



Oregon Trail Community Foundation, Inc. Fund Agreement

This Agreement is effective as of the _____ day of _____, 2003, at Scotts Bluff County, Scottsbluff, Nebraska, between _____, called "the affiliated organization" and the Oregon Trail Community Foundation, Inc. ("OTCF"), a corporation organized under the nonprofit corporation laws of the state of Nebraska with its principal office located at Railway Office Plaza, 115 Railway Street, Scottsbluff, Nebraska.

WHEREAS, the parties to this Agreement have a common interest in the welfare of the Nebraska Panhandle and surrounding communities and states, and are serving charitable and educational purposes as well as needs that enhance the mental, intellectual, physical improvement and well-being of the inhabitants as affected and/or effected by state, region, nation, and community, and affiliated organization, and

WHEREAS various interested persons, organizations, and other entities have expressed a desire to establish or contribute to a fund in OTCF which will be used to receive, administer and disburse funds for charitable and educational purposes according to articles of incorporation and by-laws of OTCF and specifically to promote the objectives of the affiliated organization, and

WHEREAS, affiliated organization is desirous of having the benefits of such a fund;

NOW THEREFORE, in consideration of the mutual covenants contained herein; the parties agree, subject to the Articles of Incorporation and Bylaws of OTCF, as follows:

1. **Establishment of Fund.** A fund shall be established on the books of OTCF, which shall be known as the _____ ("the Fund"). OTCF acknowledges receipt of the property listed in Schedule "A" attached hereto and made a part hereof as the initial property of the fund.
2. **Property of the Fund.** The fund shall include the property received herewith, such property as may from time to time be transferred to OTCF for inclusion in the fund, such property as may from time to time transferred from any other source for inclusion in the fund and accepted by OTCF, and all undistributed income from the foregoing property.
3. **Exclusive Ownership.** The fund and all property connected with and/or purchased with the fund shall be the sole property of OTCF held by it in its corporate capacity and shall not be deemed a trust fund held by it in a trustee capacity. OTCF shall be the ultimate authority and control over all property in the fund and/or purchased by the fund, and the income derived there from, in accordance with the Articles of Incorporation and Bylaws of OTCF (as they may be amended from time to time), and the terms of this Agreement applied in a manner not inconsistent with said Articles and Bylaws.
4. **Designation of Purposes.** The fund shall be used for support of charitable and educational purposes in accordance with the Purposes of OTCF, and specifically to _____ as directed by the Donor and/or his or her designees and OTCF's Board of Directors. The Board will approve the Fund's Advisory Board's recommendations as long as they are within the OTCF's rules.
5. **Distribution of Income.** The net income and other distributions of the fund shall be made as directed by the Fund's Advisory Board and the Board of Directors of OTCF.
6. **Variance.** OTCF agrees that if its Board of Directors proposes to exercise the variance power contained in the Articles of Incorporation of OTCF it shall give written notice of such to the affiliated organization, and give such affiliated organization a reasonable opportunity to show why such variance power should not be exercised. PROVIDED HOWEVER, that no notice is required if OTCF becomes aware of any other action instituted or proposed by any person to vary the purposes, uses or methods of administration of the fund.



Oregon Trail Community Foundation, Inc. Fund Agreement

7. Fees and Type of Fund. OTCF has identified itself as a provider of services to the following types of funds as described in Schedule B. By mutual agreement it has been determined that the _____ is the type of fund as indicated below:

- _____ Special Project
- _____ Operating Fund
- _____ Long Term Endowment
- _____ Pass Through
- _____ Donor Directed fund

In consideration of it's administrating the fund, OTCF will be paid:

2% per year (1/2% per quarter) on the first \$50,000 in the fund; 1% on the second \$50,000 (1/4% each quarter) and 1/2% on amounts over \$100,000 (1/8% each quarter), billed at the end of the quarter, based on the current quarter's average balance

OTCF keeps all interest on cash balances

Cash balance is determined by need, but usually about 10% of fund balance

The Fund's investments will be carried as a separate asset and income from those investments will go into the Fund.

8. Definition and Construction. All terms in this agreement, which have a special definition under the Internal Revenue Code, shall be interpreted in accordance with such IRS definition. It is intended that the fund shall be part of the OTCF and that nothing in this Agreement shall affect the status of OTCF as an entity, which is a qualified charitable organization. This Agreement shall be interpreted in a manner consistent with the such intention and so as to conform to the requirements of the Internal Revenue Code and any regulations issued pursuant thereto applicable to the intended status of OTCF.

IN WITNESS WHEREOF, each party hereto has executed this Agreement by its duly authorized officers effective as of the day and year first above written.

OREGON TRAIL COMMUNITY FOUNDATION, INC.

(Authorized Signature)

Title & Date

(Authorized Signature)

Title & Date



Oregon Trail Community Foundation, Inc. Schedule B

Description of OTCF Fund Types and Selection of Fund Type

Special Project: Uses the umbrella for a special purpose. Project will not last more than 2 years. Six months after culmination of the project, all funds revert to OTCF. Project has the option of an extension.

- OTCF keeps all interest on checking accounts, billed quarterly
- Minimum \$500 fee per year, subject to negotiation

Operating Fund: Operates as a charitable organization within OTCF's 501(c)3. May have employees; probably has its own office. OTCF staff does not manage the day-to-day business of the organization, but rather manage the accounting functions. Organization's cash balance shows on OTCF's balance sheet.

- 2% per year, or 1/2% per quarter, billed at the end of the quarter, based on the current quarter's average balance
- OTCF keeps all interest on checking accounts, billed quarterly
- Fund pays any supplies purchased for it out-of-pocket
- Fund pays pro-rata share of any accounting fees
- Fund pays for any administrative services furnished for clerical/accounting services

Long Term Endowment: A fund established with OTCF for a philanthropic purpose. Endowments may be for grants, scholarships, or other purposes within the 501(c)3 or other regulations. OTCF retains variance power as described within the agreement.

- 2% to \$50,000, 1% over that, stair stepping over \$50,000
- OTCF pays the fund the 5-year Treasury rate
- Minimum annual fee of \$200.00

Pass-Through: Funds intended for charitable purposes, which move through OTCF for the purpose of providing the tax-exempt umbrella to the donor. OTCF does not accrue pass-through funds, but rather deposits the funds and issues checks to the donees in a timely manner.

- 2% up to \$50,000, 1% up to \$100,000, 1/2% over \$100,000, stair stepping over \$50,000
- Minimum of \$500 per year

Donor Directed Fund:

WE HAVE REVIEWED the above descriptions and we agree that this fund is classified as:

Date

Date

for Oregon Trail Community Foundation