discretion of the Foundation's Board of Directors.