



TOOL KIT FOR DEVELOPING A COOPERATING ASSOCIATION PARTNERSHIP WITH THE U.S. ARMY CORPS OF ENGINEERS



US Army Corps
of Engineers ®

TABLE OF CONTENTS

| | |
|--|----|
| 1. Introduction | 3 |
| 2. Differences Between Friends Groups and Cooperating Associations | 4 |
| 3. Benefits of a Cooperating Association Partnership with the U.S. Army Corps of Engineers..... | 5 |
| 4. Considerations for an Existing or New Cooperating Association..... | 8 |
| 5. Getting Started..... | 11 |
| 6. Structure of the Cooperating Association..... | 13 |
| 7. Board of Directors and Staff..... | 19 |
| 8. Lessons Learned..... | 22 |
| 9. 21 Partnership Success Factors..... | 25 |
| 10. Ethical Considerations for USACE Employees..... | 27 |
| 11. Terminating the Cooperating Association Partnership..... | 28 |
| Appendix A – Sample Cooperating Association Articles of Incorporation..... | 29 |
| Appendix B – Sample Cooperating Association Bylaws | 31 |
| Appendix C – Sample Cooperating Association Agreement..... | 37 |
| Appendix D – ER 1130-2-500, Ch 8: Cooperating Associations Program..... | 44 |
| Appendix E – Glossary of Terms..... | 50 |
| Appendix F – Online Resources..... | 51 |

1. INTRODUCTION

The purpose of this tool kit is to provide information on developing a cooperating association partnership with the U.S. Army Corps of Engineers (USACE) Natural Resource Management program. Cooperating associations are a specific type of partnership established to support the agency's educational, interpretive or scientific programs, in part through financial assistance earned from sales of educational materials, memberships, special event fees and fundraising contributions.

The nonprofit Corps of Engineers Natural Resources Education Foundation, doing business as The Corps Foundation, developed this handbook to help local friends groups and community organizations in taking steps to become cooperating associations with USACE. Additionally, it provides a useful reference to help USACE staff work with interested groups in forming, supporting and maintaining a strong cooperating association program.

The Corps Foundation's mission is to engage the public to ensure the environmental health and recreational enjoyment of our nation's lakes, lands and waterways administered by USACE. Our goals include striving for a well-informed, involved public; building strong partnerships; and providing healthy, sustainable, and accessible natural resources.

While this tool kit identifies procedural requirements governing the relationship between nonprofit cooperating associations and USACE, it is not intended as a definitive source of federal agency or nonprofit policy. Links to relevant information and policies are therefore included within this publication, along with an Appendix of reference materials.

This toolkit will:

- Clearly define the difference between a cooperating association and a friends group
- Briefly discuss the benefits of a USACE cooperating association partnership
- Provide information to interested community groups and established nonprofits on becoming a new cooperating association with USACE
- Assist with getting started and building the agency/nonprofit relationship
- Define the roles of the two organizations and clarify responsibilities
- Provide information about tax status review
- Discuss other considerations while establishing a cooperating association relationship with USACE
- Include an overview of lessons learned and success factors
- Cover ethics considerations for USACE employees

This toolkit is available on the USACE Natural Resources Management (NRM) Gateway at <https://corpslakes.erdc.dren.mil/employees/coopassoc/coopassoc.cfm>. The USACE Partnership Advisory Committee can also provide assistance. For a list of current team members, visit: <https://corpslakes.erdc.dren.mil/partners/pdt.cfm>.

2. DIFFERENCES BETWEEN FRIENDS GROUPS AND COOPERATING ASSOCIATIONS

Friends Groups: At first glance, it may seem that a friends group is the same thing as a cooperating association, but it's important to understand the difference. Friends groups are generally set up by local volunteer groups of citizens organized for a specific purpose or interest in a particular geographical area. Friends groups typically do not have an Internal Revenue Service 501(c) nonprofit status. They cannot develop a cooperating association agreement with USACE unless they are incorporated as a nonprofit and tax-exempt organization.

Friends groups, along with other organizations, are allowed to make contributions to USACE projects; however, these donations must meet the guidelines established by a Contributions Plan. Contributions include, but are not limited to, money, materials and services for the protection, improvement, restoration, rehabilitation, or interpretation of natural resources, environmental features, recreation areas and facilities, or cultural resources.

Further details on contribution plans are located at the Natural Resources Management Gateway. <https://corpslakes.erdc.dren.mil/employees/contribute/contribute.cfm>

Cooperating Associations: A cooperating association is a legal entity, established under state and federal law, which has non-profit and tax-exempt status under Internal Revenue Service codes and which operates under the terms of a cooperating association agreement with USACE. The majority of USACE cooperating associations are classified as 501(c)(3) organizations, set up for charitable, educational, or scientific purposes. A few USACE cooperating associations are classified as 501(c)(6), business leagues or chambers of commerce. Some 501(c)(6)s are tax-exempt organizations; however, donations to 501(c)(6) organizations are not tax deductible. Cooperating association agreements can be terminated by either party at any time, but they must be terminated if the cooperating association loses its non-profit, tax-exempt status.

As noted in the Introduction, cooperating associations are established to support the agency's educational, interpretive or scientific programs, in part through financial assistance earned from sales of educational materials, memberships, special event fees, and fundraising contributions. The public face of the cooperating association is most often the project visitor center or management office if the association operates a bookstore.

A list of USACE cooperating associations can be found at:
<https://corpslakes.erd.c.dren.mil/employees/coopassoc/existing.cfm>

IMPORTANT NOTE regarding cooperating association agreements: These agreements are NOT cooperative agreements as that term is used in the Federal Grants and Cooperative Agreement ACT of 1977, 31 U.S.C. 6305 (FGCAA), nor are they subject to DOD regulations governing cooperative agreements, including the requirement for execution by a certified grants officer.

Cooperating Association Partner Spotlight



Lake cleanup program: Clean Jordan Lake (CJL) cooperating association was formed with the sole purpose to expand volunteer programs to remove trash at Jordan Lake, inform local and state government agencies about the problem, and recommend trash strategies to keep the shoreline clean in the future. In addition to two major cleanup events in the spring and fall, they also started an Adopt-A-Shoreline program to promote year-round stewardship efforts. In a seven-year period, CJL organized 198 cleanup events,

removed 104 tons of trash and removed 3,760 tires.

3. BENEFITS OF A COOPERATING ASSOCIATION PARTNERSHIP WITH THE U.S. ARMY CORPS OF ENGINEERS

To effectively collaborate, cooperating associations and USACE Natural Resources Management (NRM) staff must be knowledgeable about each other, and the partnership must be entered into for the purpose of accomplishing agreed upon objectives. From the nonprofit or community perspective, a formal cooperating association relationship with USACE can broaden capacity to fulfill goals, formalize and strengthen the relationship with the agency, and increase public support.

From a federal agency perspective, as non-Federal organizations, cooperating associations often have the benefit of less operating and fiscal restrictions than USACE. Cooperating associations do not have the same rules regarding competition for contracts, credit card spending limits, or levels of review for new projects and actions. Associations may be able to contract for services more cost-effectively and more efficiently than USACE. Cooperating associations may have strong ties to the

community and a network of other potential partners that they can directly solicit for funding and contributions. And, the public may find an association to be more approachable than a government agency.

Together, the ability for enhanced outreach, increased productivity, and achievement of important natural resource, educational, recreational and safety objectives go beyond the individual capabilities of either the nonprofit partner or USACE.

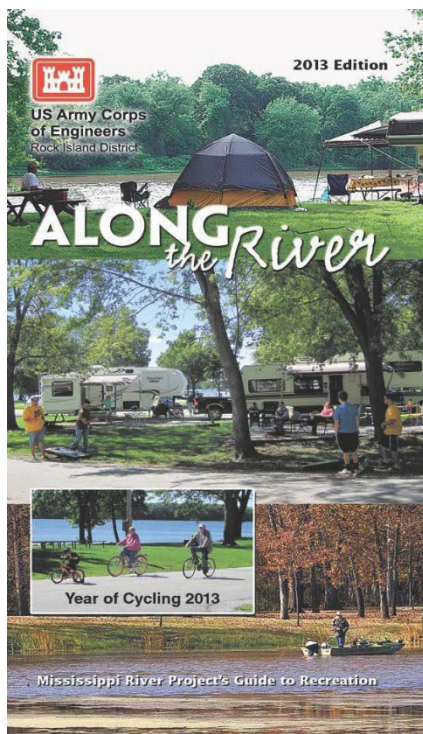
Some of the things that cooperating associations can do include:

- Purchase supplies, materials, equipment, programs, exhibits, and publications to be utilized at the USACE lake/river project
- Operate bookstores on-site to generate revenue
- Apply and receive grants, for which federal agencies may not be eligible
- Support the design and construction of visitor centers, museums, or related interpretive exhibits; rehabilitation of existing exhibits; and design and construction of other facilities necessary to complete the development of park areas, when use of those facilities is consistent with the association's purposes
- Participate in activities of organizations whose goals and objectives are compatible with those of USACE by providing logistical support and staff leadership
- Operate membership programs
- Conduct fundraising for interpretive, educational and research programs
- Solicit donations of money, goods and services
- Conduct education programs, seminars and field institutes
- Operate visitor centers
- Operate donation boxes at USACE facilities and use the money for recreation and NRM program improvements. Donation boxes must identify who handles proceeds and for what purpose.
- Manage audio tours, auditoriums, and other public performance venues
- Conduct site tours, living history programs and cultural demonstrations
- Sponsor special events and collect fees in conjunction with the events
- Provide travel and tourism programs
- Manage park marketing and public relations programs
- Publish independent magazines and scholarly journals
- Provide concession services where appropriate

- Involve the community and strengthen USACE's relationship within the local community
- Assist USACE projects with meeting the public's needs, ensure projects meet internal requirements, build relationships within local communities and improve communication among constituencies.
- Recruit, train, and manage volunteers
- Provide fresh perspectives and creative means for addressing management issues
- Inform elected officials of USACE recreation and environmental stewardship issues and advocate for support

Note that while the support of a cooperating association can be invaluable, the relationship requires a significant amount of work by both USACE and the association. Individuals must be honest about their ability to support such an effort, and USACE staff must be willing to invest the time necessary to help initiate and nurture the relationship in order to develop a mature partnership.

Cooperating Association Partner Spotlight



Along the River (ATR), Mississippi River Project's Guide to Recreation: The ATR magazine is published annually to provide visitors with up-to-date information on the recreational and educational opportunities available from the Mississippi River Project Office. Partnerships between the USACE, the Dispatch Argus, and the Quad Cities Convention Bureau (cooperating association) have allowed the funding for the ATR to be published successfully for the past 15 years.

The ATR is widely distributed, covering both sides of the 314 river miles at the River Project. This distribution includes, but is not limited to, Visitor Centers/Bureaus, businesses, recreational/ campground/ park facilities, and upon request by individuals who are planning to visit.

4. CONSIDERATIONS FOR AN EXISTING OR NEW COOPERATING ASSOCIATION

Opportunities exist with USACE for established cooperating associations already working with the agency, or with other federal or state public lands; for established nonprofits desiring to expand and enhance their role with USACE; or for community groups to create a new nonprofit cooperating association. When considering the best way to proceed, the first items to address should be local community and USACE needs, objectives and capacity for the partnership to grow and succeed.

Existing Association: Prior to a community group developing a new cooperating association, they should determine if an already-existing association or non-profit can provide the services needed. This is often the fastest and most efficient way to initiate a cooperating association partnership that will benefit a specific USACE site or group of sites. A list of existing USACE cooperating associations can be found on the NRM Gateway at <https://corpslakes.erdc.dren.mil/employees/coopassoc/existing.cfm>

A cooperating association relationship with an existing local group is worth consideration if it can meet the objectives as described in Chapter 8 of ER 1130-2-500. USACE staff can assist groups in accessing and interpreting these policies. Associations or non-profit organizations already under agreement with other federal agencies may also be considered if they can meet these objectives. The Public Lands Alliance publishes a directory of their cooperating association members <https://www.publiclandsalliance.org/membership/current-members>.

Existing cooperating associations or other nonprofit organizations should consider their organizational and governance structure in terms of how it may meet the needs of the new partnership with USACE. USACE staff should also consider the following questions as they explore a cooperating association relationship with an established organization:

- How closely are the organization's goals aligned with USACE?
- What is the organizational structure and capacity of the organization, and can it meet the demands of an expanded partnership with USACE? For example, is it staffed or all-volunteer, local or regional, affiliated with a single or multiple agencies?
- Does the organization have a good record of accomplishments, public and partner relations, and operational management?
- Does the organization have a business plan and does it provide both the structure and flexibility to move forward with a broader scope of work?
- What is the financial structure and performance of the organization, and what are the potential financial implications of an expanded partnership?
- Does the organization's board of directors have the diversity of skills, knowledge and representation needed to oversee a new USACE cooperating association partnership? For example, are board members representatives of the local

community who can assist with outreach? Does the composition of the board contain needed financial or business expertise?

- How often will the board or association staff representatives meet with USACE management?
- What is the organization's experience with volunteer management?
- Are there planned changes to the organization's corporate structure or function in the next five years?
- Is there opportunity for the association to be engaged in a USACE Master Plan or other planning process in the next five years?

An existing non-profit or cooperating association may have funding available for start-up operations, have an established track record with a board of directors, and may be more familiar with USACE policy and procedures than a new cooperating association might be. Often, the existing cooperating association agreement can be modified quickly through an ADDENDUM to the document. One downside to expanding an existing association might be that limited resources will be shared and the expansion could create greater overhead costs. The organization may also have some objectives which are unrelated to the local USACE project.

New Cooperating Association: If there is already a friends group established in the area, it can be an excellent starting point for a potential association. Although USACE employees cannot create a cooperating association, they can play an advisory role and provide information to partners on how an association might be developed. USACE can provide a forum or meeting place for groups to meet and discuss forming a cooperating association. USACE employees can facilitate activities that lead to the creation of a cooperating association, but cannot be actively involved in the set-up and management of the new nonprofit (e.g., writing the bylaws and incorporation papers, serving as an officer, assisting in fundraising). Developing a new cooperating association requires a commitment from all partners including time, money, and business expertise.

There are many good websites that can help a group form a nonprofit, tax-exempt cooperating association. Every nonprofit organization must have a carefully developed structure and operating procedures in order to be effective in fulfilling its purpose. Good governance starts with the organization beginning on a sound legal and financial footing. This will likely involve legal assistance to help guide the process. It is also recommended that USACE consult with District Office expertise early in the process to assist a new cooperating association in complying with USACE policies and authorities.

Similar to expanding an existing association, there are pros and cons of starting a new association. If a local friends group chooses to expand its role, the relationships are already established, and there may be more commitment to a single lake project, stronger community support, local networks developed, better understanding of local needs/issues, and an effective and efficient communication line.

Summary Comparison Existing or New Cooperating Association: Benefits and Challenges

| | Benefits | Challenges |
|----------------------------------|--|--|
| Existing cooperating association | <ul style="list-style-type: none"> • Board of directors already established • Already has 501(c) status • Availability of funds for start-up • Already has relationships with contractors, publishers, and other sources • May be able to purchase new equipment and inventory at lower cost because of accumulated buying power • Track record for references • Familiarity with USACE | <ul style="list-style-type: none"> • Less flexibility • Potentially larger overhead expenses • Less focus on individual projects and local community • New product development may be generic rather than site-specific |
| New cooperating association | <ul style="list-style-type: none"> • More time devoted to on-site integration with USACE staff and operations • Locally focused • Strong community ties • Association's priorities may more closely match USACE • Clearer reporting | <ul style="list-style-type: none"> • Harder for the partner to find committed board members • Waiting period while organization gets nonprofit status • No history/predictability • Higher learning curve • Potentially insular |

Cooperating Association Partner Spotlight



Educational and special event program sponsorship: The Friends of Caesar Creek Lake collect more than \$12,000 in sales from their bookstore annually to fund interpretive displays, trail maps, birding check lists, and fossil guides, and to sponsor educational programs such as Project Monarch Watch, Birds of Prey program, the Secret Lives of Reptiles, and the Junior Ranger program. Friends of Caesar Creek also makes donations for events such as the annual volunteer recognition dinner, and provides patches and food for more than 300 volunteers at the Green Up Day at the lake.

5. GETTING STARTED

It is important for USACE staff to consult with the operations project manager, operations chief and Office of Council prior to beginning discussions with an existing association or community group interested in starting a new cooperating association. Good partnerships start with both the agency and the association beginning on a sound legal and financial footing. ER 1130-2-500 outline policies and procedures for working with cooperating associations. More information can be found on the NRM Gateway at: <https://corpslakes.erdc.dren.mil/employees/coopassoc/coopassoc.cfm>

In the early stages, most of the work of establishing a cooperating association partnership is done by a handful of dedicated people in the local community. This group should reflect the diversity of the community, meet often to lay the groundwork, report on their progress and get feedback from stakeholders. Core members should have an interest/passion for the project, good organizational skills, willingness to work with others, time and energy to create an association, abilities and temperament to deal with a wide variety of personalities, enthusiasm, a sense of humor and excellent communication skills.

To find people with an interest, USACE staff may assist a community group in scheduling a public meeting, reaching out to local organizations and businesses to form connections, and developing relationships that may lead the community to establishing a cooperating association. The meeting can be used as an open forum to discuss what people want done at the project. Encourage every opportunity to bring more people into the general and core group. Volunteer programs can be a great way for a cooperating association to recruit potential members.

The core members of an emerging or established cooperating association should make a realistic assessment of the potential for a new association partnership by considering visitation to the site, demand for the services or programs the association could provide, presence of similar community organizations, potential income from sales and programs, costs of operation, potential for staffing, and USACE staff time that can be devoted to supporting the partnership. A feasibility plan can help outline the timeframe for a cooperating association operation to become debt-free and self-sustaining. The potential association should consider how much start-up capital will be needed, and develop a business plan for the first few years.

The cooperating association group should contact local elected officials, businesses, organizations and let them know about what they are trying to do. USACE may host an event at the project and have a table where the cooperating association can inform the community about the group and recruit new members.

The group should decide how they want to support the USACE project by setting specific goals and developing a clear mission. Questions to consider in preliminary talks between a potential association and USACE might include the following:

- What does the USACE project need?
- Is it the right time for a cooperating association?
- What would be the association's role?
- What have other associations in similar circumstances done that can be used as examples?
- What activities can the cooperating association undertake?
- What limitations might there be?
- What legislation and regulations need to be addressed?
- What will be improved?
- What does the association and USACE staff want the future to look like?
- How formal does the cooperating association want to be in its structure?
- Is there another partner or non-profit already in place that can accomplish the work?

Cooperating Association Partner Spotlight



Improving public awareness and education:

Discover Your Northwest (DYNW) supports interpretive services, staff, volunteers, and the community at Bonneville Dam. Sales from the bookstore have supported the purchase of digital photo frames, four lecterns, five interactive touch screen displays, four computers to run presentations, as well as advertising space in local and regional tourist publications. DYNW has paid for two volunteers to become Certified Interpretive Guides and provided awards and recognition at the annual volunteer appreciation dinner. DYNW purchased button making equipment for project use. When visitors drop a donation in the donation box, they are invited to take a button. Donations increased nearly tenfold as a result. The increased funds help support USACE missions, goals and interpretive efforts.

6. STRUCTURE OF THE COOPERATING ASSOCIATION

Establishing a new nonprofit cooperating association requires a number of decisions and completion of founding documents, federal and state registrations, and adherence to nonprofit legal requirements. While the following information is instructional for new organizations, it is also worthy of review by established nonprofit organizations considering an expanded role with USACE.

Mission Statement: The cooperating association should develop or have already established a mission statement that defines the need and the results it expects to achieve. It should have a purpose, vision, and articulated beliefs reflecting how the association intends to contribute to the project and community, what they are trying to accomplish, how they will do it, where, for whom, and why. The mission statement should be short and direct. The association needs to assure the mission statement fits the requirements of the Internal Revenue Service for nonprofit status. A group must be involved with at least one of these categories: scientific, educational, or charitable. Established cooperating associations or other nonprofits should review their mission to ensure that it encompasses expanded efforts as a USACE cooperating association.

Name and logo: The name of the cooperating association makes the group official and helps others visualize the mission. A name should communicate a place or program that people will be motivated to support. The potential association should conduct an online search to ensure the organization name selected is not already being used by another group. Established nonprofit organizations should consider how their existing name and logo relates to their role as a USACE cooperating association, or if additional branding and outreach efforts are needed to highlight this new role.

Board of Directors: The ultimate responsibility for the association falls on its board of directors. Potential board members should have a common interest in the goals of a cooperating association and have organizational skills or business experience. The first board of directors for a new association sets the direction for the future. The board of an established association will help ensure that new or enhanced functions of the association will meet established goals.

The number of board members and length of service is customized to suit the situation of the group. As a general guide, five to nine unrelated board members works best for a new board. Established organizations may increase the number of board members reflective of its scope of operations. Limitations on the length of terms that board members can serve also promotes vitality and effectiveness.

Local circumstances will dictate whether the association employs staff or depends on volunteers or USACE assistance to operate its sales area and present its programs. In general, for cooperating associations with paid staff, there is a chief administrator, often called an executive director or business manager, who reports to the board of directors and who has responsibility of day-to-day operations. In an all-volunteer association, one

of the board members accepts the role of president or chair to lead the cooperating association. For additional information on board structure and the relationship of USACE employees to the board, see section 7, Board of Directors and Staff.

Articles of Incorporation and Bylaws: The process of becoming incorporated as a nonprofit, tax-exempt organization begins with the cooperating association providing their state with articles of incorporation and bylaws. These are the documents that can eventually lead to allowing donors to claim tax deductions for their contributions. Examples are provided in Appendix A and B of this document. The example should be reviewed by the association and adapted based on the regulations and laws of the state in which the association will be incorporated. This should be done with the advice of an attorney working for the board.

Bylaws spell out a cooperating association's purpose, membership requirements, decision-making procedures, meeting time/frequency, procedures for amendments of the bylaws, organizational and leadership structure. Bylaws provide more detail than the articles of incorporation which basically outline the organization. Most bylaws will include:

- Purpose/intent of the association
- Location of offices
- Board members – Qualifications and selection method
- Advisory board (as applicable)
- Fiscal policy
- Liability and limitations
- Amendments
- Dissolution
- Miscellaneous

Established nonprofit organizations should periodically review their bylaws to ensure compliance in their operations, and update bylaws as necessary or when undertaking new roles or operations.

Incorporation: The potential board of directors must request appropriate incorporation from the Secretary of State wherein they are incorporating. The office of the Secretary of State will provide a package of materials that must be completed before the cooperating association can be incorporated. It is recommended that the association acquire legal assistance for this process. Incorporation should be as a nonprofit within that state. If the cooperating association will operate in more than one state, it must register as a “foreign corporation” in such other states beyond its state of incorporation.

Information required for articles of incorporation include: the name of the association, purpose of the cooperating association with broad organizational goals, a statement that the association does not afford ‘pecuniary gain’ or profit to its members, the period of

duration of existence (which may be perpetual), the location of its office, name and address of each incorporator, number of directors constituting the first board of directors with name, address and tenure of each, the extent of personal liability, if any, of members, provisions for the distribution of corporate assets and for dissolution, and will state whether the association will be ruled only by the board of directors or if its membership will have voting privileges.

State Tax-Exempt Status: Cooperating associations must meet state requirements for nonprofit status. As part of the incorporation procedure, states may require applicants to provide articles of incorporation, bylaws or a constitution, an application fee, financial statements, and a description of proposed activities. Additional forms for tax-exempt status, employer requirements, records, or other business operations may also be required. A tax lawyer can be very beneficial in helping the cooperating association navigate the process.

The IRS has an on-line search tool <https://www.irs.gov/charities-non-profits/tax-exempt-organization-search> that allows users to search for and select tax-exempt organizations and look up information about federal tax status and filings. The site provides a wide variety of information that will be helpful to the cooperating association and the USACE project. Data can be filtered by tax identification number (TIN), legal name, city, state, country or deductibility status.

Employer I.D. Number: Cooperating associations must request an employer I.D. number from the Internal Revenue Service using [IRS Form SS-4](#). This is required whether or not the association has employees. Sometimes this number is required before applying for state incorporation.

Federal 501 (c) Exempt Status: An application for exemption from federal income tax must be made by the association after it has obtained state non-profit status at incorporation. Such exemption must be based on Section 501(c) of the Internal Revenue Service Code. Annual reports must be filed with the Internal Revenue Service to maintain tax-exempt status. Cooperating associations must file [Form 1023](#) with the Internal Revenue Service, "Application for Recognition of Exemption." For more information, they can consult Internal Revenue Publication 557 "[Tax-Exempt Status for Organizations](#)." When filing Package 1023 with the IRS, the association needs to include Articles of Incorporation, Bylaws, a proposed 2-year budget, and copies of supporting legal information. [Form 2848](#), which assigns power of attorney to an individual who will act as the cooperating association's representative, will also need to be filled out.

Advanced Ruling Period for Federal Non-Profit Status: Cooperating associations must request an advanced ruling as a non-private foundation (publicly supported/public charity) for the first years as described in IRS Code Section 170(b)(A)(vi) and 509(a)(1) or in section 509(a)(2). At this time, the IRS allows a non-profit corporation to operate for five years before filing information about how it has functioned as a public charity.

The association needs to clearly indicate in its records the first examination period to be reviewed for final status determination.

Records: The association should have a record of IRS status available at all times in the event of a challenge. Such proof may be requested by a prospective donor, or the record of IRS status may be requested as part of an unannounced IRS audit. Proof of non-profit status is needed for applications for third-class mailing privileges under U.S. Postal Service ruling for non-profit organizations.

Nonprofit 501(c) organizations must file an annual return with the IRS. As of January 2016, nonprofits with gross receipts of less than \$50,000 are eligible to file IRS form 990-N (also referred to as the e-Postcard), but may choose to file a full return. Nonprofits with gross receipts of less than \$200,000 and total assets of less than \$500,000 may file the IRS form 990-EZ or the IRS 990. Nonprofits with gross receipts of greater than \$200,000 or total assets of greater than \$500,000 are required to file form IRS 990.” Check <https://www.irs.gov/charities-non-profits/exempt-organization-annual-filing-requirements-overview> annually for updates in filing requirements.

Any member of the public can request the documentation and [Forms 990](#) of a non-profit at any time as per Internal Revenue guidelines. If not easily available, the association is subject to a daily fine and interest, which is retroactive.

Local Permits and Licenses: The board is responsible for contacting local government offices through its attorney to determine if other permits, licenses, or taxes are required. In some states, associations must collect and remit local and/or state sales taxes. Property taxes may be applicable. The board should have its tax attorney look into these matters. A USACE real estate instrument may be necessary if the association uses fixed space within a USACE facility.

Retail Sales License: If the cooperating association plans to sell interpretive literature, services, and other items as outlined in the cooperating association agreement, the board should research requirements for local retail sales licenses. In many instances, these licenses are waived for non-profits incorporated within the state of the local jurisdiction. If the sales activity is on federal land or resources, local licenses do not apply. However, local licenses may be required for sales via the internet or from locations off USACE property. Licenses, if necessary, are to be displayed in a prominent location for state and/or local officials’ periodic inspections.

Worker’s Compensation Insurance: Once an association has a paid staff, it is required to provide Worker’s Compensation Insurance for its employees. The association should check with the State Worker’s Compensation Insurance Commission or the insurance broker of the corporation for requirements and names of carriers and rates.

Unemployment Coverage: State unemployment coverage requirements for non-profit organizations vary from state to state. In all cases, costs of coverage are borne by

employers who have the option of financing costs through payment of a tax or through reimbursement of the actual costs of unemployment benefits paid to their former employees unless separation was in a manner not requiring reimbursement. Information may be obtained by contacting the nearest unemployment insurance tax office of the state or jurisdiction in which the corporation is located.

Disability Insurance: Some states have temporary disability insurance programs for compensating workers unemployed due to off-the-job injuries. Costs of coverage are generally shared by the employer and the employee. Coverage may be provided under a state plan or, in some states, under a private insurance carrier plan at the corporation's option. Information may be obtained from the agency administering the disability insurance program in any of these states. In states where the above coverage is not required for paid staff, the association should work with its insurance broker and consider providing it.

Liability Insurance: The association shall indemnify, save and hold harmless and defend the United States against all fines, claims, damages, losses, judgments, and expenses arising out of or from any omission or activity of the association in connection with activities under its agreement(s) with USACE. The association shall procure and employ liability insurance with a minimum limitation for any number of claims from any one incident, with respect to the activities of the association and its employees. The United States shall be named as an additional insured on all such policies. All such policies shall specify that the insurer shall have no right of subrogation against the U.S. for payment of any premiums or deductible thereunder, and such insurance policies shall be assumed by, credited to the account of, and undertaken at the association's sole risk. (This is non-negotiable except the "minimum limitation of" insurance. A \$1,000,000 minimum is required with higher limits at the discretion of the District Commander.)

Cooperating Association Agreements: USACE initially can provide board members with the sample Cooperating Association Agreement to review. A sample is provided in on the Natural Resource Management Gateway.

<https://corpslakes.erdc.dren.mil/employees/coopassoc/templates.cfm>

The board of directors cannot sign the agreement with USACE until their cooperating association is incorporated as a nonprofit, tax-exempt corporation in the state where they will be operating. The cooperating association agreement document may not be changed, except to select any optional clauses that apply to the local situation. It is important to ensure that the board members of the association clearly understand the requirements of the agreement and their working relationship with USACE.

Signing the Agreement: Once the agreement has been read and understood, the board of directors must vote to accept the agreement and authorize its president or chairperson to sign. The District Commander will sign the cooperating association agreement for USACE. Two original copies must be made: one for the cooperating association and one for the USACE district office. The vote to accept and authorize

signature by the cooperating association must be recorded in the official minutes of a regular meeting of the board.

Annual Activities List: The cooperating association and USACE will jointly prepare an annual activities list. This list should be reviewed, updated, and signed each year by both parties. There should be quality assurance and quality control measures in place to account for all funds generated within the cooperating association. This can be accomplished at the same time the annual activities list is being reviewed.

Cooperating Association Partner Spotlight

Building trails and inspiring the next generation of environmental stewards: The Friends of Raystown Lake (FRL) have created two flagship programs. The first is an environmental education project called RayCEP (Raystown Conservation Education Partnership). The association led a consortium of federal and state agencies, private businesses, educational institutes, and nonprofit organizations to utilize student interns to present hands-on, interactive environmental programs.



The second is the Allegrippis Trails, a 32-mile nationally recognized mountain bike trail system and skills park. FRL engaged the local community to build the \$750,000 trail system which embraces the USACE mission of environmental sustainability.

7. Board of Directors and Staff

Board Roles and Responsibilities

Nonprofit boards of directors are voluntary groups of individuals committed to the mission of the organization. Nonprofit boards:

- Are required by law
- Provide important resources, including time, expertise, energy and money to fulfill the organization's mission
- Communicate the values of the organization, bring credibility, and status or influence
- Play two critical roles – a support role and a governance role.

The basic legal obligations of board members can be summarized as follows:

Duty of Care: exercising reasonable caution in making decisions by using his or her best judgement, actively participating, and asking the right questions.

Duty of Loyalty: putting aside personal and professional interests for the good of the organization.

Duty of Obedience: staying true to the organization's mission, so that activities and use of funds are consistent with stated purpose.

The composition of the board should represent the diversity of constituencies served by the organization and also a diversity of perspectives, skills, and resources that meets the needs of the organization. It is important to note that board members are both responsible and liable for the financial performance of the association, therefore it is important to include recruitment of board members with proficiency in financial management and/or business management.

Board Recruitment

During recruitment of board members, there should be discussions about responsibilities, contributions of time, effort, and financial support. Board member position descriptions, with a statement of duties and length of term, succession process, and expected annual involvement are helpful. Factors to consider when selecting initial board members or augmenting an existing board include how involved the person is in the community, whether they understand the issues/needs of USACE, if they are familiar with board structure and nonprofits, what expertise they bring, if they will support the mission, policies, and goals of USACE and the association, and how their personality and leadership style fit in with the other board members.

A diverse group of board members with legal, educational, accounting, banking, journalism, sales or marketing skills would be ideal. Potential board members who do not have these skills should have access to individuals with these areas of expertise. Places for the community group to look for potential board members include: chambers of commerce, volunteer staff, volunteer centers, community leaders, AARP, public utility

retirement groups, local schools and universities, senior citizen organizations, outdoor recreation organizations, environmental groups, Native American groups, historical societies, garden clubs, etc. Recruitment through multiple channels such as newsletters, bulletin boards, neighborhood newspapers, and social media may help reach a broader audience to strengthen programs and services.

As the organization develops, committees may be established for specific functions of the cooperating association such as recruitment, fundraising, membership, communications, and finance.

Practical Considerations

- Board size should be appropriate for the size of the organization.
- Board members need to be strategic thinkers with an ability to see the big picture in government, society, and their community.
- Boards should be flexible to take full advantage of opportunities, and should develop a process for replacing board members as they retire or resign.
- The association will establish and maintain expectations and written policies for board members.
- Boards should complete an annual audit and establish a budget.
- The board should establish a gift acceptance policy. Some donated items such as a car, boat, or land may be beyond the board's capacity to manage. Policies should be established by the board to manage all assets.

Cooperating Association Staff

In an established association with paid staff, the chief executive (i.e. executive director or business manager) is the sole agent of the board, with business flowing through that person. The chief executive is responsible for the day-to-day operations of the association, and the hiring and management of any other staff employed by the association. The chief executive typically serves in an ex-officio (non-voting) capacity on the board of directors.

President/Chairperson's Roles and Responsibilities: The president/chairperson is the presiding officer and assists the cooperating association board members to make effective decisions for managing and operating the association by fulfilling the following duties: opens the meetings, determines whether there is a quorum, establishes the schedule of the meeting, and coordinates the subject matter of the agenda. The president will keep business and discussions moving forward.

Role of USACE Employees

It is important to understand that a USACE employee MAY NOT serve in a voting capacity on the governing board or as a treasurer for a USACE cooperating association. USACE staff may serve as official liaisons, technical advisors, committee chairperson or join as a general member.

If a USACE employee serves in an official capacity with a cooperating association, it means they are assigned by a USACE supervisor, work on official government time, should be reimbursed for travel by USACE, could be using a government vehicle, are in official uniform, and may be either on federal premises or invited to participate elsewhere as a result of their official position.

USACE employees may not participate in a fiduciary role as officer, director or trustee unless authorized by statute or waiver. They may not endorse products or services; represent anyone, but the federal government; accept compensation for official duties performed while working with the cooperating association; or lobby congress. USACE employees can be involved in the day-to-day operations of a book store in locations where cooperating association staff or volunteers are not available to fully operate the store. More information is found in ER 1130-2-500, Chapter 8 (see Appendix D in this document).

USACE employees should provide board members with an orientation to USACE missions, programs, and activities. New members should be oriented upon their addition to the board. If there is a successful cooperating association within driving distance, a site visit to another project or district is advised. If time or distance are a barrier, the leadership of an existing association, as well as those USACE employees involved in leading the partnership may want to convene to discuss their success stories, challenges and lessons learned.

Cooperating Association Partner Spotlight



Streamside Trees in the Classroom (STIC)

Program: Dan River Basin Association partners with USACE to sponsor and fund the unique STIC program, which teaches students about the importance of streamside vegetation and its positive impact on water quality. Local high school biology students and the Future Farmers of America club grow the willows in the classroom and plant the trees along the stream bank at Philpott Lake.

8. LESSONS LEARNED

Maintaining Good Communication:

The USACE role with the cooperating association is to encourage, guide, and support, but not control the organization. It can be easy for the association and USACE goals and missions to shift in different directions, unless there is frequent and structured communication between the two organizations. Many policies and procedures that affect daily operation of USACE projects also affect projects and programs being implemented by the association. A weekly, monthly or quarterly meeting between the association director and USACE staff on status of projects and programs, upcoming or pending issues, and opportunities that would engage both organizations' staff is critically important. When staff from USACE and the association collaborate on programs, it results in better communications and relations between partners.

The relationship between a cooperating association and USACE is intended to be a long-term partnership. If a problem does arise, it is important for USACE to communicate directly with the cooperating association partner and for the leadership of the cooperating association partner to communicate with USACE. Ignoring an issue may have a negative impact on the relationship which can escalate to a high level before the parties have an opportunity to meet and address the issues.

Entering into a partnership is a serious commitment of time, money and trust. Knowing as much as possible about each other before formally signing an agreement can save the association and USACE many challenges down the road. Frequent two-way communication can help work through challenges.

Effective Use of Meetings:

The board should meet as frequently as is needed to fully and adequately conduct the business of the organization. The minimum for most organizations is four times a year. Meetings should be organized to accomplish the business of the organization and maximize everyone's investment of time.

While USACE staff do not serve on the boards of their partner organizations, agency representatives may be invited to attend board meetings in an information-sharing, non-voting capacity.

The president of the board can accomplish this by planning in advance and providing important background information such as the agenda, financial statements, previous meeting's minutes and other documents to be discussed. Distinguishing action items from other discussion and setting time limits for discussions will help the meeting progress, as will having most of the business that is brought to the floor in the form of a motion to focus the discussion. Following Roberts Rules of Order will decrease the likelihood of disorderly communication that may sideline the agenda and waste members' valuable time.

Sound Financial Practices:

A common misconception is that non-profit equates with no-profit. Financial health is necessary to the long-term viability of any charitable organization as mission can only be realized by achieving “profitable” results. Thus, the profitable financial results realized from a cooperating association’s bookstore operations, special events, and fundraising provide resources to achieve agreed-upon program and project objectives in cooperation with USACE. They also provide funding to enable the non-profit to invest in its own operations, building the organization’s capacity to achieve results and sustain its operations. Cooperating associations should establish written policies and procedures for accounting. Financial statements should be prepared and reviewed on a regular basis. Cooperating association leadership and USACE staff liaisons should work together to understand budgetary and financial priorities, challenges, and progress.

Unrelated Business Income Tax (UBIT):

Even though an organization is recognized as tax exempt, it still may be liable for tax on its unrelated business income. In order to prevent nonprofits from unfairly competing with for-profit organizations, the IRS limits the amount of revenue a nonprofit can make that is not directly associated with the mission of the nonprofit. The IRS defines unrelated business income as income derived from:

1. “A trade or business,
2. Regularly carried on, and
3. Not substantially related to furthering the exempt purpose of the organization.”

For example, certain items sold in a cooperating association bookstore in a visitor center further its purposes as a nonprofit (to educate and inform the public). This might be an educational game, book, calendar or other product with interpretive, natural resource, or safety information relative to the lake or waterway. On the other hand, if the nonprofit sells candy as a convenience item in the outlet, this is obviously not related to its primary purpose and the income from such sales is subject to unrelated business income tax (UBIT). A non-profit organization that has \$1,000 or more of gross income from an unrelated business must file IRS form 990-T and must pay estimated tax if it expects its tax for the year to be \$500 or more.

Compliance with Randolph-Sheppard Act:

The Randolph/Sheppard Act (RSA) requires USACE to contract through either the National Institute of the Blind and/or National Institute for the Severely Handicapped (NIB/NISH) for concession and/or vending machine opportunities at federally owned facilities. Under certain conditions and with proper approvals (e.g. from a state-licensing agency) cooperating associations can provide concessions or vending machines and still be in compliance with this Act.

If vending machines are placed in USACE owned facilities, preference must be given to licensed blind individuals or organizations. However, many USACE projects are located in areas where these options do not exist. Therefore, it is necessary to check into the availability of NIB/NISH and document findings before vending opportunities are

provided to any organization or individual who is not from the NIB/NISH. There may or may not be a state licensing agency for vending machines, so their approval could be required. It may be possible that a cooperating association would be required to share 50% of vending machine revenues with NIB/NISH organizations, if profits exceed \$3,000; or they may need to give all proceeds to NIB/NISH if the vending machine provider is in direct competition with a NIB/NISH organization on the same premises. Vending machine operation must not be the major function of the cooperating association.

Fundraising:

Most cooperating associations begin as all-volunteer organizations. When the association recruits board members, people with the ability to raise funds or approach others for donations are very important. A treasurer should be appointed or elected and a budget created. Some funds will be needed to support the operation of the association. Initially this can be travel, supplies and equipment, insurance/service fees, printing, and mailing costs. Eventually there may be expenses for staff compensation and benefits, office space, communications, legal assistance, audits and other investments to support the organization's infrastructure and expanded operations.

Cooperating associations may host special events and collect fees for those events to raise funds. Collection of fees in conjunction with the event must be approved by USACE Operations Project Manager prior to issuance of a special event permit. For more information, reference USACE policy document ER 1130-2-550, Recreation Operations and Maintenance Guidance and Procedures, Chapter 9 – Recreation Use Fees, located on the NRM Gateway:

<https://corpslakes.erd.dren.mil/employees/policy/ER/ER-1130-2-550.pdf>

USACE can facilitate the fundraising efforts of the association by identifying projects/programs appropriate for donations, providing data and reports, attending association meetings, providing site visits and tours, applying for competitively awarded grants, and working with associations in organizing special events.

9. 21 PARTNERSHIP SUCCESS FACTORS

(Brian O'Neill, Former Golden Gate National Park Superintendent)

The complete article written by Brian O'Neill is a must read for anyone interested in Cooperating Associations. It can be viewed on the NRM Gateway at:
[/https://corpslakes.erdc.dren.mil/partners/pdfs/ONeills%2021%20Factors.pdf](https://corpslakes.erdc.dren.mil/partners/pdfs/ONeills%2021%20Factors.pdf)

The 21 factors are listed briefly below. In the full article, there are details about each factor and the importance it plays in the success of the program. Failing to meet some of these factors listed could have a negative impact on the overall success, while missing others will ensure failure.

1. **FOCUS ON IMPORTANT NEEDS** – Believe that an important need can best be filled through a partnership.
2. **MAKE THE PARTNERSHIP A WIN-WIN** – You must have a clear understanding of mutual benefits.
3. **ADOPT A SHARED VISION** – Continue the refinement of the work to be accomplished.
4. **NEGOTIATE A FORMAL AGREEMENT** – Define mutual interests and expectations, roles, and responsibilities.
5. **ENSURE GOOD COMMUNICATION** – Success depends on structure, frequency and quality of communication.
6. **ENSURE THE PARTNERSHIP IS OWNED BY YOUR WHOLE ORGANIZATION** – To succeed, partnerships must be truly understood and embraced by the entire staff.
7. **MAINTAIN AN ENVIRONMENT OF TRUST** – Trust must be demonstrated day by day.
8. **LEAVE YOUR EGO AND CONTROL AT THE DOOR** – The most insidious impediment to good partnerships is the unwillingness or inability of a partner to share power and control.
9. **UNDERSTAND EACH PARTNER'S MISSION AND ORGANIZATION CULTURE** – It is important to acknowledge and understand different organizational cultures, to respect them, and to find ways that the realities can contribute to strengthen the mutual endeavor.

10. **UTILIZE STRENGTHS OF EACH PARTNER** – Consider the strength of each partner and determine the most cost-effective approach and who best to accomplish the task.
11. **FIND WAYS THROUGH THE RED TAPE** – Turn barriers into stepping stones.
12. **BUILD STEP BY STEP** – You have to invest to get results; process is important to achieve successful outcomes.
13. **STRIVE FOR EXCELLENCE** – The most successful partnerships understand the importance of doing everything well.
14. **DIVERSIFY YOUR FUNDING SOURCES** – Successful partnerships develop multiple and steady sources of support, particularly for covering basic operational costs.
15. **CONSTANTLY SEEK OUT AND ADOPT BEST PRACTICES** -- Overcoming resistance to change is one of the major challenges to partnership success. “We have always done it that way.”
16. **ALWAYS BE COURTEOUS AND DIPLOMATIC** – There is no room for disrespectful behavior.
17. **HONOR YOUR COMMITMENTS** – Progress depends on each person in the partnership honoring their commitment and following up their words with deeds.
18. **CELEBRATE SUCCESS** – People often are reluctant to take the time to celebrate, but invariably are pleased when it does occur.
19. **RESPECT THE RIGHT TO DISAGREE; ACT ON A CONSENSUS BASIS** – In successful partnerships, ground rules are established to give each partner a veto power over proposed actions.
20. **NETWORK AND BUILD RELATIONSHIPS** – People sell ideas to others.
21. **PUT MECHANISMS IN PLACE TO RE-ENFORCE THE PARTNERSHIP** – It all boils down to how deliberate and strategic you and your partners are in building a “partnership culture.”

10. ETHICAL CONSIDERATIONS FOR USACE EMPLOYEES

USACE employees are subject to ethics regulations which prohibit federal employees from giving preferential treatment to or receiving preferential treatment from any entity or individual. Employees may not use their official title, position or authority of their public office to endorse any product, service or enterprise.

USACE employees may not in their official capacity, serve on the board, either as a voting member or as non-voting member, including as an ex-officio member, or as an officer or trustee of a cooperating association, friends group or other USACE partner organization. However, USACE employees may be appointed as points of contact or liaisons to non-federal partner organizations as part of their official duties when appropriately appointed.

It is the USACE employee's responsibility to represent the interest of the government, which should be reflected in their actions. The partnership does not allow USACE to circumvent applicable legal requirements such as procurement, labor laws, printing and publishing laws, issuance of special use permits, real estate licenses and leases, fiscal responsibilities, or environmental regulations. Failing to follow all applicable laws and regulations could end in an administrative action or a criminal prosecution. When in doubt, USACE staff should contact the Ethics Counselor in the Office or Council.

Nonprofits must understand ethics requirements to help ensure that they are not inadvertently creating a situation where a USACE partner will be placed in a difficult position. For a public servant, one of the worst things that can be done is to violate public trust through bad decision making, regardless of intent. An excellent litmus test for the relationship should be, "Do I have the ability to say no to my partner?" If a USACE employee can't, then the lines of ethics have been blurred and the best interest of the government is not being met. Just the appearance of wrong doing is a problem. For a nonprofit, adherence to ethical codes of conduct for board and staff members, as well as conflict of interest policies provide similar guidance in operations.

11. TERMINATING THE COOPERATING ASSOCIATION PARTNERSHIP

Termination does not necessarily mean a failure. Cooperating associations may be created for a very specific purpose, and once that purpose is accomplished, there may no longer be a need for the group to continue. In other cases, a project and/or its association may evaluate their partnership and determine that termination of the cooperating association is desirable. Before terminating the agreement, USACE and the partners should determine if the partnership can be preserved. It may be of value to utilize a third party facilitator or reviewer to assist with discussions before an agreement is terminated. Discussions may highlight problems and possible solutions.

Evaluation should include reviews of the association's past support of the project, projection of ability to meet future needs, and consideration of the impact on other USACE projects served by the association. Either partner may terminate the cooperating association agreement for cause, but must give written notice of its intent to do so and must provide an opportunity to meet with the affected party to discuss its reasons for termination.

APPENDIX A
Sample Cooperating Association
Articles of Incorporation

NOTE: The following is intended only as a model. It can be modified to reflect the intent of the Cooperating Association and to adhere to state laws governing nonprofit organizations.

ARTICLES OF INCORPORATION

Article I
Name

The name of the corporation is: _____

Article II
Type and Purpose

(Name of corporation) is organized and operated exclusively for charitable and educational purposes as a public benefit corporation.

(Name of corporation) is not organized and shall not be operated for the private gain of any person. The property of the corporation is irrevocably dedicated to its educational and charitable purposes.

The specific purposes for which this corporation is organized include, but are not limited to the following: (*for example, foster stewardship and appreciation of the natural, cultural and recreational resources at [site(s)] through educational, interpretive, and visitor service activities.*)

Article III
Duration

The period of duration for the corporation is perpetual.

Article IV
Registered Agent and Office

The name and address in the state of (i.e. California) of this corporation's initial agent for service of process is:

Name: _____

Address: _____

Note that this section indicates to the Secretary of State and other interested parties the name of the person to whom legal documents must be sent. The initial agent is usually one of the founding board members of the corporation. If the corporation has established a principal office, this address should be listed as the agent's address. Otherwise the agent's home address is acceptable.

Article V Directors

The activities and affairs of the corporation shall be managed by a Board of Directors. The corporation's initial directors are as follows: (List the names, addresses and office held of the persons designated to act as the initial Board of Directors. Most states require a minimum of three board members/officers for incorporation purposes.)

Article VI Dissolution

Upon dissolution of the corporation, after paying or making provisions for the payment of all legal liabilities of the corporation, assets shall be distributed to a nonprofit organization for one or more exempt purposes within the meaning of section 501(c)3 of the Internal Revenue Code; or to a federal, state or local government for a public purpose.

Signatures

In witness whereof, the undersigned, being the incorporators of (name of nonprofit corporation) and the initial directors named in these Articles of Incorporation on (date).

Signature line
Typed Name

Signature line
Typed Name

Signature line
Typed Name

Signature line
Typed Name

APPENDIX B

Sample Cooperating Association By-laws

NOTE: The following is intended only as a model. It can be modified to reflect the intent of the Cooperating Association and to adhere to state laws governing nonprofit organizations.

BY-LAWS

Article I Name, Location, and Offices

The name of this organization shall be (name of cooperating association), and shall herein be referred to as (i.e. a shortened version such as “the Association”).

The Association shall maintain a registered office in the (name of state), and shall have a registered agent in accordance with the requirements of the (name of state).

The principle office and any other offices of the Association shall be located in such place or places as the Board of Directors may determine or as the affairs of the Association may require.

Article II Purposes

The Association shall be organized and operated as a nonprofit corporation under the provisions of the (i.e. state Nonprofit Corporation Act).

The Association shall be organized and operated exclusively for such purposes and activities as permitted by Section 501(c)(3) of the Internal Revenue Code of 1986 and as more particularly set forth in the Association’s Articles of Incorporation and these bylaws.

The operations, business, property, and assets of the Association shall be limited to historical, scientific, interpretive, educational, recreational, and environmental purposes.

Article III Membership

The Association shall have no voting members, but the Board of Directors may, by resolution, establish one or more classes of nonvoting members and provide for eligibility requirements for membership and rights and duties of members, including obligation to pay dues.

Or, alternatively: There shall be (insert number here) types of membership in the Association, namely, *(select applicable types of memberships here, such as (1) voting, (2) nonvoting lifetime; (3) complimentary; (4) other).* *Note that if established as a voting membership, all individuals who join as members have the right to elect (vote for) the association's board of directors and major policies affecting members. The categories of membership and procedures to accommodate voting by the membership must be outlined in the bylaws, for example:* All members shall be entitled to receive all annual or other reports of the Association and all voting members may attend the annual meeting of the Association.

Any member may withdraw from the Association upon giving notice in writing thereof to the Board of Directors. Any member may be expelled from membership upon good cause and by the unanimous vote of the Board of Directors.

Article IV Board of Directors

Section 1. Authority and Responsibility

The Board is responsible for overall policy and direction of the Association. It may adopt, by majority vote, such rules and regulations for the conduct of its business and may delegate certain of its authority and responsibility to an executive committee. Under no circumstances, however, shall any actions be taken which are inconsistent with the Articles of Incorporation and these Bylaws.

The Board of Directors is authorized to employ such person or persons, including an Executive Director, and may delegate responsibility for day-to-day operations to such staff; and pay reasonable compensation for the services performed and expenses incurred by any such person or persons.

Section 2. Number and Qualifications

The Board of Directors shall have up to 11, but no fewer than 5 directors. The initial directors of the Association shall be the persons identified in the articles of incorporation filed on (date).

Section 3. Manner of Election and Term

Candidates for the Board of Directors are requested to complete a "nomination background" form. Candidates are interviewed by the President or designated member of the board prior to nomination. Directors shall be elected by majority vote of the sitting Board, after deliberation at an annual or regularly scheduled meeting of the board. Directors will serve terms of three years. Directors may serve no more than two consecutive terms. Terms shall be staggered so that no more than 1/3 of the board is scheduled for re-election or to term out in any given year.

Or, if a voting membership, there must be provisions for the membership to vote on election of officers, such as the following:

Elections to fill eligible vacancies on the Board of Directors will be held at the annual meeting as follows. Nominations for such positions shall have been made by the Chairperson on behalf of the Board and included in the notice of the annual meeting. Other nominations may be made from the floor at the meeting. Those nominees receiving the highest number of valid votes cast will be elected to the vacant seats on the board; a tie vote will be broken by the Chairperson. Only voting members present may vote on the election of directors or other motions made at the annual meeting. A quorum is not required at the annual meeting.

Section 4. Resignation, Termination and Absences

Resignation from the Board must be in writing and received by the secretary. A board member shall be terminated from the board due to excess absences, more than two unexcused absences from board meetings a year. A board member may be removed for other reasons by a three-fourths vote of the remaining directors, provided all board members received written notice in advance of the meeting in which the decision is to take place.

Section 5. Vacancies

Any vacancy on the Board of Directors may be filled for the unexpired term at any meeting of the directors by a majority vote of the directors. Each director so elected shall hold the position until the expiration of his or her term and the qualification of his or her successor.

Article V Officers and Duties

Section 1. Number and Titles

The Association shall have the following officers, all of whom shall serve without compensation:

- A. Chair
- B. Treasurer
- C. Secretary

The Board of Directors shall from time to time create and establish the duties of such other officers as it deems necessary for the efficient management of the Association, but the Association shall not be required to have at any time any officers other than those identified above.

Section 2. Duties

Chair: The Chair shall convene regularly scheduled board meetings, prepare and distribute each meeting agenda to board members, and preside or arrange for other members of the Executive Committee to preside at each meeting.

Secretary: The Secretary shall be responsible for keeping records of board actions, including overseeing the taking of minutes at all board meetings, sending out meeting announcements, distributing copies of minutes, and assuring that corporate records are maintained.

Treasurer: The treasurer shall make a report at each meeting of the Board of Directors, chair the finance committee, assist in preparation of the budget, submit a reviewed or audited annual financial statement to the Board of Directors, and make financial information available to board members and the public. In the absence of an Executive Director, the Treasurer shall have custody of the association funds and securities, shall keep full and accurate records of receipts and disbursements, and shall deposit all monies and other valuables in the name and to the credit of the association into depositories designated by the Board of Directors. The Treasurer shall be authorized to sign checks and other financial instruments on behalf of the association, and shall disburse funds as approved by the Board of Directors.

Executive Director: The Board of Directors is authorized to employ such position, but may operate in the absence of such position. If employed, the Executive Director shall be the principal executive officer of the association and shall direct the daily operations of the organization. The Executive Director serves as a non-voting member of the Board of Directors.

Section 3: Election and Term of Office:

The board shall elect officers at a designated annual meeting. Such officers shall serve a term of two years and, thereafter, until their successors have been elected and qualified, or until their earlier death, resignation, removal, or retirement.

Article VI Committees

Section 1. Advisory Committee:

(Delete this section if not applicable)

The Advisory Committee shall be composed of private sector and nonprofit representatives, businessmen, educators, and others interested in the Association's goals, purposes and mission and who shall be available for consultation on Association matters and technical questions. They shall represent the principal friends of the

association's endeavor and shall be invited and encouraged to offer suggestions and criticisms of the policies and work of the association. The members of the Advisory Committee shall be selected and appointed by the Board of Directors. Members of this committee shall be appointed for (enter length of time), subject to reappointment. All immediate past board members may serve on this committee for one year. The Corps of Engineers Natural Resources Manager or the Corps of Engineers association coordinator may also be a member of this committee. Any number of persons may serve on this committee. Inactive members may be replaced upon notice by the Board of Directors.

Section 2. Other Committees

By resolution adopted by a majority of the full Board of Directors, the Board may designate from among its members other committees, including an executive committee and a finance committee. The executive committee, if any, may exercise all of the powers of the Board of Directors between meetings of the Board, as permitted by state law.

Article VII Meetings

Section 1. Regular Meetings and Notice

The board of directors shall meet at least quarterly, at an agreed upon time and place. An official board meeting requires that each board member receive written notice at least two weeks in advance.

Section 2. Quorum

A quorum constitutes at least fifty percent of board members for business transactions to take place and motions to pass.

Section 3. Annual Meeting

Note that if the association has a voting membership, an annual meeting is typically held to provide an overview of the business of the association and provide for an election to fulfill open positions on the Board of Directors. The time and place of the meeting must be announced in advance and information provided to all active members of the organization.

Section 4. Special Meetings

Special meetings of the board shall be called upon the request of the chair, or one-third of the board. Notices of special meetings shall be sent out by the secretary to each board member at least two weeks in advance.

Section 5. Conduct of Meetings

All meetings will be conducted according to Robert's Rules of Order.

Approved:

Signature of Board Chair

Date Approved by Board of Directors

APPENDIX C
Sample Cooperating Association Agreement

Other examples are located on the NRM Gateway
<https://corpslakes.erdc.dren.mil/employees/coopassoc/existing.cfm>

COOPERATING ASSOCIATION AGREEMENT BETWEEN THE
U.S. ARMY CORPS OF ENGINEERS AND THE
_____ASSOCIATION

This Agreement is for the mutual benefit of both parties and is between the United States Army Corps of Engineers, _____ District (hereinafter referred to as "USACE") and the _____ Association (hereinafter referred to as the "Association"), acting through the Chairman of the Board of Directors or the Board's designee.

WITNESSETH: (Select the most appropriate Whereas clause)

WHEREAS, USACE operates the _____ Visitor Center (or other facility) at the (project name), (state), for public recreation and the understanding of the USACE mission at (); and,

WHEREAS, USACE achieves its operational goals for natural resources management through a wide range of activities, programs and events; and,

WHEREAS, USACE operates its program for the benefit of the public. The public requires information and facilities for the safe and appropriate use of USACE projects. This information is conveyed through a variety of interpretive media such as: programs, exhibits, and displays which rely heavily upon the use of audio-visual materials, photographs, models, interactive displays, lectures, artifacts and other materials which illustrate the USACE, its mission and activities in and around (project name) as well as the archaeological, natural and cultural history of the area; and,

WHEREAS, USACE and the Association mutually recognize there are significant national public benefits to a visitor center (or other facility) which uses interpretive techniques and supports the USACE goals for education, perpetuation of national pride, preservation of national heritage, safety, and enjoyment of the people of the United States; and,

WHEREAS, the Association has as its purpose the enhancement of the environment through research, education and scientific activities and intends to assist USACE in the conduct of its natural resource management programs and activities; and,

WHEREAS, the Association has as its purpose the interpretation for the public's benefit and education of the archeological, natural, cultural, and historical environment, and the Association intends to assist USACE in its interpretive activities at (project name) through the use of its programs, exhibits, displays, and materials at the _____ Visitor Center (or other facility):

WHEREAS, the Association has the authority to assist USACE in its presentation to the public of the natural, cultural, historical and project related features of the (project name) through programs, exhibits and materials;

WHEREAS, USACE has authority, pursuant to Section 4 of the 1944 Flood Control Act, 16 460d, to permit the maintenance and operation of recreation facilities at water resource development projects by local interests and may enter into leases with non-profit organizations for park and recreational purposes;

WHEREAS, USACE has the authority, pursuant to the Federal Water Recreation Act, Public Law 89-72; the National Historic Preservation Act, as amended, Public Law 89-665; The National Environmental Policy Act, Public Law 89-190; and the Archaeological Resource Protection Act, as amended, Public Law 96-95, to provide Natural Resources Management programs, activities and interpretive functions;

WHEREAS, any revenues collected from the Association's activities, memberships, sales of publications and materials, as part of this agreement will be used to support the continued operations of the Association and USACE management efforts as detailed in this agreement.

WHEREAS, USACE wishes to accept, and the Association wishes to provide the hereinafter described interpretive and educational services to the visiting public at the (project name).

NOW, THEREFORE, the parties agree as follows:

1. USACE authorizes the Association to provide, and the Association agrees to provide, the hereinafter described interpretive and educational services; and/or research and scientific services, and/or maintenance services (select most appropriate) to the visiting public and/or USACE (select most appropriate).

2. USACE RESPONSIBILITIES

A. Timely Review and Approval

USACE agrees to review and give necessary approvals or disapprovals in a timely manner to the Association for all proposals, programs, special events, suggestions, and other activities that the Association might wish to engage in.

B. Use of Government Facilities (delete if inappropriate)

1. Should the Association, as part of its activities, require the use of USACE facilities at the _____ Visitor Center (or other facility) USACE agrees, that in recognition of the services the Association is contributing to the public, provide at no cost to the Association such facilities, utilities, janitorial services, and routine and general maintenance when incidental to the normal operation of the facility by USACE.

2. Should the Association require facilities, utilizes and services over and above what the government would normally require for operation of the facility, or area used by the Association, the Association will reimburse USACE at an agreed upon cost in recognition of the services that the Association is contributing to the public.

3. A separate (insert appropriate type of real estate instrument) instrument will be granted to the Association for the use of government owned real property. The instrument will not merge with the Agreement.

3. ASSOCIATION RESPONSIBILITIES

A. Corporate Requirements

1. The Association's Articles of Incorporation and By-Laws shall comply with the requirements of the state(s) in which the Association is incorporated. Non-profit 501(c) status must be maintained in accordance with state and Federal laws. The Association will make available for inspection, at the request of USACE, documents demonstrating non-profit status.

2. This agreement will automatically terminate if non-profit 501(c) status is not maintained.

3. The Association shall have liability insurance which indemnifies, saves, holds harmless, and defends the United States against all fines, claims, damages, losses, judgments and expenses arising out of, or from any omission, or activity of the Association in connection with activities under this Agreement. (Delete if covered by a Real Estate Document.)

4. The Association will exercise reasonable care to prevent damage to any Government property used, or occupied during its operation and shall, insofar as possible, protect all such property. (Delete if covered by a Real Estate Document.)

B. Interpretive Activities

1. The Association may offer educational and interpretive services which support the mission of USACE and/or the project. This includes assisting, planning, designing, implementing, and conducting interpretive and educational programs, activities, and exhibits. (Delete if inappropriate.)

2. The Association may offer scientific, research, maintenance and/or other services which support the mission of USACE and their natural resource management program. This includes assisting, planning, designing, implementing, and conducting scientific and/or maintenance programs, activities, and exhibits. (Delete if inappropriate.)

3. The Association will cooperate with USACE in the following activities: (Delete in total or any parts deemed inappropriate.)

a. Produce and make available to visitors by sale or free distribution, suitable interpretive and educational literature and aids to increase the visitors understanding and appreciation of the natural history, cultural, historical, and man-made features of the project area (or other USACE site) and the Corps of Engineers.

b. Acquire specimens and/or objects pertaining to the history, cultures, environment, or recreational activities of the project area for the purpose of adding them to the exhibitry or programs at USACE visitor centers (or other USACE facilities) and assist in preservation programs as appropriate.

- c. Assist in the development and improvement of interpretive devices, and educational materials including signs, exhibits, materials, and audio-visual aids.
- d. Assist in the sponsorship and coordination of professional workshops, training opportunities and special events.
- e. Assist in all practical ways the interpretive, educational and community programs of USACE and the project (or other USACE site) for the benefit of the American public.

C. Sales Option (delete if inappropriate)

1. As part of this Agreement, the Association may operate a sales area on a continuous or intermittent basis.
2. The Association is hereby authorized to sell and/or distribute interpretive and educational items such as publications, maps, audiovisual aids, crafts, and other objects directly related to the interpretive and educational themes of the project, visitor center (or other facility), region and USACE. USACE may request the Association to sell specific items of interpretive value.
3. The Association shall order, receive, inventory, stock, and otherwise manage all items offered for sale and/or distribution.
4. The Association will sell only items that are appropriate and of high quality. The Association will not sell any item that has not been approved by the District Commander or his authorized representative. The Association will sell items at their fair market value and prices of said items will be submitted and approved in writing, in advance by the District Commander or his authorized representative.
5. The Association will not sell any original artifacts, sacred items, or antiquities to which the Archaeological Resource Protection Act, as amended, would apply, whether such items were discovered on lands owned or controlled by the United States.
6. The Association will display the sales items in good taste and in keeping with the general design and decor of the facility which houses the sales area.
7. Association sales are restricted to a location approved by USACE, which will always be kept clean and presentable.
8. Sale of USACE Passes or Permits and Collection of USACE Fees
 - a. Association employees and volunteers may be authorized to sell USACE passes or permits and collect USACE fees from the public at campgrounds, day-use facilities, visitor centers, administration offices and other locations where fee collection is normally performed as a government function. The USACE principal point of contact will ensure that association employees and volunteers are properly trained and provided a security awareness briefing prior to assignment of fee collection responsibilities in accordance with ER 1130-2-555 Recreation Use Fees, or superseding guidance. Any association employee or volunteer handling fees must sign and date the following statement that will be attached to the cooperating association agreement which states the person accepts the risk and liability of handling government funds.

"I acknowledge and I accept the risk and liability of handling government funds and accountable property. I may purchase a bond from a federally approved bonding institution at my own expense, understanding that a bond is not a grant of relief, nor does the Government relinquish its rights against me or the bond in a non-negligent loss case. I have read and understand USACE Recreation Use Fee policy ER 1130-2-555 or superseding guidance and will follow the procedures to maintain funds security."

b. Under no circumstances will the Association or its employees or volunteers be authorized to retain revenues from USACE passes, permits, or fees. Cooperating association employees or volunteers must remit all such revenues to USACE for proper disposition.

D. Fiscal Management

1. The Association will conduct its fiscal operations in accordance with accepted business practices. This includes the appropriate use of a funds accountability system, purchase orders, receipts, invoices, and inventory records.

2. The Association shall annually submit (within 135 days following the end of each federal fiscal year) a complete financial report to USACE which includes a written summary of Association activities for the year.

3. USACE may review the fiscal records of the Association at any time during the term of this Agreement.

4. JOINT RESPONSIBILITIES

A. Donation of Interpretive Services or Materials.

1. The Association may, at the discretion of its Governing Board, loan materials and/or services to USACE. USACE reserves the right to accept or decline without obligation, any service, or loan by the Association.

2. USACE will take reasonable precautions to protect items loaned by the Association but assumes no other responsibility for these items. USACE will return loaned property or items as requested by the Association.

B. Personnel.

1. The Association and USACE shall each designate, in writing, an Association member and a USACE person and alternate who will act as points of contact for the purpose of implementing this Agreement.

2. The Association will provide such personnel as are reasonably necessary to conduct, operate and manage its activities. This does not preclude USACE personnel, during their normal duties, from assisting the Association with nominal duties, including sales.

3. USACE personnel may not serve in a voting capacity on the governing board, or as Treasurer for the Association. USACE personnel may serve in an advisory capacity on the Association's governing board or committees. USACE personnel may not act as

the official representative of the Association in any matter relating to USACE, or the terms of this Agreement. However, if the Association has a membership program, USACE personnel may join and participate in membership activities.

4. USACE will orient all Association personnel, staff and/or volunteers about USACE rules, regulations, and requirements, particularly regarding the project and facilities, safety, and appropriate emergency procedures. Association staff and volunteers involved in visitor contact will receive additional orientation regarding interpretive services. All orientation will be conducted prior to assumption of duties.

5. Association employees, or volunteers may not wear the USACE uniform, to include the USACE volunteer uniform, or items of clothing that resemble such uniforms. Employees and volunteers of the Association, when working at duties that bring them into contact with the public, will wear visible identification that identifies them as an Association employee or volunteer.

5. ASSIGNMENT

No transfer or assignment of this Agreement or any part thereof or interest therein, directly, or indirectly, voluntary or involuntary, shall be made by the Association unless approved in writing by USACE.

6. MODIFICATION AND AMENDMENTS

Modifications and amendments to this agreement in the form of Supplemental Agreements may be made from time to time upon the mutual written consent of the District Commander for USACE and the Board of Directors of the Association.

7. DURATION

This agreement shall be effective for five years commencing on the day following the ratification of this agreement by USACE. This agreement will automatically renew for another five-year period on October 1 of the last year, unless notice of cancellation is given by either party before the date of renewal. USACE reserves the right to terminate the agreement, or any part thereof, at any time upon written notice. Prior to giving such notice, USACE will meet with the Association to set forth the reasons for such termination.

8. MISCELLANEOUS

A. The rights and benefits conferred by this agreement shall be subject to the laws of the United States governing the Corps of Engineers and to the rules and regulations promulgated thereunder whether now in force or hereafter enacted or provided; and the mention of specific restrictions, conditions, and stipulations herein shall not be construed as in any way impairing the general powers of supervision, regulation and control by USACE.

B. This Agreement in no way obviates the responsibilities of USACE, or the Association as may be required by a Lease Agreement. In situations where the Association leases facilities or areas from USACE, this Agreement would automatically become null and void upon the termination or cancellation of the Lease Agreement.

C. The Association agrees that all its activities shall be conducted in accordance with all applicable laws and regulations, both state and Federal.

IN WITNESS WHEREOF, the Association has caused this agreement to be executed this

_____ day of _____, 20__.

_____ ASSOCIATION

By _____

Chairperson, Board of Directors

IN WITNESS WHEREOF, USACE has caused this agreement to be ratified this

_____ day of _____, 20__.

UNITED STATES ARMY CORPS OF ENGINEERS

By _____

District Commander

APPENDIX D
ER 1130-2-500, Chapter 8
Cooperating Associations Program

Chapter 8
Cooperating Associations Program

8-1. Purpose

This chapter establishes the policy and procedures for the Cooperating Associations Program, as authorized by Section 225 of the Water Resources Development Act of 1992, as amended (33 USC 2328 (Challenge Cost-Sharing Program for the Management of Recreation Facilities), to share the cost with private, nonprofit cooperating associations of managing recreation facilities and natural resources at USACE water resource development projects. This chapter includes roles and responsibilities of USACE employees and criteria for determining when and with what entities cooperating association agreements may be used.

8-2. Policy

- a. Cooperating association agreements are encouraged at CW water resource projects, fee-owned lands, and other areas for which USACE has administrative and management responsibilities to accomplish such broad goals as natural resource management, interpretation, and visitor services activities.
- b. Cooperating associations are nonprofit, tax-exempt, 501(c) entities that enter into a cooperating association agreement with USACE resulting in the enhancement of and contributions to the USACE mission, particularly regarding natural resources management. Associations will follow all appropriate state and federal laws and regulations to establish and maintain their nonprofit and tax-exempt status, such as developing articles of incorporation and by-laws.
- c. A Cooperating Association Agreement is required for each cooperating association working with a USACE CW project. District Commanders are the approval authority for cooperating association agreements in their respective Districts and may further delegate such authority, in writing, to District Operations Chiefs. A cooperating association agreement example is available on the Natural Resources Management (NRM) Gateway; however, agreements should be designed to reflect the specific nature of the activities and/or programs for each association. All agreements will include descriptions of insurance; use of facilities and equipment; services provided; staffing (USACE and non-USACE personnel); management responsibilities; nonprofit status; prohibitions on selling artifacts; and contain provisions for termination, should an association fail to acquire or maintain its nonprofit, tax-exempt status, or to fulfill its purpose as stated in the agreement.

(1) Cooperating association agreements are NOT cooperative agreements as that term is used in the Federal Grant and Cooperative Agreements Act (FGCAA) of 1977 (31 USC 6301-308) and are not otherwise subject to the FGCAA, nor are they subject to

the DoD Grant and Agreement Regulations (DoDGARs) published in Chapter I, 32 CFR Subchapter C, including the requirement for execution by a certified grants officer. Although 33 USC 2328 uses the term “cooperative agreement,” the principal purpose of the agreements authorized under that section is not to transfer a thing of value from USACE to a non-federal entity and the agreements do not otherwise involve a type of transaction covered by the FGCAA or the DoDGARs.

(2) Under 33 USC 2328, there is no fixed rate of cost share. Percentages are determined by mutual agreement between USACE and the partners. The roles of each entity are also flexible, and agreements may involve multiple partners.

(3) Cooperating Association Agreements are different from Project Partnership Agreements or PCAs.

d. Cooperating associations encompass nonprofit organizations that have a wide variety of objectives. Therefore, at any one location, USACE may determine that multiple cooperating association agreements with an assortment of suitable organizations is in the public interest.

e. Cooperating associations will carry appropriate liability insurance that indemnifies, saves, holds harmless, and defends the United States against all fines, claims, damages, losses, judgements, and expenses arising out of or from any omission or activity of the association, its employees, or volunteers in connection with their agreement with USACE. The association will exercise reasonable care to prevent damage to any government property used or occupied during its operation and will, as far as possible, protect all such property.

f. Background investigations (BI) for cooperating association paid employees or volunteers are required according to the same guidelines described in Chapter 9. Services from persons who have been convicted of a violent crime, sexual crime, arson, crime with a weapon, sale or intent to distribute illegal drugs, or are an organized crime figure will not be accepted.

g. Principal and alternate points of contact for USACE and the cooperating association at each location will be established, identified, and maintained. The principal point(s) of contact for USACE should be the individual(s) most directly involved with coordinating the association's activities. For example, at a field project, the operations project manager, park manager, or park ranger who coordinates with the association may be the principal point of contact.

(1) USACE personnel may not serve in a voting capacity on a cooperating association's governing board or as treasurer for an association. USACE personnel may not act as the official representative of an association in any matter relating to USACE or the terms of the cooperating association agreement.

(2) USACE personnel may serve in an advisory capacity on a cooperating association's governing board or committees. If the association has a membership program, USACE personnel may join and participate in membership activities.

(3) USACE personnel, during their normal work, may assist cooperating

associations by performing minor duties, including bookstore sales (if applicable). Activities to be performed or assistance to be provided by USACE personnel will be described in writing and submitted to the District Commander or Operations Chief, if delegated, for approval on implementation of the agreement.

h. Partner personnel may be authorized to operate, for official use only, government-owned or leased vehicles, vessels, or other equipment if deemed appropriate and beneficial. Partner personnel must have the proper training, license, and experience, according to USACE operator permit policies, before operating a government-owned or leased vehicle, vessel, or equipment. Partner personnel who are assigned to operate machinery or equipment (such as chain saws, power shop tools, or specialized equipment) must also demonstrate proficiency in the operation of that equipment and an understanding of safety requirements to the satisfaction of USACE employees overseeing such work.

i. USACE will provide the information, support, and training necessary to ensure that all cooperating association activities follow USACE safety standards in EM 385-1-1. The association is responsible for conducting its activities in compliance with this manual and ensuring that its personnel otherwise comply with all USACE safety requirements.

j. Cooperating associations aid USACE through a variety of activities and programs that may include, but are not limited to, the following:

(1) Providing educational programs and materials that further public understanding of USACE and/or project mission and its relationship to archeological, natural, historical, cultural, environmental, and recreational resources;

(2) Supporting or conducting special events, interpretive, educational, or scientific activities, exhibits, and programs, including presentations and demonstrations that further public understanding and appreciation of the USACE mission, and/or a particular water resources development project;

(3) Supporting natural resource management and/or public programs at or near USACE projects through conservation and educational activities and special events, and by providing scientific, logistical, maintenance, and other support;

(4) Acquiring display materials, historical objects, equipment, supplies, materials, goods, or other items or services appropriate for management, operation, interpretive, educational, and visitor service functions;

(5) Providing services to visitors through the sale, production, publication, and/or distribution of appropriate interpretive and educational items such as publications, maps, visual aids, audio tapes, pamphlets, handicrafts, and other objects directly related to the recreation, scientific, interpretive, and educational goals and mission of a project, a group of projects, and/or USACE as a whole; and.

(6) Acting as a principal distribution medium for those educational and scientific publications of the government and trade that relate to USACE and/or project mission,

mandate, or management efforts and provide the public with inexpensive and technically accurate materials.

k. Cooperating associations will not sell any original artifacts, sacred items, or antiquities to which 16 USC 470aa–470mm (Archeological Resources Protection Act), as amended, applies regardless of whether such items were discovered on lands owned or controlled by the United States.

l. Cooperating association agreements will designate where the cooperating association may conduct its activities. The association will not be charged for use of areas, facilities, utilities, janitorial services, routine, or general maintenance when such use is incidental to the usual operation of the project, area, or facility by the government. If the association's use of USACE facility is over and above normal USACE operation costs for the facility, USACE may be reimbursed at an agreed-on cost in recognition of the services that the association is contributing to the public. Any necessary real estate instruments will be executed as separate documents from the cooperating association agreement. The association may be granted a license, easement, or lease, as appropriate and according to ER 405-1-12 for the use of government-owned property.

m. Cooperating association employees and volunteers may be authorized to sell USACE passes or permits and collect USACE fees from the public at campgrounds, day-use facilities, visitor centers, administration offices, and other locations where fee collection is normally performed as a government function.

(1) The USACE principal point of contact will ensure that association employees and volunteers are properly trained and provided a security awareness briefing prior to assignment of fee collection responsibilities according to ER 1130-2-550 (Recreation Operations and Maintenance Policies) or superseding guidance.

(2) Any association employee or volunteer handling fees must sign a statement that will be attached to the cooperating association agreement and states the person accepts the risk and liability of handling government funds. Under no circumstances will a cooperating association be authorized to retain revenues from USACE passes, permits, or fees. Cooperating association employees or volunteers must remit all such revenues to USACE for proper disposition.

n. If any revenues are collected from a cooperating association's own activities (those activities that are separate and distinct from USACE fee collections), memberships, or sales of the association's publications and materials as part of their agreement with USACE, the association will use such revenues to support the continued operation of the association in fulfilling its management efforts in support of project activities as detailed in the Cooperating Association Agreement.

o. Cooperating associations will conduct their fiscal operations according to accepted business practices. This includes the appropriate use of a funds accountability system, purchase orders, receipts, invoices, and inventory records. USACE may review and audit any and all fiscal records at any time during the term of the agreement.

p. As applicable, all activities, special events, programs, hours of operation, logistics, prices, standards of service, and merchandise to be sold are subject to prior approval by the District Commander or OPM, if delegated by the District Commander in writing. Approval should be based on maximum benefit and service to the public, and if appropriate, quality, suitability, and fair market value of the merchandise.

q. Cooperating association paid employees or volunteers will not wear the USACE NRM Park Ranger/Manager uniform, nor items of clothing that resemble the uniform. Association employees or volunteers are not considered USACE volunteers under

33 USC 569c (Services of Volunteers) and may not be provided with official USACE volunteer uniform clothing items from the USACE uniform contract provider.

Association employees and volunteers, when working at duties that bring them into contact with the public, will wear visible identification that identifies them as an association employee or volunteer.

r. All salaries, benefits, and liability coverage for cooperating association employees or volunteers is the responsibility of the cooperating association.

s. Recognition consistent with standards of ethical conduct is encouraged to express appreciation to partners and publicly acknowledge support that has been received. Partners should be advised to keep USACE apprised of any publicity that they initiate. All publicity will be a joint effort by the partner and USACE, to include mutual agreement of any publicity materials. Procedures for appropriate types of recognition and publicity are provided in Chapter 10.

APPENDIX E

GLOSSARY OF TERMS

501(c) Organization

A nonprofit tax-exempt organization in the United States, as described in Section 501(c) of the Internal Revenue Code. The majority of USACE cooperating associations are classified as 501(c)(3) organizations, set up for charitable, educational, or scientific purposes. A few USACE cooperating associations are classified as 501(c)(6), business leagues or chambers of commerce, but there are limitations in that contributions to them are not tax-deductible to donors.

Cooperating Association

A nonprofit, tax-exempt organization assisting USACE in natural resource and recreation management, interpretation, and visitor service activities as described in a cooperating association agreement with USACE. Under terms of their agreement, cooperating associations also have authority to sell interpretive books and merchandise.

Friends Group

Friends Groups are generally defined as voluntary or nonprofit groups established primarily to support a specific USACE lake, land or waterway. Friends groups may or may not have 501(c) nonprofit status. They cannot enter into a cooperating agreement with USACE unless they incorporate as a nonprofit tax-exempt organization and develop a signed cooperating association agreement.

Mission Statement

The mission statement communicates the nonprofit's purpose, what groups it serves, and how it plans to do so. It is functional, in that a well-crafted mission statement provides direction and purpose for the organization, and positions the organization as memorable and unique.

USACE

Commonly used acronym for U.S. Army Corps of Engineers.

USACE Project

A civil works project by the U.S. Army Corps of Engineers (USACE). May refer broadly to a dam, waterway, lake or other site managed and operated by USACE.

NRM

Acronym for USACE Natural Resource Management Program. The Natural Resources Management philosophy is to manage, conserve, and improve these natural resources and the environment while providing quality public outdoor recreation experiences to serve the needs of present and future generations.

APPENDIX F ONLINE RESOURCES

Nonprofit Support Websites

www.boardsource.org

Dedicated to increasing the effectiveness of nonprofit organizations by strengthening boards of directors through consulting, publications, tools, and a membership program.

<http://grantspace.org/tools/knowledge-base/Nonprofit-Management/Establishment/starting-a-nonprofit>

This section of the Grantspace.org website provides an overview of the steps to starting a nonprofit, and links to charity registration offices by state. Grantspace is a service of the Foundation Center. Other free online topics within the website include nonprofit management, board development, and fundraising.

<https://www.idealists.org/en>

This section of the Idealists.org website provides a number of articles of interest to nonprofit organizations, from start-up basics to conflict of interest policies. Also includes links to other resources on nonprofit management.

http://www.managementhelp.org/strat_org/strat_np/strat_np.htm

This section of the Free Management Library (SM) provides checklists to help you register your new nonprofit and information on how to start a nonprofit organization. Hosted by MAP for Nonprofits and developed by Carter McNamara, Authenticity Consulting, LLC.

<https://standardsforexcellence.org/home-2/code/>

The Standards for Excellence program from Maryland Nonprofits offers a standards and accountability code that is a useful reference for all nonprofit organizations. This page of the website allows viewers to view a full description of each of the standards, from mission and accountability to public awareness and engagement.

Internal Revenue Service

<https://www.irs.gov/charities-and-nonprofits>

This page of the IRS.gov website provides information on applying for tax status, reporting and filing, copies of 990-series forms, as well as online webinars for nonprofits.

<https://www.irs.gov/pub/irs-pdf/p4221pc.pdf>

A direct link to the IRS publication entitled *A Compliance Guide for 501(c)(3) Public Charities*. A comprehensive overview on how to maintain your nonprofit status.

U.S. Army Corps of Engineers

<https://corpslakes.erdcdren.mil/employees/coopassoc/coopassoc.cfm>

Part of the U.S. Army Corps of Engineers (USACE) Natural Resources Management Gateway, this link provides an overview of the USACE Cooperating Association Program, along with links to specific policies, sample templates, and a list of existing USACE cooperating associations.

The Corps Foundation

www.CorpsFoundation.org

Learn more about the initiatives of the Corps of Engineers Natural Resources Education Foundation, doing business as The Corps Foundation; view of copy of our annual report; and become a member. The Corps Foundation, with the help of members, contributors and partners, engages the public to ensure the environmental health and recreational enjoyment of our nation's lakes, lands and waterways administered by the U.S. Army Corps of Engineers.

