



## **ORGANIZATIONAL FUND AGREEMENT CREATING THE PLATTE RIVER RESILIENCE FUND**

THIS FUND AGREEMENT is made between Nebraska Community Foundation (“NCF”), a Nebraska nonprofit corporation and 501(c)(3) public charity, and the Central Platte Local Leadership Team (“Organization”), to establish an affiliated fund (“Fund”) as a component of NCF. This Fund will be known as the Platte River Resilience Fund. This Fund is established to receive contributions, grants, and other payments to support Organization’s activities. This Fund Agreement is irrevocable.

### **1. Purpose**

This Fund is established as a component of NCF to provide a means for a public/private partnership effort to develop a source of funds for long-term support of activities that will ensure conveyance of water on the Platte River system in Nebraska. Activities to be funded will initially focus on control of invasive plant species but may include other actions necessary to support water conveyance. The geographic focus of the Fund will be the Platte River system from Kingsley Dam and the South Platte River at the Colorado border downstream to the Highway 81 bridge at Columbus, Nebraska.

### **2. Fund Advisory Committee**

The Platte River Resilience Fund Advisory Committee (“FAC”) shall consist of individuals committed to the purpose of the Fund. The FAC will set the strategy and goals of the Fund; lead fundraising and grantmaking efforts; coordinate and oversee activities of all accounts within the Fund; and be the point of contact with NCF. The FAC agrees to inform funders of the relationship between the Fund and NCF, the FAC’s role, and members of the FAC. Because the Fund is a component of NCF, the FAC is not a board or governing body.

The FAC will consist of representatives of certain stakeholders as noted on the attached Fund Advisory Committee list. The FAC will initially consist of the individuals listed on the attached Fund Advisory Committee List. The FAC will promptly inform NCF of any changes to its membership or member contact information.

### **3. Relationship Between NCF and Fund**

The FAC understands the Fund is a component of NCF and not a separate legal entity. As such, the FAC may not enter into contracts or other binding agreements (all such agreements must be executed by an officer of NCF) or open a bank account or other financial account. All communications (including, but not limited to, donor solicitations, press releases, brochures, annual reports, and vendor communications) produced by the Fund shall acknowledge the relationship with NCF in accordance with NCF guidelines.

### **4. Assets**

All assets of the Fund are for charitable purposes, consistent with sections 170 and 501(c)(3) of the Internal Revenue Code. To comply with donor intent, separate accounts for different charitable purposes will be established as needed. The Fund can include both endowed and non-permanent

accounts. In the case of an endowed account, all gifts will be added to the principal of the account, with only the portion allowed by NCF policies available for disbursement. In the case of a non-permanent account, both gifts and investment earnings can be expended in their entirety.

If a gift to the Fund is an asset other than cash, the amount to be credited to the Fund will be net of all expenses and taxes, if any, incurred by NCF prior to or in connection with the sale, redemption, liquidation, or transfer of the asset.

Because the Fund is a component of NCF, NCF has full authority for investment of the assets of the Fund. In the case of endowed accounts, assets will be invested with other endowed assets of NCF in accordance with NCF's Investment Policy. NCF will consult with the FAC to ensure the Fund is invested in accordance with the general goals of the FAC. (See attached Investment Options.)

The Fund shall be held by NCF in its corporate capacity, and shall not be deemed a trust fund held by it in a trustee capacity. NCF has the ultimate authority and control over all assets in the Fund and the income therefrom, in accordance with the governing documents of NCF (as such documents may be amended from time to time) and the terms of this Fund Agreement, applied in a manner not inconsistent with said governing documents.

#### **5. Disbursements from Fund**

The FAC will select appropriate organizations, activities, or projects to receive charitable support from the Fund. The FAC will submit to NCF all requests for disbursements from the Fund on forms provided by NCF. The FAC will designate individuals authorized to request disbursements from the Fund (see attached Fund Disbursement Authorization Form).

All disbursements must be charitable and consistent with donor intent as determined by NCF. Requests for disbursements from endowed accounts may not exceed the endowment payout amount calculated in accordance with NCF's Investment Policy.

#### **6. Recordkeeping**

The FAC agrees to provide to NCF all required documentation for contributions, disbursement requests, and grant applications and reports. The permanent books and records of the Fund will be maintained by NCF.

#### **7. Acknowledgment of Contributions**

Because the Fund is a component of NCF, contributions to the fund are tax deductible to the extent allowed by law. NCF will issue receipts to donors in accordance with federal tax law.

The FAC will thank donors and may publicly recognize donors who have not requested anonymity. If any donor requests anonymity, the FAC will notify NCF no later than when the contribution is sent to NCF.

NCF may include information regarding donors and gifts to the Fund in its publications, unless a donor requests anonymity.

#### **8. Fees**

Fees paid by the Fund are used exclusively to support NCF's community-building mission. The current Fee Schedule is attached.

## **9. Reports**

NCF will provide the FAC, at least annually, a financial report which includes contributions received, investment income, disbursements, fees, and net assets of the Fund.

## **10. Variance Power**

The Board of Directors of NCF retains the power to modify any restriction or condition on the distribution of funds for any specified charitable purpose or to any specified organization if, in the sole judgment of the Board of Directors of NCF, such restriction or condition becomes, in effect, unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community or area served. The Board of Directors of NCF may modify the restriction without obtaining the approval of any participating trustee, custodian, or agent of the organization or fund.

## **11. Compliance with NCF Policies**

The FAC understands that discussions with prospective and current donors may involve the disclosure of financial and other information of a personal nature by the donor, and all such information must be treated as confidential. The FAC agrees that all members of the FAC will familiarize themselves with and adhere to NCF's Confidentiality Policy.

Because the Fund is a component of NCF, the FAC understands it must adhere to NCF Policies, including but not limited to the Confidentiality Policy, Whistleblower Policy, Conflict of Interest Policy, Gift Acceptance Policy & Guidelines, Inclusiveness and Diversity Policy & Guidelines, and Investment Policy.

## **12. Termination of Fund Agreement**

This Fund Agreement may be terminated only by the NCF Board of Directors, if the Board determines it is in the best interest of the community and NCF mission. In the event of a termination, all assets must be used solely for charitable purposes and consistent with donor intent and all endowment restrictions will remain in place.

## **13. Dissolution of Fund Advisory Committee**

In the event of dissolution or inactivity of the FAC, the assets of the Fund will be retained by NCF and accumulated for at least five years in contemplation of re-establishment of the FAC. If the FAC is not re-established during that time period, NCF may, at its discretion, continue the Fund in support of the same purposes or distribute the assets for charitable purposes consistent with donor intent.

## **14. Dissolution of Organization**

In the event Organization dissolves or otherwise ceases to exist in a manner that precludes continuation of the Fund, assets shall be distributed to a charitable organization or organizations consistent with Donor intent as determined by the NCF Board of Directors in consultation with the FAC and/or community leaders, as appropriate.

## **15. Irrevocability of Agreement**

This Fund Agreement is irrevocable. Nevertheless, solely to ensure the Fund is a qualified component of NCF for federal tax purposes, NCF, acting alone, shall have the power to modify the terms of the Fund Agreement to the extent necessary to ensure such qualification. This Fund Agreement shall be governed by the laws of the State of Nebraska.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, including both its specific and general conditions, effective April 1, 2020.

**FUND ADVISORY COMMITTEE**

Tim R. Trench Chairperson

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**NEBRASKA COMMUNITY FOUNDATION**

Jeffrey G. Yost President and CEO

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Included as part of this Agreement are the following:

- Fund Advisory Committee List
- Investment Options
- Fund Disbursement Authorization Form
- Fee Schedule

## FUND ADVISORY COMMITTEE LIST

**Fund Name:** Platte River Resilience Fund

The Fund Advisory Committee of the Platte River Resilience Fund will initially consist of representatives of the following stakeholders in the work of the Fund:

Organization	Number of Representatives	Number of Votes
Central Nebraska Public Power & Irrigation District, Nebraska Public Power District	1 each (2 total)	1 total
National Audubon Society dba Audubon Nebraska, The Nature Conservancy	1 each (2 total)	1 total
Natural Resources Districts (NRDs): Central Platte NRD South Platte NRD Tri-Basin NRD Twin Platte NRD	2 total	1 total
Platte River Recovery Implementation Program	1	1
Platte Valley Weed Management Area	2	2
County and/or municipal governments	2 total	1 total

**Fund Name:** Platte River Resilience Fund

**Date:** April 15, 2020

NCF sends fund reports and other important documents to one primary contact on each Fund Advisory Committee (FAC). Please indicate your FAC's primary contact.

**Primary Contact - NCF correspondence will be sent to:**

☒ Chair ☐ Vice-Chair ☐ Secretary

FAC Office: ☐ Treasurer ☐ Member

\* 1. Name: Tim Tunnell

Headwaters Corporation

Organization Name: (for PVWMA)

Work Address: 4111 4<sup>th</sup> Avenue, Suite 6

City, State, Zip: Kearney, NE 68845

Work Phone: 308-237-5728

Mobile Phone: 402-219-3883

Work Email: tunnellt@headwaterscorp.com

☐ Chair ☒ Vice-Chair ☐ Secretary

FAC Office: ☐ Treasurer ☐ Member

2. Name: Bill Taddicken

Organization Name: Audubon Nebraska

Work Address: 44450 Elm Island Road

City, State, Zip: Gibbon, NE 68440

Work Phone: 308-468-5282

Mobile Phone: \_\_\_\_\_

Work Email: btaddicken@audubon.org

☐ Chair ☐ Vice-Chair ☒ Secretary

FAC Office: ☒ Treasurer ☐ Member

3. Name: John Thorburn

Organization Name: Tri-Basin Natural Resources  
District

Work Address: 1723 Burlington Street

City, State, Zip: Holdrege, NE 68949

Work Phone: 308-995-6688

Mobile Phone: \_\_\_\_\_

Work Email: jthorburn@tribasinrdr.org

☐ Chair ☐ Vice-Chair ☐ Secretary

FAC Office: ☐ Treasurer ☐ Member

4. Name: Rich Walters

Organization Name: The Nature Conservancy

Work Address: 1007 Leavenworth Street

City, State, Zip: Omaha, NE 68102

Work Phone: \_\_\_\_\_

Mobile Phone: 308-390-2511

Work Email: rwalters@tnc.org

☐ Chair ☐ Vice-Chair ☐ Secretary

FAC Office: ☐ Treasurer ☐ Member

5. Name: Jason Farnsworth

Organization Name: Platte River Recovery  
Implementation Program

Work Address: 4111 4<sup>th</sup> Avenue, Suite 6

City, State, Zip: Kearney, NE 68845

Work Phone: 308-237-5728

Mobile Phone: 308-991-7602

Work Email: farnsworthj@headwaterscorp.com

<b>6. Name:</b> <u>Rob Schultz</u>	<b>FAC Office:</b> <input type="checkbox"/> Chair <input type="checkbox"/> Vice-Chair <input type="checkbox"/> Secretary <input type="checkbox"/> Treasurer <input type="checkbox"/> Member
<b>Organization Name:</b> <u>Platte Valley Weed Management Area</u>	
<b>Work Address:</b> <u>2807 W. 2<sup>nd</sup> Street</u>	<b>City, State, Zip:</b> <u>Grand Island, NE 68803</u>
<b>Work Phone:</b> <u>308-385-5097</u>	<b>Mobile Phone:</b> <u>308-390-3612</u>
<b>Work Email:</b> <u>roberts@hallcountyne.gov</u>	

<b>7. Name:</b> <u>Deborah VanMatre</u>	<b>FAC Office:</b> <input type="checkbox"/> Chair <input type="checkbox"/> Vice-Chair <input type="checkbox"/> Secretary <input type="checkbox"/> Treasurer <input type="checkbox"/> Member
<b>Organization Name:</b> <u>Central Platte Natural Resources District</u>	
<b>Work Address:</b> <u>PO Box 102</u>	<b>City, State, Zip:</b> <u>Gibbon, NE 68840</u>
<b>Work Phone:</b> <u>308-468-5875</u>	<b>Mobile Phone:</b> <u>308-224-9751</u>
<b>Work Email:</b> <u>vanmatred@nctc.net</u>	

<b>8. Name:</b> <u>Chad Nabity</u>	<b>FAC Office:</b> <input type="checkbox"/> Chair <input type="checkbox"/> Vice-Chair <input type="checkbox"/> Secretary <input type="checkbox"/> Treasurer <input type="checkbox"/> Member
<b>Organization Name:</b> <u>Grand Island/Hall County Planning Department</u>	
<b>Work Address:</b> <u>PO Box 1968</u>	<b>City, State, Zip:</b> <u>Grand Island, NE 68802</u>
<b>Work Phone:</b> <u>308-385-5240</u>	<b>Mobile Phone:</b> <u>308-379-3882</u>
<b>Work Email:</b> <u>chadn@grand-island.com</u>	

<b>9. Name:</b> <u>David Zorn</u>	<b>FAC Office:</b> <input type="checkbox"/> Chair <input type="checkbox"/> Vice-Chair <input type="checkbox"/> Secretary <input type="checkbox"/> Treasurer <input type="checkbox"/> Member
<b>Organization Name:</b> <u>Central Nebraska Public Power &amp; Irrigation District</u>	
<b>Work Address:</b> <u>PO Box 188</u>	<b>City, State, Zip:</b> <u>Gothenburg, NE 69138</u>
<b>Work Phone:</b> <u>308-537-3582</u>	<b>Mobile Phone:</b> <u>308-289-3118</u>
<b>Work Email:</b> <u>dzorn@cnppid.com</u>	

<b>10. Name:</b> <u>John Shadle</u>	<b>FAC Office:</b> <input type="checkbox"/> Chair <input type="checkbox"/> Vice-Chair <input type="checkbox"/> Secretary <input type="checkbox"/> Treasurer <input type="checkbox"/> Member
<b>Organization Name:</b> <u>Nebraska Public Power District</u>	
<b>Work Address:</b> <u>1414 15<sup>th</sup> Street, PO Box 499</u>	<b>City, State, Zip:</b> <u>Columbus, NE 68602-0499</u>
<b>Work Phone:</b> <u>402-910-8857</u>	<b>Mobile Phone:</b> _____
<b>Work Email:</b> <u>jjshadl@nppd.com</u>	

<b>11. Name:</b> <u>Michael Morgan</u>	FAC Office:	<input type="checkbox"/> Chair <input type="checkbox"/> Vice-Chair <input type="checkbox"/> Secretary <input type="checkbox"/> Treasurer <input type="checkbox"/> Member
Organization Name: <u>City of Kearney</u>		
Work Address: <u>18 E. 22<sup>nd</sup> Street, PO Box 1180</u>	City, State, Zip: <u>Kearney, NE 68848</u>	
Work Phone: <u>308-233-3214</u>	Mobile Phone: _____	
Work Email: <u>mmorgan@kearneygov.org</u>		



## INVESTMENT OPTIONS (Updated July 2018)

**Liquid Funds** - Funds in non-permanent accounts and the portion of endowed accounts needed to make grants and pay fees are deposited into NCF's checking account. These deposits are then invested in a short-term, highly liquid investment. Rates vary reflecting prevailing short-term interest rates.

**Investment Options for Endowed Assets** - NCF provides investment options for endowed assets that are each designed to provide a diversified investment strategy that is appropriate for the endowed assets of a non-profit organization. NCF, working with Bridges Investment Management (BIM) of Omaha, offers two asset allocation models to accommodate the differing levels of risk tolerance and cash flow needs of affiliated funds. The two asset allocation models are:

Asset Allocation Model	Equities <sup>1</sup>	Fixed Income <sup>2</sup>	Projected Return <sup>3</sup>	Standard Deviation <sup>3,4</sup>	Anticipated Range of Returns <sup>3,4</sup>	Annual Expenses <sup>5</sup>
<b>Equity-Weighted</b>	75%	25%	+5.5%	13.5%	-8.0% to +19.0%	0.63%
<b>Balanced</b>	50%	50%	+4.6%	10.3%	-5.7% to +14.9%	0.54%

1. Equity investments include growth and value stocks, small, mid and large cap stocks, and US and foreign stocks.
2. Fixed income investments include cash and equivalents, core income and total return funds.
3. Projected Returns, Standard Deviations and Anticipated Range of Returns are from Bridges Investment Management as of March 31, 2018. The return on these investments is not guaranteed, and the value and rate of return will fluctuate. Past Performance is no guarantee of future performance. There is the possibility of loss as well as the potential for profit in investing in equity and fixed income markets.
4. Standard Deviation is a statistical measurement of dispersion about an average that depicts how widely the returns are expected to vary over time. When a security or portfolio has a high standard deviation, the predicted range of performance is wide, implying greater volatility. One standard deviation implies that the variance in returns can be expected to occur within that range about two-thirds of the time. For example, if an investment is expected to have a return of 3% with a standard deviation of 5%, then two-thirds of the time you would expect this investment to have returns between -2% and +8%.
5. Annual expenses are subject to change, and generally range up or down no more than 0.05%. Annual expenses relate only to investments and do not include NCF fees.

**Donor Investment Manager Recommendations** - Although NCF prefers to invest permanently endowed assets with BIM, our primary investment manager, NCF policy does allow donors in certain circumstances to recommend the use of an alternative investment manager for their charitable gift. The NCF Board of Directors will consider requests for use of an alternative investment manager if the following criteria are met: (1) the recommendation relates to the management of a single gift of \$250,000 or more; (2) the gift is free from material restrictions; (3) the gift is to a donor-advised or designated fund that is permanently endowed; and (4) in the case of a gift by testamentary bequest or beneficiary designation the donor has, during his/her lifetime, made his/her gift intentions and recommendation regarding the use of an alternative investment manager known to NCF in writing in a form acceptable to NCF. NCF retains the right to change investment managers and investment options in fulfillment of its oversight and fiduciary responsibilities.

**Certificates of Deposit** – Subject to NCF policies, certificates of deposit may be used in appropriate circumstances for non-permanent and endowed accounts.

Additional information regarding NCF's asset allocation models and donor recommendations regarding alternative investment managers are detailed in the NCF Investment Policy which can be obtained by calling NCF's office at (402) 323-7330 or accessing the NCF website at [www.nebcommfound.org](http://www.nebcommfound.org).

## FUND DISBURSEMENT AUTHORIZATION FORM

The Platte River Resilience Fund Advisory Committee authorizes the following individual(s) to request disbursements from this Fund (at least two but no more than four individuals must be listed):

Tim Tunnell

Name of person authorized

  
Signature

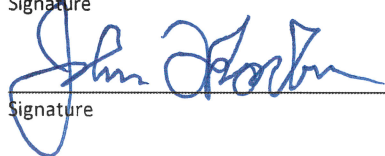
Bill Taddicken

Name of person authorized

  
Signature

John Thorburn

Name of person authorized


  
Signature

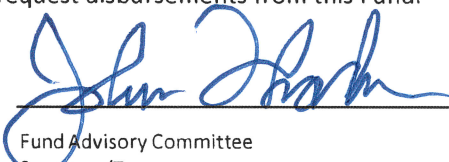
Name of person authorized

Signature

Disbursements from the above-referenced fund in excess of \$5,000 per request require the signatures of two of the authorized individuals.

We authorize the above-named individuals to request disbursements from this Fund.

  
Fund Advisory Committee  
Chair

  
Fund Advisory Committee  
Secretary/Treasurer

Date 6/10/2020

## FEE SCHEDULE

### Organizational Affiliated Funds

(Effective July 1, 2014)

Fees paid by affiliated funds are used exclusively to support your Nebraska Community Foundation's community-building mission. Fees help cover a portion of the costs associated with a wide array of support services provided to affiliated funds.

**Minimum Opening Balance:**

- \$25,000

**Start-Up Fee:**

- \$500 start-up fee at the time a new affiliated fund is established
- \$50 start-up fee for each new account within a new or existing affiliated fund (no fee for the General Account, Unrestricted Endowment Account or Unrestricted Quasi-Endowed Account)

**Affiliation Fee:**

- Affiliated Fund: \$50/month
- Account within an affiliated fund: \$5/month (no fee for the General Account, Unrestricted Endowment Account or Unrestricted Quasi-Endowed Account)

**Support Fee:**

Each account within an affiliated fund is classified as either Endowed (only the Endowment Payout Amount may be spent) or Non-Permanent (all contributions and earnings may be spent). The support fee structure depends on the type of account; only one of the two fee structures below will apply to each account within an affiliated fund.

The Support Fee for <u>Endowed Accounts</u> (including permanent and quasi-endowed accounts) is calculated on a sliding scale determined by the amount of endowed assets held by the affiliated fund. The fee is charged quarterly at one-quarter of the applicable rates shown below.		The Support Fee for <u>Non-Permanent Accounts</u> is calculated as a percentage of the disbursements from non-permanent accounts and is charged monthly; the rate is determined by the amount of total assets (both endowed and non-permanent) held by the affiliated fund at the beginning of the quarter.	
First \$1 million	1.15%	Assets of:	
\$1 - 3 million	0.90%	\$100,000 or less	2.50%
\$3 - \$5 million	0.75%	\$100,001 to \$500,000	2.00%
\$5 - \$10 million	0.50%	\$500,001 to \$1,000,000	1.75%
> \$10 million	0.25%	> \$1 million	1.50%

**Scholarship Compliance Fees:** (to ensure compliance with the Pension Protection Act of 2006 requirements)

- \$300 per year per Scholarship Selection Committee for nomination and approval process
- \$ 20 per scholarship disbursement for due diligence and verification process

These fees are in addition to the applicable support fee.

**Fundraising Events Fee:**

Fundraising events held by affiliated funds can require substantial staff time and involve numerous compliance and risk management issues.

No fee will be assessed when the affiliated fund meets two requirements:

1. Completes and submits a pre-event checklist and
2. Provides a prompt, complete and accurate accounting of event proceeds.

To the extent a fee is assessed, the minimum fee will be \$500 and the maximum fee will be the greater of \$1,000 or 20% of event revenues.

**Fees for Value-Added Services:**

Additional fees may be assessed for the provision of value-added services, including but not limited to providing grants management; employment or contracting services; extraordinary financial and/or governmental reporting; transactional work related to gifts of real and intangible property; and customized receipting.

**Investment Income:**

Endowed funds/accounts earn an investment return based on the performance of the investment portfolio in which the fund/account is invested; cash held in an endowment fund/account earns interest equal to the rate on NCF's short-term sweep account.

Non-permanent funds/accounts earn interest for each month for which the beginning monthly balance in all accounts within the affiliated fund totals at least \$5,000. Cash earns interest equal to the rate on NCF's short-term sweep account less 2%; CDs earn interest at the stated rate on the CD less 2%.