Board of Trustees of the Nebraska State Colleges

Meeting Date**: September 10, 2026**

Agenda Item: **2.5**

ITEMS FOR DISCUSSION AND ACTION:

Committee: **Academic & Personnel Committee**

Action Item: **Foundation Agreement - PSC**

The 2023 Peru State College Foundation Collaborative Agreement has been updated to a new, detailed format consistent with the updates that occurred in the Wayne State and Chadron State Collaborative Agreements.

The Peru State College Foundation approved this Collaborative Agreement on Friday, August 14, 2026.

The System Office recommends approval of the Foundation Agreement for Peru State College Foundation.

ATTACHMENTS:

- PSC Foundation Collaborative Agreement

Peru State College Foundation Collaborative Agreement

Introductory Clause

This Agreement is for a one-year term and is made by and between the Peru State College Foundation (the "Foundation") and the Board of Trustees of the Nebraska State Colleges (the "Board"), for the benefit of Peru State College (the "College"). This Agreement sets forth the terms by which the Foundation, the Board, and the College shall cooperate to support the College's mission, while preserving the Foundation's independent governance and fiduciary obligations.

1 Purpose & Definitions

1.1 Purpose

- This Agreement affirms the mutual commitment of the Foundation, the College, and the Board to engage in collaborative practices that advance the mission, priorities, and long-term success of the College.
- The Foundation supports the College through private philanthropic support, stewardship of charitable gifts, and the allocation of funds in accordance with its independent governance responsibilities, donor intent, and applicable law.
- Nothing in this Agreement shall be interpreted to supersede, amend, or conflict with the Foundation's Articles of Incorporation, Bylaws, or Foundation Board of Trustees policies, including but not limited to policies governing fundraising, donor data, gift acceptance, grants to campus, and financial stewardship.
- The Agreement shall be for a term of one year beginning October 1, 2026, and ending September 30, 2027. Any party will advise the other parties of any concerns or proposed changes to be addressed by the parties regarding the terms and conditions of any future agreement on or before July 1, 2027.

1.2 Definitions

For the purposes of this Agreement, the following terms shall have the meanings set forth below:

- **Board:** Refers to the Board of Trustees of the Nebraska State Colleges, the governing body responsible for oversight of the Nebraska State College System (NSCS), including Peru State College.
- **College:** Refers to Peru State College, a public institution of higher education governed by the Board.
- **Foundation:** Refers to the Peru State College Foundation, a Nebraska nonprofit corporation, recognized as a tax-exempt organization under Section 501(c)(3) of

the Internal Revenue Code, organized exclusively to support the mission and priorities of the College.

- **Foundation Board of Directors:** Refers to the ultimate governing body of the Peru State College Foundation, which has fiduciary authority over the Foundation's Articles of Incorporation. The Board of Directors is responsible for managing the Foundation's assets, policies, fundraising programs, and day-to-day oversight.
- **President:** Refers to the President or Interim President of Peru State College, who serves as the chief executive officer of the College and reports to the Chancellor and the Board.
- **Chancellor:** Refers to the Chancellor of the Nebraska State College System, who serves as the chief executive officer of the NSCS and supervises the President.
- **Chair:** Refers to the individual elected by the Foundation's Board of Directors to preside over meetings and carry out duties as defined in the Foundation's Bylaws.
- **Executive Director:** Refers to the lead administrative officer of the Foundation, appointed by and reporting to the Foundation Board of Directors, responsible for fundraising strategy, donor stewardship, Foundation operations, and coordination with the College leadership.

2 Role and Responsibilities of the Foundation

2.1 Tax Status & Asset Management

- The Foundation is a separately incorporated Nebraska non-profit corporation, recognized as tax-exempt under §501(c)(3) of the Internal Revenue Code. It exists to raise, manage, distribute, and steward private philanthropic resources for the benefit of the College.
- The Foundation is solely responsible for the control, investment, and administration of its assets, including all gifts, bequests, endowments, and charitable donations made to support the College.
- The Foundation is responsible for planning and executing comprehensive fundraising and donor acquisition programs in support of the College's mission and priorities as articulated by the President.
- The Foundation's charitable role is for the benefit of the College. The Foundation will spend time, resources, etc. on priorities articulated by the President.

2.2 Asset & Property Management

- The Foundation shall maintain sole exclusive authority over the control, management, and stewardship of its assets, including real, personal, intellectual, and financial property.

- The Foundation shall administer all asset allocation, disbursement, and investment activities in compliance with the Uniform Prudent Investor Act (UPIA) and the Uniform Prudent Management of Institutional Funds Act (UPMIFA). Investment oversight shall remain under the sole authority of the Foundation Board of Trustees and designated investment committees.
- The Foundation may acquire, hold, manage, lease, or dispose of real estate and related property for purposes consistent with its mission and charitable purpose. In all cases, the Foundation retains independent authority to determine whether such property is to be:
    - Held for investment;
    - Managed for future strategic use;
    - Liquidated for the benefit of the College or the Foundation; or
    - Considered for transfer to the Board, in consultation with the President and Chancellor per Board Policy 8002.
- The Board and/or College are not obligated to take ownership of real estate owned by the Foundation.
- The Foundation shall not acquire real estate or other personal property with the intent to transfer or loan or lease such property to the Board and/or College without the express written consent of the Board.

2.3 Scholarship Awarding Process

- The Foundation is responsible for raising, accepting, and managing private scholarship funds in support of the College's priorities as set by the President and consistent with donor intent. The College retains exclusive authority to administer and award scholarships, in compliance with applicable state and federal laws, including Title IX and Article I, Section 30 of the Nebraska Constitution, and ensures that all recipients meet the donor-established eligibility criteria.
- The College retains exclusive authority to select scholarship recipients in compliance with donor criteria and applicable law. The Foundation may provide administrative support or coordination related to scholarship processing, but shall not make final award decisions or influence recipient selection. Donors shall not participate in any aspect of scholarship selection.
- The College shall provide the Foundation with an annual scholarship fund expenditure report, identifying which funds were awarded and in what amounts.
- In cases where a donor's criteria are later determined to be noncompliant with federal or state law, or where criteria are too restrictive to administer, the Foundation shall seek modification through donor consultation (when possible).
- The Foundation shall not post or promote any scholarship that violates federal or state law.
- In cases where a scholarship fund's award criteria are determined to be noncompliant or unenforceable, the Foundation shall suspend disbursement and initiate a review consistent with the Uniform Prudent Management of Institutional

Funds Act (UPMIFA) to determine appropriate corrective action, including modification, reallocation, or termination of the fund, as permitted by law.

2.4 Transfer of Funds

- The Foundation, as the depository of private gifts, shall transfer funds to the College in accordance with donor intent, applicable laws, and the terms of the governing gift agreement. The Foundation will consult with the President regarding institutional priorities to inform future disbursements, recognizing that all disbursement decisions remain under the authority of the Foundation Board.

2.5 Annual Audit

- The Foundation shall continue to engage an independent certified public accounting firm to conduct an annual audit of its financial records in accordance with generally accepted auditing standards. The audited financial statements shall be reviewed by the Foundation's Audit & Finance Committee and approved by the Board of Directors.
- The Foundation shall provide the audited financial statements to the NSCS System Finance Director upon completion, no later than October 1 each year, for inclusion as a component unit in the NSCS audited financial statements. This deadline may be adjusted as necessary to accommodate the reporting schedule established by the Nebraska Auditor of Public Accounts (APA).
- The Foundation shall provide the APA a copy of any audit-related management communications, if requested. Prior to providing to the APA, the Foundation will provide view access only of the audit-related management communication to the Chancellor, the President, the Vice Chancellor for Finance & Administration, or the System Finance Director.
- The Foundation and College agree to cooperate in meeting applicable Governmental Accounting Standards Board (GASB) pronouncements, including GASB 39, to the extent applicable for the presentation of component units in the College's financial reporting.

2.6 Employment Responsibilities

2.6.1 Foundation Employee Management

- The Foundation is solely responsible for the employment, supervision, compensation, and evaluation of its employees. The Foundation Board of Trustees, through its CEO or designated officers, shall manage all personnel matters, including hiring, discipline, and termination, in accordance with its adopted personnel policies and legal requirements.
- As an independent employer, the Foundation shall maintain its own employment contracts, job descriptions, performance review procedures, and compensation structure, consistent with IRS guidelines and nonprofit best practices.
- The Foundation shall provide or arrange for appropriate onboarding, compliance training, and employee development.

2.6.2 Employee Benefits and Provisions

- Paid leave, holiday benefits, and overtime provisions shall be maintained consistent with those established for College employees. Foundation employees are not afforded tenure or rank.

2.6.3 Foundation's Employer Obligations

- The Board and College shall have no legal or financial responsibility for Foundation employees and shall not be considered joint or co-employers for any purpose.
- The Foundation recognizes that certain employee roles may interact regularly with College leadership in support of shared goals. In such cases, the Chancellor and President may offer input or feedback regarding collaboration or performance to the CEO. However, such feedback shall be advisory only and shall not confer supervisory authority or influence formal employment decisions, which remain the sole responsibility of the Foundation.

2.7 Reimbursement and Financial Obligations

2.7.1 Reimbursement to the College

- The Foundation agrees to reimburse the College in a timely manner for direct and documented costs incurred by the College on behalf of the Foundation, including but not limited to:
    - A proportionate share of workers' compensation premiums,
    - Employee benefits for Foundation employees and all other related payroll expenses,
    - Retirement contributions for Foundation employees,
    - Foundation office expenses as described in this Agreement,
    - Additional insurance premiums attributable to Foundation activities,
    - Unemployment costs paid by the College for former Foundation employees.
- The Foundation shall reimburse the College within sixty (60) days of receipt of an itemized invoice or request for reimbursement.
- The Foundation reserves the right to verify, reconcile, or question any reimbursement request prior to payment, and the College agrees to provide supporting documentation upon request.

2.7.2 Maintenance of Records

- The Foundation shall maintain, at its own expense and in accordance with its records retention policy, all plans, budgets, financial records, donor and alumni records, and other documents developed or received in connection with the performance of its responsibilities.
- The Foundation shall retain sole and exclusive custody and control of its donor and alumni records and shall protect the privacy and confidentiality of such records.

- All donor-related records, including but not limited to biographical data, contact reports, contributions history, and gift agreements, shall be considered the confidential property of the Foundation and may only be accessed or shared in accordance with Foundation policy.
- The Foundation shall uphold the rights of all donors, including their right to privacy, data protection and ethical stewardship, as articulated in the Foundation's Ethical Fundraising and Accountability Policy in alignment with the Donor Bill of Rights.

2.7.3 Limitation

- Except for reimbursing the President's spouse for reasonable and necessary travel expenses related to accompanying the President on official Foundation and/or Alumni business, the Foundation shall not provide any additional compensation, deferred compensation, supplemental pay, taxable benefits, or similar financial arrangements to any employee of the College or any member or employee of the Board without the prior written approval of the Chancellor.
- Such compensation arrangements shall be made only in compliance with applicable federal and state laws, Internal Revenue Service regulations, and any policies adopted by the Board governing employee compensation.
- Any such compensation-related support provided by the Foundation shall be documented in a written agreement with the Chancellor that clearly identifies the purpose of the support, the parties involved, and the duration of the arrangement. This documentation shall be maintained in the Foundation's records for audit and compliance purposes.

2.8 College Support and Reimbursement Provisions

2.8.1 President's Automobile

The Foundation shall provide the President with an automobile suitable for the President to be used for College business and personal use.

2.8.2 Presidential Discretionary Funds

- The Foundation shall provide the President with an annual discretionary fund of $12,000 to support the College's mission.
- All expenses must be supported by itemized receipts and a brief description of the business purpose. The Foundation shall maintain appropriate documentation in accordance with its expense policies and IRS accountable plan rules.
- Any use of discretionary funds for the personal benefit of the President shall be disclosed and reported on the President's W-2 in compliance with IRS regulations. Personal or non-business use is not permitted without proper tax treatment and documentation.

2.8.3 Senator’s Reception

- The Foundation agrees to contribute one-third of the total institutional support for the NSCS annual Senator’s Reception, in coordination with the College and other state colleges.
- The Foundation’s annual contribution to this event shall not exceed $1,500, unless additional support is approved in writing in advance by the CEO.
- All expenses must be submitted in accordance with the Foundation’s standard reimbursement documentation procedures, including an itemized vendor invoice.

2.8.4 Chancellor Support Account

- The Foundation shall establish an annual expense account in the amount of Five Hundred Dollars ($500) to be used at the discretion of the Chancellor in support of activities that advance the interests of the College or the NSCS, and consistent with the expenditures established for the President’s Discretionary Funds.
- The Wayne State Foundation shall manage the account and shall include contributions from the Chadron State Foundation, the Peru State College Foundation, and the Wayne State Foundation. The total combined contributions from all three Foundations shall not exceed One Thousand Six Hundred Dollars ($1,600) annually.
- The Chancellor shall submit requests for payment to the Wayne State Foundation, including appropriate documentation and/or receipts in accordance with IRS requirements.

2.8.5 NSCS Teaching Excellence Award

- The Foundation shall provide One Thousand Dollars ($1,000) each year to the College to pay the recipient of the Teaching Excellence Award through the College payroll system.
- The Foundation shall provide Three Thousand ($3,000) to the College to pay the PSC faculty member through the College payroll system if they are selected as the NSCS Teaching Excellence Award recipient.

2.9 Use of Name, Logos, and Marks

- The College grants the Foundation a cost-free, nonexclusive, revocable license to use the name, logos, and marks of the College solely to fulfill its responsibilities under this Agreement and in support of the College’s mission. Such use must be consistent with the College’s official branding guidelines.
- The Foundation may use the College’s name, logos, and marks in the normal course of its advancement, fundraising, donor stewardship, and alumni engagement activities.
- The Foundation shall operate under its own name, seal, and logo in its normal business operations. When using the College’s name, logos, or marks, the

Foundation shall do so in a manner that supports the College, maintains brand integrity, and does not disparage or damage the College or its reputation.

- The Foundation acknowledges that the College retains all rights, title, and interest in and to its name, logos, marks, and other identifying symbols. The College reserves the right to revoke this license in the event of unauthorized or inconsistent use, provided notice and an opportunity to cure are given.

2.10 Employment Relationships and Non-Interference Terms

- The Foundation, the Board, and the College acknowledge that they are separate legal entities and are solely responsible for the employment of their respective personnel. No employee of the College or the NSCS shall serve as a voting member of the Board of Directors, except that the President shall serve as a non-voting, ex officio member as outlined in the Foundation's Bylaws. Likewise, no member of the Foundation Board of Trustees shall be employed by the College or the NSCS without the written consent of the Chancellor.
- The Foundation, the Board, and the College agree not to interfere in each other's employment relationships, including decisions related to hiring, evaluation, compensation, supervision, or separation of staff. Each entity shall maintain its own personnel policies and procedures and retain full control over its employment decisions.
- In situations where shared use of personnel may support operational efficiencies, the Foundation and the College agree that any such joint staffing arrangements shall be formalized through a written agreement approved by the Foundation Board of Trustees, the Chancellor, and the President.
- Out of respect for organizational collaboration and to avoid disruptions, the Foundation and the College mutually agree to consult with one another prior to actively recruiting or hiring an individual currently employed by the other party. This consultation shall be nonbinding and conducted in good faith.
- In the event that the Foundation seeks to engage a former President or College employee to perform services related to Foundation or College business, advance written approval by the Chancellor is required.
- The Foundation shall not enter into any agreement to provide income, deferred compensation, or other taxable benefits to members of the Board, employees of the Board, employees of the College or their family members, including consulting or stipends, without the prior written approval of the Chancellor, except for travel-related reimbursements for the President's spouse when accompanying the President on Foundation or alumni-related business, as permitted in this Agreement.

2.11 Lobbying Efforts

The Foundation understands that all NSCS lobbying activities are coordinated by the Chancellor. Foundation Directors and Foundation employees shall not contact senators, representatives, the Governor's Office, etc., on behalf of the Board, NSCS, or the College.

2.12 Sponsorships

Sponsorships for the College require a written agreement between the College and the sponsor. Sponsorships must comply with Board Policy 6405 - Sponsorships. The Foundation shall not negotiate sponsorship agreements; accept funds for sponsorships; or make sponsorship commitments on behalf of the College without the written approval of the President. The Foundation will communicate with the President before soliciting sponsors and/or bringing sponsors to campus for tours.

2.13 Compliance with Law and Applicable Policy

- The Foundation shall carry out its responsibilities in a manner consistent with applicable federal and state laws and regulations, including those governing tax-exempt charitable organizations and non-profit fiduciary obligations.
- The Foundation shall comply with the following specific policies of the Board to-wit:
  - Policy 5501 – Ancillary Organizations
  - Policy 6705 – Gifts and Bequests
  - Policy 6800 – Annual Audits
  - Policy 6900 – Foundations
  - Policy 8002 – Real Property; Eminent Domain; Acquisition; Disposal; Demolition
  - Policy 8020 – Naming of Buildings, Structures, and Features
- If the Board proposes any amendment to said specific policies, the same shall be reviewed and discussed with the Foundation prior to adoption. Any amendment to said policy shall not be binding upon the Foundation without the consent of the Foundation.
- Any provision of this Agreement would cause a violation of or terminate the Foundation's status as a tax-exempt 501(c)(3) organization under the IRS Code and regulations; the same shall be void and of no effect.

3 Role and Responsibilities of the Board and College

3.1 Governance, Leadership, and Responsibilities

3.1.1 The Board

- Legally responsible for the performance and oversight of all aspects of the NSCS, including Chadron State College, Peru State College, Wayne State College, and the System Office.
- Responsible for the employment, compensation, and evaluation of all College employees.
- Directs the strategic plan, priorities, and operations for the NSCS.

3.1.2 The Chancellor

- Responsible for overseeing the NSCS strategic plan and for the leadership and operations for the NSCS.
- Acts as the liaison between the Board and Foundation and is responsible for communicating the priorities and long-term plans for the Colleges to the Foundation either directly or through the President.
- Responsible for overseeing the employment, compensation, and evaluation of the President.

3.1.3 The President

- Responsible for setting priorities and long-term plans for the College in conjunction with the Chancellor and the Board and communicating such priorities and long-term plans to the Foundation.
- Responsible for overseeing the mission and for the leadership and operations of the College.
- Responsible for identifying fundraising priorities and needs for the Foundation to consider.
- Partner with the Foundation in cultivating donor relationships.
- Shall serve as a non-voting, ex officio member of the Board of Directors in accordance with the Foundation's Bylaws. In this capacity, the President:
    - Shall serve in an advisory capacity and shall not participate in governance decisions, financial votes, or deliberations that fall under the legal authority of the Foundation Board of Trustees.
    - Shall not serve as an officer or committee chair of the Foundation.
    - Shall participate in regular Board of Directors and Finance Committee meetings.
    - Shall participate in executive sessions to the extent that the sessions are related to the President's stated priority areas. The President shall not participate in an executive session that involves a benefit provided to the President by virtue of this Agreement.
    - Shall receive Foundation Board of Trustees materials in advance of regular meetings, subject to any applicable limitations related to donor confidentiality, personnel privacy, or issues constituting a conflict of interest involving a benefit provided to the President by virtue of this Agreement.
- Collaborate with the Foundation in identifying fundraising priorities and institutional needs, and may participate in donor engagement and stewardship activities in coordination with the CEO and development staff.
- The Foundation shall consult with the President regarding the intended use of discretionary or unrestricted funds.
- All references to "President" in this Agreement shall include Interim Presidents appointed by the Chancellor.

3.1.4 Board of Directors

- The Foundation is governed by a Board of Directors, who serve as fiduciaries with responsibility for:
    - Oversight of Foundation strategy and policy,
    - Legal and financial accountability,
    - Stewardship of donor intent, and
    - Protection of the Foundation's tax-exempt mission.
- The Board of Directors operates under the Foundation's Articles of Incorporation, Bylaws, and Foundation Board of Trustees policies.
- Foundation Board of Trustees members shall not concurrently serve as employees of the College or the NSCS, and shall not interfere in the employment decisions or internal operations of either entity.
- The Foundation Board of Trustees retains authority over:
    - Gift acceptance, investment, and spending decisions,
    - Approval of annual budgets and strategic plans,
    - Governance of donor records, and
    - Personnel decisions related to Foundation staff.

3.1.5 Executive Director

- The Executive Director is the Foundation's chief administrative officer, appointed by and reporting to the Board of Directors.
- The Executive Director is responsible for:
    - Implementing the Foundation's fundraising strategy,
    - Managing all development, alumni relations, and donor stewardship activities, including oversight of all donor records and CRM systems, in accordance with the Foundation's Data Governance and Access Policies.
    - Overseeing Foundation staff, finances, and operations, and
    - Ensuring compliance with legal, ethical, fiduciary, and financial standards.
- The Executive Director collaborates with the President to ensure fundraising efforts reflect College priorities, while maintaining compliance with Foundation policies, donor intent, and applicable law.

3.2 Resource Allocation & Support

3.2.1 Office Space and Facilities

- The College shall provide the Foundation with dedicated office space necessary to conduct its activities, including utilities, maintenance materials and labor (including grounds), custodial supplies, and custodial services, free of charge.
- All College property (real and personal) and facilities on campus belong to the Board. Use of all facilities must be scheduled through the College. This includes, but is not limited to, athletic fields and stadiums (including the College Oak Bowl field and stadium), performance and event spaces, meeting and conference rooms, classrooms, and indoor practice and training facilities.

3.2.2 Central Services

- Access to Services
  - The College shall provide the Foundation with access to central services necessary to conduct its work, including but not limited to:
    - Telephone, internet, facsimile, and email systems;
    - Photocopying, network printing, and scanning resources;
    - Hosting of the Foundation's website or its associated domain, if applicable.
- Reimbursement
  - The Foundation agrees to reimburse the College for the actual cost of telephone services (including long distance), Foundation office expenses, and computer replacement expenses that exceed the budget allotted by the President.
- Computers and Technology
  - The College will provide computer and technology support to the Foundation. The cost of computers, software, and related components will be supplemented by the College's Development budget, which is allocated to the Foundation on an annual basis. Any costs exceeding the Development budget will be the responsibility of the Foundation. Additionally, the College may provide computer and office technology, such as flat-screen monitors, printers, and video conferencing equipment, for the Foundation's use in support of its work. All such equipment will remain the property of the College and will be subject to all applicable College policies regarding its use.
- Information Technology
  - The Foundation may receive Information Technology services, including, but not limited to, basic software licensing, email, technical support, report development, network and internet access, and cybersecurity assistance. Email accounts are only provided for Foundation employees. The Foundation agrees to abide by NSCS Information Systems Use Policies and training requirements. All software must be approved by the College CIO in advance of contract execution and/or use.
- Data Ownership and Confidentiality
  - The College and Board acknowledge that the Foundation is a separate legal entity, and that all donor records, alumni data, email correspondence, documents, and files maintained on PSC systems on behalf of the Foundation shall be considered the confidential and proprietary property of the Foundation.
  - No College, NSCS, or third-party personnel may access, review, or retrieve Foundation emails, CRM data, or donor files without written authorization from the Chair or the CEO, unless otherwise required by law. This restriction shall survive the termination of this Agreement.

3.2.3 Employment Benefits and Human Resources

- Employee Benefits
    - The Board shall provide employment benefit access for Foundation employees to participate in the College's TIAA retirement programs; medical/dental, vision, long-term disability, and life insurance plans; the immediate family tuition remission program; the tuition waiver program; and Employee Assistance Program Services in the same manner as College employees. The Foundation agrees to reimburse the College for the employer's share of Foundation employee benefits.

- Payroll and HR Services
    - The College shall provide Human Resource services, including the posting of vacancies as well as payroll processing services for Foundation employees, in accordance with the College's normal policies and procedures. The College and NSCS employees may provide information and resource references to the Foundation Board of Trustees or the CEO. Wages must be paid by direct deposit or other means of electronic transfer. Provisions for accrual, use, and payment of leave hours must also be in accordance with the College's normal policies and procedures. CEO leave requests shall be approved by the Chair via email, which will then be forwarded to the President's Administrative Assistant to approve/process in the payroll system on their behalf.
    - Leave requests by Foundation employees shall be approved internally by the CEO. The College and System Office employees may provide resource references or general guidance to the Foundation Board of Trustees or staff when requested.

- Limitations on Support
    - The Board shall not provide legal services to the Foundation. The College shall not provide human resource advice or assistance with employment performance evaluations, corrective, and/or disciplinary matters services to the Foundation Board of Trustees or Foundation staff. The Foundation is encouraged to retain its own legal counsel and, as needed, human resources support to advise on employment matters, including but not limited to Title IX compliance, terminations, and other personnel issues.
- Financial Support for Staff
  The President may consider assigning or hiring College employees to assist the Foundation or the Board may agree to provide funds to the Foundation to defray the Foundation’s personnel costs in the future if funds are available.

3.2.4 Additional Support Services

- Student Workers

    - The President may provide student worker labor to assist in Foundation activities. The Foundation agrees to reimburse the College for expenses that exceed the budget approved by the President annually.
- Insurance Coverage
    - The Board shall include the Foundation as a named insured on its general liability, cyber liability, all insurance related to travel, and directors and officers (educator's legal liability) insurance coverage at no charge, in such amounts/limits as the Board purchases and may be commercially reasonable.
    - In the event the Foundation has a situation that may give rise to a claim under any of the insurance policies, the Foundation agrees to notify the Board in a timely manner consistent with the terms of the policy and assist in reporting the matter to the appropriate insurer(s).
    - The Foundation shall be responsible for any retentions/deductibles on the policies as a result of any claim submitted. If any premium increases are directly attributable to an act or omission of the Foundation, the Foundation shall reimburse the Board for such premium increases. The Foundation is solely responsible for insuring any real and personal property owned by the Foundation, except that the Board will maintain insurance coverage for any items owned by the Foundation and on loan to the College.
- Marketing Services
    - The President will provide marketing services as staff time allows.
- Waived Costs
    - Campus and faculty rental costs will be waived for the Foundation.

3.2.5 Other Benefits and Services

- Discretionary Support
    - The Board or College may provide other benefits or services to assist the Foundation's work at the discretion of the Chancellor or President.
- Payroll Deduction
    - The College and Board shall make payroll deduction available to all College employees for donations to be directed to the Foundation.

4 College Annual Reporting

4.1 Annual Report on Indirect Costs

- The College shall provide the Foundation with an annual report that details the indirect costs associated with fulfilling the obligations outlined in this Agreement. This report will encompass all relevant cost areas, including, but not limited to:
    - Office space, utilities, and maintenance services;
    - Access to central services (e.g., telephone, email, printing);
    - Information Technology services;
    - College Relations and Marketing support;

    - Campus facility rentals;
    - Human Resources services (including payroll processing);
    - Financial aid award processing;
    - Student worker labor;
    - Insurance coverage;
    - Any other miscellaneous benefits or services provided by the College or Board to support the Foundation's activities.

Upon receipt, the Foundation agrees to provide the report to the Finance Committee. The annual report will also highlight any expenses that exceeded the budget allocated by the President.

5 Foundation Annual Reporting

5.1 Donor Engagement Reports

- The Foundation shall provide the President and the Chancellor with an Annual Donor Engagement Report, summarizing fundraising and engagement activities.
- This report shall be submitted no later than November 30 each year and shall include, at a minimum, the following metrics:
    - Total gifts and pledges committed during the fiscal year, categorized as:
        - Current gifts and pledges
        - Revocable planned gifts
        - Irrevocable planned gifts
    - Total number of donors supporting the College that year;
    - Number of donors contributing $1,000 or more annually;
    - Annual scholarship contributions to the College;
    - Annual endowment available for scholarship distributions;
- The Foundation may also include narrative highlights, such as strategic initiatives, major gift announcements, and institutional impact summaries.

5.2 Financial Reports

- The Foundation shall provide the President with financial reports prepared for each meeting of the Board of Directors.
- These reports may be shared by the President with the Chancellor to support system-wide planning and institutional coordination.
- Following the Foundation's annual budgeting process, a copy of the approved annual operating budget shall be provided to both the President and Chancellor.
- These reports are provided for informational purposes only. Nothing in this section shall be interpreted to grant the College or NSCS oversight authority over Foundation finances or specific donor data, which remain under the exclusive control of the Board of Directors.

5.3 Donor Engagement

- The Foundation and the College share a mutual interest in cultivating long-term philanthropic relationships that support the mission and strategic priorities of the College.
- To that end, the Foundation shall coordinate annually with the President and other key College leaders to develop a Donor Engagement Strategy, identifying major donors, prospective supporters, and key partners whose involvement would benefit from presidential or leadership-level stewardship.
- As part of this process, the Foundation may share the names of top donors and prospective major gift prospects with the President and, when appropriate, the Chancellor, provided that:
    - Donor consent has been obtained where required, and
    - The names are shared for the purpose of coordinated engagement, stewardship, or recognition.
- The Foundation shall retain primary responsibility for managing donor relationships and records, including the CRM system and communications protocols.

5.4 Reports by Request

The Foundation may, at the written request of the Chancellor or the President, provide additional summary reports relating to fundraising outcomes, expenditures, or specific initiatives that directly support College priorities.

5.5 All Governance Documents

- The Foundation shall provide the Chancellor and the President with updated copies of the Foundation's Articles of Incorporation and Bylaws within 30 days of any amendment or formal revision approved by the Foundation Board of Trustees.
- The Foundation shall also maintain a public webpage where current versions of the following documents are made readily accessible:
    - Articles of Incorporation
    - Bylaws
    - Foundation Board of Trustees policies and procedures that govern gift acceptance, stewardship, financial management, data privacy, and ethical fundraising
    - Public-facing guidelines on donor rights and Foundation responsibilities
- Internal operating procedures that include personnel records, donor-specific agreements, or security-sensitive information may be withheld from public access but shall be made available to the Chancellor and President upon request, provided such access does not conflict with donor confidentiality, applicable law, or fiduciary obligations.

6 Hold Harmless

6.1 Foundation's Hold Harmless Obligations

6.1.1 Protection and Indemnification

- The Foundation agrees to defend, indemnify, and hold harmless the Board, the NSCS, the College, and their trustees, officers, employees, agents, and representatives from and against any and all claims, damages, losses, liabilities, and expenses (including reasonable attorney's fees and litigation costs) arising directly from:
    - The negligence, misconduct, or willful omission of the Foundation, its officers, directors, employees, or agents; or
    - A material breach of this Agreement by the Foundation.
- This obligation shall not apply to the extent any such claim, damage, or expense results from the negligence, misconduct, or breach of this Agreement by the College, the Board, or their agents.

6.1.2 Reimbursement

- As part of this indemnification, the Foundation shall reimburse the College or Board for any costs, expenses, or damages incurred as a result of covered claims, including attorney's fees and court costs, to the extent such costs are attributable to the actions or omissions of the Foundation or its agents.

6.2 Board's Hold Harmless Obligations

6.2.1 Protection and Indemnification

- The Board agrees to defend, indemnify, and hold harmless the Foundation and its directors, officers, employees, agents, and representatives from and against any and all claims, damages, losses, liabilities, and expenses (including reasonable attorney's fees and litigation costs) arising directly from:
    - The negligence, misconduct, or willful omission of the College, the Board, or their trustees, officers, employees, or agents; or
    - A material breach of this Agreement by the College or Board.
- This obligation shall not apply to the extent any such claim, damage, or expense results from the negligence, misconduct, or breach of this Agreement by the Foundation or its agents.

6.2.2 Reimbursement

- As part of this indemnification, the Board shall reimburse the Foundation for any costs, expenses, or damages incurred as a result of covered claims, including attorney's fees and court costs, to the extent such costs are attributable to the actions or omissions of the College, the Board, or their agents.

7 Meetings and Communication

7.1 Regular Strategic Coordination Meetings

- To ensure the effective implementation of this Agreement, the Chancellor and/or the President shall meet regularly with the Foundation's officers, directors, and/or CEO. These meetings are intended to:
  - Share updates on institutional and system-level priorities,
  - Exchange relevant planning, fundraising, and stewardship information, and
  - Strengthen mutual understanding and collaboration between the College and the Foundation.

  •Participation in these meetings shall not confer decision-making authority over the Foundation.• The Foundation sets their scheduled board meetings each November for the following year and will make those dates available to the Chancellor and the President. The Executive Director is available on an as needed basis.

7.2 Amendments

- This Agreement may be amended at any time by written agreement of the parties. Any modifications or changes to the terms of this Agreement must be in writing and signed by both parties to be valid.

7.3 Termination

7.3.1 Termination by Notice

- Either the Board (on behalf of the College) or the Foundation may terminate this Agreement without cause by providing the other party with six (6) months' advance written notice. The Agreement shall remain in full effect during the notice period unless otherwise mutually agreed upon in writing.

7.3.2 Termination for Default

- In the event of a material breach or default by either party in fulfilling its obligations under this Agreement, the non-defaulting party may issue a written notice of default. If the defaulting party does not cure the breach within ninety (90) calendar days of receiving such notice, the non-defaulting party may terminate the Agreement immediately upon written notice.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed effective October 1, 2026.

____

Chair ____________________________ Date

On Behalf of the Board of Trustees
of the Nebraska State Colleges

____

Chancellor Date
Nebraska State Colleges

____

President Date
Peru State College

____

Chair Date
On Behalf of the Peru State College
Foundation

____

Executive Director Date
On Behalf of the Peru State College
Foundation