

RELATIONSHIP BETWEEN THE NEBRASKA STATE BAR FOUNDATION AND THE NEBRASKA STATE BAR ASSOCIATION... Jan. 1, 1998

The Nebraska State Bar Foundation was incorporated November 20, 1963, and was organized as a 501(c)(3) entity. The Foundation operates exclusively for charitable, scientific, literary and educational purposes. The Foundation's goals are as follows:

Advance the science of jurisprudence;

Promote and improve the administration of justice;

Uphold high standards for the judiciary and lawyers;

Facilitate understanding of and compliance with the law, promote the study of the law, research therein, and the diffusion of knowledge thereof

Cause to be published and to distribute addresses, reports, treatises and other literary works on legal subjects, and to acquire, preserve and exhibit rare books and documents, objects of art, and items of historical interest having legal significance or bearing on the administration of justice;

And to provide for, furnish or manage any building, lands or grounds for the use or benefit in whole or in part of the State of Nebraska for the administration of justice and the improvement of the service rendered to the public by the judiciary.

These goals complement the Foundation's mission "To serve the citizens of Nebraska and the legal profession through the funding of innovative and creative programs directed toward the improvement of the administration of justice and the fulfillment of the American vision of equal justice for all. "

The Foundation must act exclusively as a tax exempt educational and charitable organization and it must carefully administer the Roman L. Hruska Law Center for the benefit of the Foundation. Net rental income from the lease of said property, exclusive of proper reserve funds, shall be used exclusively for charitable, scientific, literary and educational purposes of the Foundation. The Foundation Conference Center management may be subcontracted with Bar Association personnel. (Currently, this is Dennis Clifton.)

IT WAS DESIGNED, AND IS NECESSARY BECAUSE OF IRS TAX CONSIDERATIONS, THAT THE NEBRASKA STATE BAR ASSOCIATION AND THE NEBRASKA STATE BAR FOUNDATION BE SEPARATE ENTITIES, BUT WITH COOPERATIVE GOALS AND OBJECTIVES.

AMERICAN BAR ASSOCIATION
DIVISION FOR BAR SERVICES
CLEARINGHOUSE AND LIBRARY

The Bar Association leases substantial space from the Foundation for which it pays market value. The Bar Foundation may contract for certain services of the Bar Association, but not limited to:

- 1) The receptionist to answer the phone;*
- 2) The printing clerk to print large printing jobs; and to mail correspondence;*
- 3) The membership secretary to provide a list of Foundation contributors which are paid through annual Bar Dues, and*
- 4) All accounting services of the Bar to provide the Foundation's financial statements.*

The Bar Foundation Board of Directors shall have exclusive power to hire and terminate all Bar Foundation staff, after a recommendation on this from its Executive Committee. The Board will also evaluate staff performance and set staff salaries after a recommendation by the Foundation Executive Committee. The Foundation Board shall set all the policies of the Foundation; the Executive Committee will act during interim periods. General personnel matters and policies of Foundation staff, including the Foundation personnel manual, will be cooperatively set after review with the Association, and will parallel the Association unless deviated by formal Board action. All Foundation records shall be maintained separate of Bar Association records.

In cooperation with the Bar Association and by written agreement, the Foundation staff may have the following benefits available through the Bar Association's umbrella policies:

- 1) Health Insurance;*
- 2) Disability Insurance;*
- 3) Flexible spending account (unreimbursable) medical expenses);*
- 4) Retirement plan, and*
- 5) 401(k) deferred income plan.*

The Foundation shall reimburse the Association for all direct costs related to the above benefits.

As of January 1, 1998, the Bar Foundation shall pay its staff directly from Foundation funds and shall be responsible for all payroll tax liabilities. Additionally, the Foundation may choose to use the Bar Association's insurance carrier which provides Directors & Officers Liability, Workers Compensation Insurance, Bonding costs and insurance.

Being ever mindful of some dissension among Bar Associations and Bar Foundations nationwide, this working relationship is designed purposely to be a "COOPERATIVE" not a "COMPETITIVE" agreement.