

# **Community Foundation of North Central WI, Inc. Community Affiliate Agreement**

This is an agreement between the **Community Foundation of North Central WI, Inc.**, a Wisconsin nonstock, nonprofit corporation, and a Section 501(c)(3) public charity (“Host Foundation”), and the **Boulder Junction Community Foundation Inc.**, a Wisconsin nonstock, nonprofit corporation, and a Section 501(c)(3) public charity (“Affiliate”), to benefit the people of the Boulder Junction area. This Agreement is effective as of the 30<sup>th</sup> day of December, 2022;

WHEREAS, the Boulder Junction Community Foundation Inc. has requested that the Host Foundation establish a family of funds to be known collectively as the “Boulder Junction Community Foundation Family of Funds” for the Boulder Junction area of Vilas County; and

WHEREAS, the Host Foundation is willing to establish the Boulder Junction Community Foundation Family of Funds as a fund of the Host Foundation on the terms and conditions contained in this Agreement;

NOW, THEREFORE, in consideration of the mutual promises of the parties as set forth in this Agreement;

IT IS AGREED AS FOLLOWS:

## **1. Purpose**

The Affiliate will merge all its assets and operations into the Host Foundation on the effective date of this agreement. The Articles of Incorporation of both the Host Foundation and the Affiliate provide that each corporation is organized exclusively for charitable purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code. The community benefited by the undersigned funds of the Affiliate, as stated in its Articles of Incorporation and Bylaws, is: “the communities of Boulder Junction and the surrounding area, including communities having economic, educational, cultural and recreational ties with such area.”

## **2. Establishment of Fund**

The Board of Directors of the Host Foundation (“Directors”) hereby agrees to establish a community affiliate group of funds, named the Boulder Junction Community Foundation Family of Funds, to be administered in accordance with the terms of this Agreement. The purpose of the Boulder Junction Community Foundation Family of Funds is to develop philanthropic funds for charitable purposes within the Affiliate boundaries defined in this Agreement under Paragraph 1 and Paragraph 3. These funds may include field of interest, designated, advised, unrestricted, and other types of funds normally maintained by the Host Foundation in accordance with its Gift and Fund Acceptance Policy. The Boulder Junction Community Foundation Family of Funds will operate under the supervision of the Host

Foundation in the same manner as all other funds managed by the Host Foundation. The Boulder Junction Community Foundation Family of Funds will adhere to all Host Foundation policies and procedures. Each individual fund within the Boulder Junction Community Foundation Family of Funds shall be evidenced by a separate written fund agreement with the Host Foundation, which agreement shall make clear the fund is a component of the Boulder Junction Community Foundation Family of Funds and is subject to the terms of this Agreement.

### **3. Definition of the Boulder Junction Area**

The term “Boulder Junction area” as used in this Agreement refers to the Community Affiliate area the Town of Boulder Junction and the surrounding areas which serve Boulder Junction residents and visitors.

### **4. Donations**

All assets donated to the Host Foundation, which are designated as being for the Boulder Junction Community Foundation Family of Funds, shall be added to and become part of the Boulder Junction Community Foundation Family of Funds. All donations to the Boulder Junction Community Foundation Family of Funds must be made to the Host Foundation in accordance with the Host Foundation’s Gift Acceptance Policy.

### **5. Advisory Board**

A Boulder Junction Community Foundation Advisory Board (“Advisory Board”) shall be established in accordance with the Host Foundation bylaws as a committee of the Host Foundation for the purpose of broadening the Director’s knowledge of charitable needs in the Boulder Junction community. The Advisory Board shall include one (1) current or former Director. The initial Advisory Board shall consist of those individuals named in the addendum to this Agreement. Members of the Advisory Board, other than the current or former Director, must be residents, employed in, or have long-time associations with the Boulder Junction area and should include individuals who reflect the area’s breadth and diversity.

All Advisory Board members named in this Agreement shall serve an initial term. Prior to the end of the Boulder Junction Community Foundation Family of Fund’s first year of operations, the Advisory Board shall select approximately one third of the initial members to serve for a one-year term, approximately one third of the initial members to serve a two-year term, and approximately one third of the initial members to serve a three-year term. Thereafter, the term of office for each Advisory Board member subsequently appointed shall be three (3) years. An individual shall be eligible to serve three (3) terms, except those initial Advisory Board members that served an initial term less than three (3) years as provided herein shall be eligible to serve an additional three (3) terms in addition to the initial term of less than three (3) years.

The initial terms of office shall begin on December 30, 2022, and all subsequent terms shall begin on January 1, 2024 and January 1, 2025.

All members of the Advisory Board, other than the initial Advisory Board members, shall be appointed by the Directors at the annual meeting of the Directors. At least sixty (60) days prior to such annual meeting or forty-five (45) days prior to any meeting in which a vacancy in the Advisory Board will be filled, the Advisory Board shall make a written recommendation to the Directors for the appointment of a successor Advisory Board member. Any Advisory Board member may resign by providing written notice to all other Advisory Board members. Any Advisory Board member may be removed by the Directors upon their own recommendation or after receiving a written recommendation from the remaining Advisory Board members. Removal is in the complete discretion of the Directors. Prior to taking any action to remove an Advisory Board member, the Directors must give thirty (30) days advance notice of any meeting in which the removal will be discussed unless such removal is based on the written recommendation of the Advisory Board. The Directors shall approve all appointments and removal of Advisory Board members.

### **5. Advisory Board Rules of Procedure and Actions**

The Host Foundation staff will work with the Advisory Board to establish internal operational policies and procedures which provide for grant distribution, gift acknowledgement, donor contact and other similar matters, regular and special meetings, subcommittees, and actions of the Advisory Board in the fulfillment of the Advisory Board's duties and responsibilities. All such policies and procedures must be approved by the Directors and must be consistent with the Host Foundation's bylaws and policies. All actions of the Advisory Board in the solicitation, management and distribution of funds must be in accordance with the Advisory Board policies and procedures and this Agreement. All members of the Advisory Board and any other subcommittees shall be considered volunteers of the Host Foundation and are not entitled to compensation. Indemnification of such members shall be in accordance with the bylaws of the Host Foundation.

### **6. Advisory Board Duties**

The duties and responsibilities of the Advisory Board shall be as follows:

- Report to the Directors
  - The Advisory Board shall report to the Directors during Director meetings to keep the Directors apprised of the activities of the Advisory Board.
- Maintain Host Foundation Policies and Standards
  - Maintain confidentiality of Advisory Board deliberations and
  - Act in accordance with all relevant Host Foundation policies.
- Educate the community of the Boulder Junction area as defined in Paragraph 1 and 3 as to the benefits of the Boulder Junction Community Foundation Family of Funds and to solicit donations and contributions to Boulder Junction Community Foundation Family of Funds consistent with the Host Foundation's policy on donor fundraising, with the assistance of Host Foundation staff. The solicitation and acceptance of gifts must conform to the Host Foundation's Gift Acceptance Policy.
- Evaluate and Advise Grant Requests

- Make recommendations to the Advisory Board as to the distribution of funds from the Boulder Junction Community Family of Funds. All distribution of funds must be approved by the Directors.
- If requested, consult with the Host Foundation concerning grants from other funds to charitable organizations in the Boulder Junction area.
- Exercise Leadership
  - Keep abreast of issues within the Boulder Junction area as well as issues within the philanthropic field.
  - Help identify people of achievement and distinction who can serve on the Advisory Board.
  - Reach out to community leaders and professional advisors and assist in connecting them to the Host Foundation staff.
- Act as the liaison between the Host Foundation and fund contacts in the Boulder Junction area by advising community members of community needs and grant-making opportunities and relaying donor's requests to the Foundation.
- Perform additional duties as necessary or appropriate with respect to the Boulder Junction Community Foundation Family of Funds.

In fulfillment of these duties and responsibilities, the Advisory Board shall have the discretion to form separate Fund Development and Grant Distribution subcommittees, to include such additional outside members as the Advisory Board may deem appropriate. All such subcommittees shall report to the Advisory Board.

### **7. Affiliate Network**

The Affiliate Network is comprised of advisory board members from each of the Community Affiliates. Each affiliate will have a minimum of one member attend the Affiliate Network annual meeting. One (1) member of the Affiliate Group will be elected by the group to serve a one-year term on the Host Foundation Board and elect one (1) member to serve 1 2-year term on the Host Foundation's Investment Committee.

As the founding affiliate, Boulder Junction Community Foundation will have the option of holding a seat on the Host's Board of Directors and Investment Committee as long as affiliated with the Host Foundation. These seats will be assigned by the Boulder Junction Community Foundation Advisory Board.

### **8. Services Provided by the Host Foundation**

Subject to the understanding that the staff is limited, the Host Foundation will provide the following services to the Boulder Junction Community Foundation Family of Funds:

- An annual audit as part of the Host Foundation's audit.
- An annual IRS report as part of the Host Foundation's IRS Form 990.

- Investment of the Boulder Junction Community Foundation Family of Funds assets with remaining assets of the Host Foundation.
- Quarterly reports on the investments of the component funds and on all cash receipts and disbursements of the Boulder Junction Community Foundation Family of Funds.
- Promotion of the Boulder Junction Community Foundation Family of Funds in the Host Foundation's communication materials, including the Annual Report, newsletters, year-end letter, website, and other miscellaneous communications.
- Staff support of the Advisory Board meetings.
- Staff support in evaluating grant requests, monitoring grants funded, and other reasonable grant support as requested by the Advisory Board.
- Staff support in endowment building techniques, i.e., identifying potential donors, speaking engagements, professional advisor outreach, etc.
- Staff consultation on developing brochures for fund development, grant applications and other information for grant seekers, etc.
- Donor relations support, including language and mechanisms for receiving and making gifts and creating fund agreements, gift acknowledgements and similar matters.
- Maintenance of the Boulder Junction Community Foundation Family of Funds records.
- Other services as requested by the Advisory Board and approved by the Directors.
- Inclusion in communications and marketing tools (such as an annual report, newsletter & website) to highlight the activities of the Boulder Junction Community Foundation Family of Funds, or the Host Foundation will produce separate communications addressing the activities of the fund.
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Because the Boulder Junction Community Foundation Family of Funds are component funds of the Host Foundation, it is included in the Host Foundation's audit, IRS Form 990, and reports required to be submitted to Wisconsin.

### **9. Exclusion from Fee**

The following services are not provided as part of the annual service fee and are an addition fee if required to be spent by the Host Foundation:

- Legal services or legal advice requested by the Boulder Junction Community Foundation Family of Funds or incurred by the Foundation in the administration of the Fund.
- Costs of specialized marketing materials such as brochures, stationery, etc.
- Mailings made specifically for the Boulder Junction Community Foundation Family of Funds.
- Extraordinary fund development or grant activities related to the Boulder Junction Community Foundation Family of Funds or the promotion thereof.
- Meeting expenses such as facility rental, refreshments, meals, travel, etc.

## **10. Distribution**

All grants from the Boulder Junction Community Foundation Family of Funds require the approval of the Directors after receiving a written recommendation from the Advisory Board. The Directors will at all times retain sole discretion with respect to the approval of grants to ensure all distributions will not endanger the Foundation's status under Internal Revenue Code 501(c)(3) as a tax-exempt public charity or subject it to any tax or penalty and to ensure all distributions are consistent with the Host Foundation's policies and procedures.

The Directors shall have the sole authority to vary the terms of any gift or fund if continued adherence to any condition or restriction is in the judgement of the Directors unnecessary, incapable of fulfillment, or inconsistent with the charitable needs of the community served by the Host Foundation.

## **11. Ownership of Assets**

The assets of the Boulder Junction Community Foundation Family of Funds shall be the property of the Host Foundation for all purposes and shall constitute the initial funding of the Boulder Junction Community Foundation Family of Funds, to be administered in conformity with donor fund agreements. The assets in the Boulder Junction Community Foundation Family of Funds shall be invested and reinvested by the Host Foundation as a part of its investment portfolio and may be commingled and invested with other assets of the Host Foundation. Separate accountings for the assets of the Boulder Junction Community Foundation Family of Funds shall be maintained to the extent necessary to determine the net income of and the total assets in the fund. The Host Foundation shall provide all reporting regarding the Boulder Junction Community Foundation Family of Funds to the Wisconsin Attorney General, the Internal Revenue Service, the Wisconsin Department of Revenue and any state or federal units of government to which the Host Foundation is legally accountable.

## **12. Financial Information**

Each year, the Host Foundation will provide the Advisory Board with a copy of the Host Foundation's annual audited financial statements as prepared by the Host Foundation's independent certified public accountants, as well as such other information relating to the Boulder Junction Community Foundation Family of Funds as the Advisory Board may reasonably request from time-to-time. The Host Foundation will provide the Advisory Board with quarterly reports on the investments included in the Boulder Junction Community Foundation Family of Funds, and all cash receipts and disbursements from the fund.

## **13. Investment Fees and Managers**

Each individual fund within the Boulder Junction Community Foundation Family of Funds will be assessed and the standard investment management fees will be set by the Host Foundation board for similar accounts of the Host Foundation. New funds in the Boulder Junction Community Foundation Family of Funds with a fund balance over \$10,000.00

may select any of the Host Foundation's investment pools. Funds with a fund balance of less than \$10,000.00 will be invested in the Global 70/30 investment pool.

**14. Limitation**

The Advisory Board may not enter into any contract or legal agreement on behalf of the Host Foundation or the Boulder Junction Community Foundation Family of Funds. The Host Foundation's staff, acting in accordance with the policies of the Directors, shall advise and approve in advance all public relations materials, information, or advertising utilized by the Advisory Board.

**15. Legal Status**

The Boulder Junction Community Foundation Family of Funds shall be a fund of the Host Foundation and is not a legal entity. The provisions of this Agreement shall be interpreted in a manner consistent with the intention that the Host Foundation to continue to comply and conform with the applicable requirements of the Internal Revenue Code, Internal Revenue Service regulations, and the requirements of applicable Wisconsin law.

**16. Separation:**

The Directors may, at any time, require the transfer of the Boulder Junction Community Foundation Family of Funds from the Host Foundation to an independent community foundation with sixty (60) days written notice to the Advisory Board. The Advisory Board may request a transfer of the Boulder Junction Community Foundation Family of Funds to an independent community foundation with written notice to the Directors. The Directors shall not unreasonably withhold the transfer of such funds, provided the successor community foundation meets the following prerequisites to the Director's satisfaction:

1. Proof of incorporation under the laws of the State of Wisconsin and possession of a ruling from the Internal Revenue Service approving its application for 501(c)(3) status as a public charity.
2. Possession of a charitable solicitation license from the State of Wisconsin.
3. Appointment of a board of directors broadly representative of the area served by the Boulder Junction Community Foundation Family of Funds.
4. Adoption of a comprehensive plan to address its future financial viability and current administrative and legal requirements.
5. Adoption of a resolution to work toward the adoption of "Minimum Standards for Community Foundations," as established from time-to-time by the Council on Foundations.
6. Provisioned in the community foundation receiving the Boulder Junction Community Foundation Family of Funds Articles of Incorporation for a dissolution clause that names the Host Foundation as the recipient of the assets of the Boulder Junction Community Foundation Family of Funds in the event the successor community foundation loses its recognition as a qualified charitable organization or ceases to exist or terminates the Boulder Junction Community Foundation Family of Funds.
7. The receipt by the Host Foundation of a legal opinion from a recognized, Host Foundation approved Wisconsin law firm, affirming that the proposed transfer of

the Boulder Junction Community Foundation Family of Funds meets the requirements of applicable law.

8. The receipt by the Host Foundation of a certified copy of a resolution of the transferee community foundation which accepts the transfer and agrees to carry out the fiduciary obligation to honor and comply with the terms of all donors advised, designated and other types of funds that are transferred.

### **17. Modification of Agreement**

The terms of this Agreement may be modified by the mutual written agreement of the Directors and the Advisory Board.

### **18. Arbitration**

The parties shall use their best efforts to reasonably settle any disputes among themselves prior to availing themselves of their arbitration rights. If a dispute is not resolved within thirty (30) days following written notice from one party to the other, then the controversy shall be settled by arbitration in accordance with the provisions of Chapter 788 of the Wisconsin Statutes, the Wisconsin Arbitration Act. The parties shall attempt to agree upon the identity of the arbitrator within ten (10) days thereafter. If the parties cannot agree on an arbitrator, the arbitrator shall be chosen by the Council on Foundation. No arbitrator may in any way be financially interested in this Agreement or the personal or business affairs of any of the parties. The parties shall have the right to such pre-arbitration discovery as the arbitrator may determine is necessary or appropriate, giving due consideration to the speed and economy of the arbitration. The decision of the arbitrator shall be final. The parties agree to be bound by the decision and renounce all right to all court proceedings except those provided under the Wisconsin Arbitration Act. The responsibility for payment of the cost of the arbitrator and the costs and reasonable attorneys' fees of the parties incurred in connection with the arbitration shall be allocated among the parties by the arbitrator. The arbitrator's decision shall be made not more than one hundred twenty (120) days after the date of the first party's demand for arbitration. Judgment upon the arbitration award may be entered in any court having jurisdiction thereof, per the request of any party. The parties acknowledge that they are not entitled to, and hereby waive, any right to a jury trial as a result of any controversy or claim under this agreement. Each party agrees to keep confidential the subject matter and result of the arbitration, unless disclosure of some or all the information is required by law, or unless all parties agree otherwise.

### **19. Governing Law and Venue**

This Agreement shall be governed by the law of the state of Wisconsin.

IN WITNESS THEREOF, the parties have executed this Agreement as of the day and year first above written.

THE COMMUNITY FOUNDATION OF NORTH CENTRAL WISCONSIN, INC.

By: DocuSigned by:  
*Tim Parker*  
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Timothy S. Parker, President/CEO

THE BOULDER JUNCTION COMMUNITY FOUNDATION, INC.

By: DocuSigned by:  
*Susan Govier*  
6C3E90C473C44FE...  
\_\_\_\_\_  
Susan Govier, President

**2023 BOULDER JUNCTION COMMUNITY FOUNDATION INITIAL ADVISORY BOARD**

<b>Name</b>	<b>Position</b>	<b>Mailing Address</b>	<b>Phone</b>	<b>Email</b>
Susan G. Govier	President	P.O. Box 972, Boulder Junction, WI 54512	608-381- 0944	sue.bydesign@gmail.com
Craig Mason	Member	P.O. Box 440, Boulder Junction, WI 54512	715-605- 0100	fancy@peeplelures.com
Gary Plouff	Member	P.O. Box 196, Boulder Junction, WI 54512	715-385- 0077	garyplouff@gmail.com
Beth Rondello	Secretary	P.O. Box 96, Boulder Junction, WI 54512	715-892- 1855	bethrondello@yahoo.com
William Spear	Treasurer	10607 Labrador Trail, Boulder Junction, WI 54512	715-573- 8250	wspear2503@gmail.com
Mary Van Grinsven	Vice President	P.O. Box 588, Boulder Junction, WI 54512	563-508- 9822	mary@vangrinsven.us

