

PLATTE RIVER RESILIENCE FUND (PRRF)  
Frequently Asked Questions (FAQs)  
Updated: 11/20/2020

**Question:** Will the Program's contribution be permanently endowed?

**Answer:** Yes, unless the Program specifies that its contribution is fully expendable (but the goal is to obtain permanently endowed contributions).

**Question:** Will the work of the PVWMA be paid through interest only in perpetuity?

**Answer:** If sufficient funds are raised for the Fund, the annual endowment payout is expected to be sufficient to cover the costs of the work currently being done by PVWMA, adjusted for inflation, in perpetuity. The amount needed is dependent on the endowment rate of return, inflation, and the balance of up-front and ongoing contributions to the Fund.

**Question:** How was the \$4 million request for the Program calculated?

**Answer:** based on the annual (current) contribution the program gives – 200K. At 5% return rate a sum of 4 million returns 200K a year, equaling the current needed and allotted amount.

**Question:** What is the timeline for a GC decision relative to this request?

**Answer:**

**Question:** if the Program brings forward \$4 million this year or next year, what guarantees do we have that the rest of the funding will come together?

**Answer:** The Fund is seeking pledge agreements from current contributors to PVWMA, then will extend asks to other parties. These pledges will allow the Program to see the level of commitment of others.

**Question:** Does this fund have a set of bylaws, or is the entity controlling it a 501(c)(3) or some other structure?

**Answer:** The Fund is a component of Nebraska Community Foundation (NCF), which is a 501(c)(3) public charity. A fund agreement sets forth the relationship between the Fund and NCF and establishes a Fund Advisory Committee (FAC) that is responsible for activities of the Fund. Because it is not a separate legal entity, the Fund does not have bylaws; but it does have Operational Guidelines addressing the functioning of the Fund and the FAC.

**Question:** What happens to the money if the Fund (or PR Program or PVWMA?) disbands?

**Answer:** The Fund will remain in existence in perpetuity because it is permanently endowed. The Fund Agreement sets forth the organizations who will have representation on the FAC and the Operational Guidelines provide for changes to the FAC makeup, so it is unlikely that the FAC would become defunct. Grants from the Fund are not limited to PVWMA, so if PVWMA disbands, funding can be provided to other entity(s) so the work can continue. Likewise, if the Program is no longer in existence, the Fund would continue for the purpose set forth in the fund agreement. Ultimately, the NCF board of directors is responsible for ensuring that the Fund operates in accordance with the purpose set forth in the Fund agreement.

**Question:** How will the endowment be managed?

**Answer:** The Fund's endowment will be managed in accordance with the Investment Policy of Nebraska Community Foundation, with the following objectives:

- Strive to preserve the purchasing power of the portfolio
- Invest in diversified portfolios using a long-term investment horizon and a total return approach
- Provide a relatively predictable and stable stream of income and/or capital appreciation sufficient to meet grantmaking and operational needs
- Achieve a competitive investment performance relative to appropriate benchmarks