

N. Elizabeth McCaw
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August 2, 2004

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Internal Revenue Service
Post Office Box 192
Covington, Kentucky 41012-0192

Re: Application for Recognition of Exemption Under Section 501(c)(3) on behalf
of:

Potlatch Fund
7104 230th Street S.W.
Mountlake Terrace, Washington 98045
Employer Identification Number: 73-1712905

Dear Sir or Madam:

On behalf of Potlatch Fund (the "Fund"), we hereby apply for recognition of exemption from federal income taxation under section 501(c)(3) of the Internal Revenue Code of 1986 ("Code"). We also request your ruling that the Fund is not a private foundation, because it is a publicly supported organization described in Code sections 509(a)(1) and 170(b)(1)(A)(vi).

The Fund is a nonprofit corporation that was created on February 16, 2004, under the nonprofit corporation laws of the State of Washington. The Fund currently has its principal office at 7104 230th Street S.W., Mountlake Terrace, Snohomish County, Washington 98045. The Fund is organized and operated exclusively for charitable, educational, religious, scientific and literary purposes. No part of the Fund's net earnings will inure to the benefit of any private shareholder or individual. The Fund was neither formed nor organized, nor will it be operated, for the benefit of private interests, or persons controlled, directly or indirectly, by private interests.

ENCLOSURES

Pursuant to section 1.501(a)-1(a)(3) of the Treasury Regulations, the following documentation is submitted herewith:

1. **IRS Form 8718 with user fee check for \$500 attached;**
2. **IRS Form 1023;**
3. **Conformed copies of the Fund's creating and governing instruments,**
including the following:
 - i. Certificate of Incorporation;
 - ii. Articles of Incorporation; and
 - iii. Bylaws;
4. **IRS Form 872-C** (in duplicate); and
5. **IRS Form 2848 Power of Attorney** authorizing N. Elizabeth McCaw, Esq. to represent the Fund before the Internal Revenue Service and act on its behalf as its agent with respect to all matters relating to this request for a determination letter.

DETERMINATION AND RULINGS REQUESTED

We request that the Internal Revenue Service determine, and issue an exemption letter holding, that the Fund is an exempt organization under section 501(c)(3) of the Internal Revenue Code. We also request your ruling that the Fund is not a private foundation, because it is a publicly supported organization described in Code sections 509(a)(1) and 170(b)(1)(A)(vi).

CONCLUSION

We respectfully submit that the facts outlined herein, together with the documentation submitted herewith, warrant the requested determination and issuance of the requested exemption letter and ruling.

PROCEDURAL STATEMENT

To our knowledge, issues identical to those presented herein are not pending before any office of the Internal Revenue Service with respect to the Fund. If any further information or documentation is required, or if the Internal Revenue Service questions whether it may issue the requested determination, please telephone N. Elizabeth McCaw at (206) 626-6000. In addition, please address all notices and other written communications pertaining to this request to Ms. McCaw at Stokes Lawrence, P.S., 800 Fifth Avenue, Suite 4000, Seattle, WA, 98104-3179.

Internal Revenue Service
August 2, 2004
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In the event that a determination other than that requested is contemplated, the Fund requests the opportunity to present additional written support for its position and the opportunity to have its counsel confer with representatives of the Internal Revenue Service.

Sincerely,

STOKES LAWRENCE, P.S.

N. Elizabeth McCaw

N. Elizabeth McCaw

Enclosures

cc: Andrea Alexander (*w/ encls.*)

File: 43019-001

**User Fee for Exempt Organization
 Determination Letter Request**
 ▶ Attach this form to determination letter application.
 (Form 8718 is NOT a determination letter application.)

For
 IRS
 Use
 Only

OMB No. 1545-1798
 Control number _____
 Amount paid _____
 User fee screener _____

1 Name of organization The Potlatch Fund	2 Employer Identification Number 73 1712905
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Caution: Do not attach Form 8718 to an application for a pension plan determination letter. Use Form 8717 instead.

3 Type of request **Fee**

a Initial request for a determination letter for:

- An exempt organization that has had annual gross receipts averaging not more than \$10,000 during the preceding 4 years, or
- A new organization that anticipates gross receipts averaging not more than \$10,000 during its first 4 years ▶ \$150

Note: If you checked box 3a, you must complete the Certification below.

Certification

I certify that the annual gross receipts of _____
name of organization

have averaged (or are expected to average) not more than \$10,000 during the preceding 4 (or the first 4) years of operation.

Signature ▶ Title ▶

b Initial request for a determination letter for:

- An exempt organization that has had annual gross receipts averaging more than \$10,000 during the preceding 4 years or
- A new organization that anticipates gross receipts averaging more than \$10,000 during its first 4 years . ▶ \$500

c Group exemption letters ▶ \$500

Instructions

The law requires payment of a user fee with each application for a determination letter. The user fees are listed on line 3 above. For more information, see Rev. Proc. 2003-8, 2003-1, I.R.B. 236, or latest annual update.

Check the box or boxes on line 3 for the type of application you are submitting. If you check box 3a, you must complete and sign the certification statement that appears under line 3a.

Attach to Form 8718 a check or money order payable to the "United States Treasury" for the full amount of the user fee. If you do not include the full amount, your application will be returned. Attach Form 8718 to your determination letter application.

Generally, the user fee will be refunded only if the Internal Revenue Service declines to issue a determination.

Where To File

Send the determination letter application and Form 8718 to:

Internal Revenue Service
 P.O. Box 192
 Covington, KY 41012-0192

If you are using express mail or a delivery service, send the application and Form 8718 to:

Internal Revenue Service
 201 West Rivercenter Blvd.
 Attn: Extracting Stop 312
 Covington, KY 41011

Paperwork Reduction Act Notice. We ask for the information on this form to carry out the Internal Revenue laws of the United States. If you want your organization to be recognized as tax-exempt by the IRS, you are required to give us this information. We need it to determine whether the organization meets the legal requirements for tax-exempt status.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. The rules governing the confidentiality of Form 8718 are covered in Code section 6104.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is 5 minutes. If you have comments concerning the accuracy of this time estimate or suggestions for making this form simpler, we would be happy to hear from you. You can write to the Tax Products Coordinating Committee, Western Area Distribution Center, Rancho Cordova, CA 95743-0001. **Do not** send this form to this address. Instead, see **Where To File** above.

Attach Check or Money Order Here



**Application for Recognition of Exemption
 Under Section 501(c)(3) of the Internal Revenue Code**

Read the instructions for each Part carefully.

A User Fee must be attached to this application.

If the required information and appropriate documents are not submitted along with Form 8718 (with payment of the appropriate user fee), the application may be returned to you.

Complete the Procedural Checklist on page 8 of the instructions.

Part I Identification of Applicant

1a Full name of organization (as shown in organizing document) Potlatch Fund		2 Employer identification number (EIN) (If none, see page 3 of the Specific Instructions .) 73 1712905
1b c/o Name (if applicable) Andrea Alexander		3 Name and telephone number of person to be contacted if additional information is needed (206) 892-2156 Elizabeth McCaw
1c Address (number and street) 7104 230th Street SW	Room/Suite	4 Month the annual accounting period ends December
1d City, town, or post office, state, and ZIP + 4. If you have a foreign address, see Specific Instructions for Part I, page 3. Mountlake Terrace, Washington 98043		
1e Web site address		5 Date incorporated or formed February 16, 2004
7 Did the organization previously apply for recognition of exemption under this Code section or under any other section of the Code? If "Yes," attach an explanation.		6 Check here if applying under section: a <input type="checkbox"/> 501(e) b <input type="checkbox"/> 501(f) c <input type="checkbox"/> 501(k) d <input type="checkbox"/> 501(n)
8 Is the organization required to file Form 990 (or Form 990-EZ)? If "No," attach an explanation (see page 3 of the Specific Instructions).		<input type="checkbox"/> N/A <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
9 Has the organization filed Federal income tax returns or exempt organization information returns? If "Yes," state the form numbers, years filed, and Internal Revenue office where filed.		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

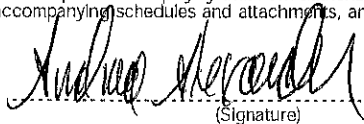
10 Check the box for the type of organization. ATTACH A CONFORMED COPY OF THE CORRESPONDING ORGANIZING DOCUMENTS TO THE APPLICATION BEFORE MAILING. (See **Specific Instructions** for Part I, Line 10, on page 3.) See also Pub. 557 for examples of organizational documents.)

- a Corporation—Attach a copy of the Articles of Incorporation (including amendments and restatements) showing approval by the appropriate state official; also include a copy of the bylaws.
- b Trust— Attach a copy of the Trust Indenture or Agreement, including all appropriate signatures and dates.
- c Association— Attach a copy of the Articles of Association, Constitution, or other creating document, with a declaration (see instructions) or other evidence the organization was formed by adoption of the document by more than one person; also include a copy of the bylaws.

If the organization is a corporation or an unincorporated association that has not yet adopted bylaws, check here

I declare under the penalties of perjury that I am authorized to sign this application on behalf of the above organization and that I have examined this application, including the accompanying schedules and attachments, and to the best of my knowledge it is true, correct, and complete.

Please Sign Here


 (Signature)

Andrea Alexander, President
 (Type or print name and title or authority of signer)

8-5-2004
 (Date)

Part II Identification of Applicant

1 Provide a detailed narrative description of all the activities of the organization--past, present, and planned. Do not merely refer to or repeat the language in the organizational document. List each activity separately in the order of importance based on the relative time and other resources devoted to the activity. Indicate the percentage of time for each activity. Each description should include, as a minimum, the following: (a) a detailed description of the activity including its purpose and how each activity furthers your exempt purpose; (b) when the activity was or will be initiated; and (c) where and by whom the activity will be conducted.

Since August of 2000, a series of collaborative meetings and conferences among funders, tribes, and other tribally driven organizations have been held to explore the issue of Philanthropy in Indian Country. These gatherings, or "talking circles", explored questions such as:

Why do Native Americans have such disproportionately high rates of poverty, unemployment, and disease?
 What are the root causes of the chronic problems threatening the future of Native American communities?
 Why has so little philanthropic money found its way into Native American communities?
 What can leaders from tribes and philanthropic organizations do to remove the barriers that limit effective grantmaking in Indian Country?

The Potlatch Fund was created as a result of these talking circles.

In the spirit of the "potlatch," the Potlatch Fund will inspire and build upon the Native tradition of giving in Northwest Indian Country to promote economic development, natural resource protection, education, cultural preservation, civic participation, and the overall health of Native people and their communities. To achieve this mission the Potlatch Fund will:

Establish a tribally directed endowment developed from resources contributed by tribes, foundations, and individual donors;

Provide and facilitate the distribution of resources, advice, and assistances to tribes and other tribally driven organizations that advance the Potlatch Fund's mission;

Concentrate funding and services within the states of Washington, Oregon, Idaho, and western Montana;

Serve as a bridge that supports collaborative, sustainable relationships among tribes, tribal foundations, other tribally driven organizations, private and corporate foundations, public agencies, and individual donors; and

Remove barriers to effective philanthropic giving in Northwest Indian Country.

The Potlatch Fund operates under the direction of a tribally directed leadership team that selected a formal Board of Directors in 2003. The Potlatch Fund leadership has also developed a Circle of Wisdom team of leaders who will offer special expertise and assistance to the Board of Directors as needed.

Activities of the Potlatch Fund are currently carried out through volunteer work groups and a team of consultants. A small staff is expected to be hired in 2004. Andrea Alexander, the current Board president, serves as the Potlatch Fund's lead consultant.

2 What are or will be the organization's sources of financial support? List in order of size.

The Potlatch Fund plans to raise approximately \$2 million by the end of 2006. The goal is to have at least 25% of the funds come from Native Foundations, tribes and individuals. Below is the projection of the anticipated funds:

Grants: \$1.5 million
 Individual Major Donations: \$335,000
 Fee for Service: \$50,000
 Events and Other Contributions: \$100,000

3 Describe the organization's fundraising program, both actual and planned, and explain to what extent it has been put into effect. Include details of fundraising activities such as selective mailings, formation of fundraising committees, use of volunteers or professional fundraisers, etc. Attach representative copies of solicitations for financial support.

See Attachment II-3.

Potlatch Fund
7104 230th Street S.W.
Mountlake Terrace, WA 98045
EIN: 73-1712905

Information for IRS Form 1023, Part II, Activities and Operational Information

3 Proposed Fundraising Plan

Developed from the Potlatch Administrative work session held on March 11, 2004.

Participants: Carol Pencke, Jill Arnow, Kathy Becker, Andrea Alexander, Amy Markishtum, Natalie Charley, and Emma Medicine White Crow

The corporation will raise money as follows:

A. Foundations – As of March, 2004, twenty-two separate foundations have been identified as potential funders. A funders' briefing was held on April 14, 2004, to introduce the Potlatch Fund to potential foundation funders. Board members and consultants are in the process of preparing letters of inquiry and requests to the identified foundations.

B. Tribal Fundraising – Several Northwest tribes have been identified for purposes of establishing initial tribal funding contacts. A tribal funders' briefing is being planned.

C. Individual Donors – Current donors are being contacted and provided with an update on the Potlatch Fund. New individual donors are being identified for purposes of establishing initial contacts. Potential corporate donors are also being identified.

D. Gala – A gala celebration and fundraising event is being planned for the fall of 2004. The gala is anticipated to be an annual fundraising event.

E. Newsletter/Other Materials – The corporation is developing representative materials to be used for purposes of soliciting financial support.

Potlatch Fund staff and volunteers will conduct all fundraising activities. Until staff is hired, activities may be conducted by consultants. Compensation paid any fundraising consultant or contract grant writer will be computed upon an hourly rate basis in accordance with nonprofit industry standards in the metropolitan Seattle area and not as a percentage of funds raised.

Part II Activities and Operational Information (Continued)

4 Give the following information about the organization's governing body:

a Names, addresses, and titles of officers, directors, trustees, etc.

b Annual compensation

See Attachment II-4

c Do any of the above persons serve as members of the governing body by reason of being public officials or being appointed by public officials? Yes No
If "Yes," name those persons and explain the basis of their selection or appointment.

d Are any members of the organization's governing body "disqualified persons" with respect to the organization (other than by reason of being a member of the governing body) or do any of the members have either a business or family relationship with "disqualified persons"? (See **Specific Instructions** for Part II, Line 4d, on page 3.) Yes No
If "Yes," explain.

5 Does the organization control or is it controlled by any other organization? Yes No
Is the organization the outgrowth of (or successor to) another organization, or does it have a special relationship with another organization by reason of interlocking directorates or other factors? Yes No
If either of these questions is answered "Yes," explain.

6 Does or will the organization directly or indirectly engage in any of the following transactions with any political organization or other exempt organization (other than a 501(c)(3) organization): (a) grants; (b) purchases or sales of assets; (c) rental of facilities or equipment; (d) loans or loan guarantees; (e) reimbursement arrangements; (f) performance of services, membership, or fundraising solicitations; or (g) sharing of facilities, equipment, mailing lists or other assets, or paid employees? Yes No
If "Yes," explain fully and identify the other organizations involved.

7 Is the organization financially accountable to any other organization? Yes No
If "Yes," explain and identify the other organization. Include details concerning accountability or attach copies of reports if any have been submitted.

Potlatch Fund
7104 230th Street S.W.
Mountlake Terrace, WA 98045
EIN: 73-1712905

Information for IRS Form 1023, Part II, Activities and Operational Information

4a Name and Addresses of Officers and Directors

NAME	ADDRESS
Andrea Alexander, President and Director	7104 230 th St. SW, Mountlake Terrace, WA 98043
Antone Minthorn, Vice President and Director	52006 Cayuse Road, Adams, OR 97810
John Chess, Secretary/Treasurer and Director	72789 Hwy. 331, Pendleton, OR 97801
Sonny Davis, Director	PO Box 47001, Olympia, WA 98504-7001
Colleen Jollie, Director	310 Maple Park Ave. SE, PO Box 47316, Olympia, WA 98504-7316
Janet Robideau, Director	PO Box 911, Missoula MT 59806

4b Compensation

Neither the officers nor the directors will receive compensation for services as such. However, it is contemplated that some of the current directors shall perform other services for the corporation and in such capacities, will be paid reasonable compensation for the services rendered. In the event that a director is engaged to perform other services for the corporation, the compensation paid for such services will be comparable to that paid to like employees performing similar services for similar organizations located in the metropolitan Seattle area and shall be approved by the independent members of the Board of Directors in accordance with the corporation's conflict of interest policy.

Part II Activities and Operational Information (Continued)

8 What assets does the organization have that are used in the performance of its exempt function? (Do not include property producing investment income.) If any assets are not fully operational, explain their status, what additional steps remain to be completed, and when such final steps will be taken. If none, indicate "N/A."

N/A

9 Will the organization be the beneficiary of tax-exempt bond financing within the next 2 years? Yes No

10a Will any of the organization's facilities or operations be managed by another organization or individual under a contractual agreement? Yes No

b Is the organization a party to any leases? Yes No

If either of these questions is answered "Yes," attach a copy of the contracts and explain the relationship between the applicant and the other parties.

11 Is the organization a membership organization? Yes No
If "Yes," complete the following:

a Describe the organization's membership requirements and attach a schedule of membership fees and dues.

b Describe the organization's present and proposed efforts to attract members and attach a copy of any descriptive literature or promotional material used for this purpose.

c What benefits do (or will) the members receive in exchange for their payment of dues?

12a If the organization provides benefits, services, or products, are the recipients required, or will they be required, to pay for them? N/A Yes No
If "Yes," explain how the charges are determined and attach a copy of the current fee schedule.

The technical assistance component will not function as a profit seeking venture for the organization. However, when participants are able and/or willing, a small fee (fee schedule to be developed) will be assessed to help cover costs. The organization also fundraises to cover costs of technical assistance and technical trainings.

b Does or will the organization limit its benefits, services, or products to specific individuals or classes of individuals? N/A Yes No
If "Yes," explain how the recipients or beneficiaries are or will be selected.

The target group consists of Native Americans residing in Washington, Oregon, Idaho and western Montana.

13 Does or will the organization attempt to influence legislation? Yes No
If "Yes," explain. Also, give an estimate of the percentage of the organization's time and funds that it devotes or plans to devote to this activity.

14 Does or will the organization intervene in any way in political campaigns, including the publication or distribution of statements? Yes No
If "Yes," explain fully.

Part III Technical Requirements

1 Are you filing Form 1023 within 15 months from the end of the month in which your organization was created or formed? Yes No
If you answer "Yes," do not answer questions on lines 2 through 6 below.

2 If one of the exceptions to the 15-month filing requirement shown below applies, check the appropriate box and proceed to question 7.

Exceptions—You are not required to file an exemption application within 15 months if the organization:

- a Is a church, interchurch organization of local units of a church, a convention or association of churches, or an integrated auxiliary of a church. See **Specific Instructions**, Line 2a, on page 4;
- b Is not a private foundation and normally has gross receipts of not more than \$5,000 in each tax year; or
- c Is a subordinate organization covered by a group exemption letter, but only if the parent or supervisory organization timely submitted a notice covering the subordinate.

3 If the organization does not meet any of the exceptions on line 2 above, are you filing Form 1023 within 27 months from the end of the month in which the organization was created or formed? Yes No

If "Yes," your organization qualifies under Regulation section 301.9100-2, for an automatic 12-month extension of the 15-month filing requirement. Do not answer questions 4 through 6.

If "No," answer question 4.

4 If you answer "No" to question 3, does the organization wish to request an extension of time to apply under the "reasonable action and good faith" and the "no prejudice to the interest of the government" requirements of Regulations section 301.9100-3? Yes No

If "Yes," give the reasons for not filing this application within the 27-month period described in question 3. See **Specific Instructions**, Part III, Line 4, before completing this item. Do not answer questions 5 and 6.

If "No," answer questions 5 and 6.

5 If you answer "No" to question 4, your organization's qualification as a section 501(c)(3) organization can be recognized only from the date this application is filed. Therefore, do you want us to consider the application as a request for recognition of exemption as a section 501(c)(3) organization from the date the application is received and not retroactively to the date the organization was created or formed? Yes No

6 If you answer "Yes" to question 5 above and wish to request recognition of section 501(c)(4) status for the period beginning with the date the organization was formed and ending with the date the Form 1023 application was received (the effective date of the organization's section 501(c)(3) status), check here and attach a completed page 1 of Form 1024 to this application.

Part III Technical Requirements (Continued)

7 Is the organization a private foundation?

- Yes (Answer question 8.)
 No (Answer question 9 and proceed as instructed.)

8 If you answer "Yes" to question 7, does the organization claim to be a private operating foundation?

- Yes (Complete Schedule E.)
 No

After answering question 8 on this line, go to line 14 on page 7.

9 If you answer "No" to question 7, indicate the public charity classification the organization is requesting by checking the box below that most appropriately applies:

THE ORGANIZATION IS NOT A PRIVATE FOUNDATION BECAUSE IT QUALIFIES:

- | | | |
|---|--|---|
| a | <input type="checkbox"/> As a church or a convention or association of churches (CHURCHES MUST COMPLETE SCHEDULE A.) | Sections 509(a)(1) and 170(b)(1)(A)(i) |
| b | <input type="checkbox"/> As a school (MUST COMPLETE SCHEDULE B.) | Sections 509(a)(1) and 170(b)(1)(A)(ii) |
| c | <input type="checkbox"/> As a hospital or a cooperative hospital service organization, or a medical research organization operated in conjunction with a hospital (These organizations, except for hospital service organizations, MUST COMPLETE SCHEDULE C.) | Sections 509(a)(1) and 170(b)(1)(A)(iii) |
| d | <input type="checkbox"/> As a governmental unit described in section 170(c)(1). | Sections 509(a)(1) and 170(b)(1)(A)(v) |
| e | <input type="checkbox"/> As being operated solely for the benefit of, or in connection with, one or more of the organizations described in a through d, g, h, or i (MUST COMPLETE SCHEDULE D.) | Section 509(a)(3) |
| f | <input type="checkbox"/> As being organized and operated exclusively for testing for public safety. | Section 509(a)(4) |
| g | <input type="checkbox"/> As being operated for the benefit of a college or university that is owned or operated by a governmental unit. | Sections 509(a)(1) and 170(b)(1)(A)(iv) |
| h | <input checked="" type="checkbox"/> As receiving a substantial part of its support in the form of contributions from publicly supported organizations, from a governmental unit, or from the general public. | Sections 509(a)(1) and 170(b)(1)(A)(vi) |
| i | <input type="checkbox"/> As normally receiving not more than one-third of its support from gross investment income and more than one-third of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions (subject to certain exceptions). | Section 509(a)(2) |
| j | <input type="checkbox"/> The organization is a publicly supported organization but is not sure whether it meets the public support test of h or i. The organization would like the IRS to decide the proper classification. | Sections 509(a)(1) and 170(b)(1)(A)(v) or Section 509(a)(2) |

If you checked one of the boxes a through f in question 9, go to question 14. If you checked box g in question 9, go to questions 11 and 12. If you checked box h, i, or j, in question 9, go to question 10.

Part III Technical Requirements (Continued)

- 10** If you checked box **h, i, or j** in question 9, has the organization completed a tax year of at least 8 months?
 Yes—Indicate whether you are requesting:
 A definitive ruling. (Answer questions 11 through 14.)
 An advance ruling. (Answer questions 11 and 14 and attach two Forms 872-C completed and signed.)
 No—You must request an advance ruling by completing and signing two Forms 872-C and attaching them to the Form 1023.
- 11** If the organization received any unusual grants during any of the tax years shown in Part IV-A, **Statement of Revenue and Expenses**, attach a list for each year showing the name of the contributor; the date and the amount of the grant; and a brief description of the nature of the grant.

- 12** If you are requesting a definitive ruling under section 170(b)(1)(A)(iv) or (vi), check here and:
a Enter 2% of line 8, column (e), Total, of Part IV-A
b Attach a list showing the name and amount contributed by each person (other than a governmental unit or "publicly supported" organization) whose total gifts, grants, contributions, etc., were more than the amount entered on line **12a** above.

- 13** If you are requesting a definitive ruling under section 509(a)(2), check here and:
a For each of the years included on lines 1, 2, and 9 of Part IV-A, attach a list showing the name of and amount received from each "disqualified person." (For a definition of "disqualified person," see **Specific Instructions**, Part II, Line 4d, on page 3.)
b For each of the years included on line 9 of Part IV-A, attach a list showing the name of and amount received from each payer (other than a "disqualified person") whose payments to the organization were more than \$5,000. For this purpose, "payer" includes, but is not limited to, any organization described in sections 170(b)(1)(A)(i) through (vi) and any governmental agency or bureau.

14 Indicate if your organization is one of the following. If so, complete the required schedule. (Submit only those schedules that apply to your organization. Do not submit blank schedules.)	Yes	No	If "Yes," complete Schedule:
Is the organization a church?		✓	A
Is the organization, or any part of it, a school?		✓	B
Is the organization, or any part of it, a hospital or medical research organization?		✓	C
Is the organization a section 509(a)(3) supporting organization?		✓	D
Is the organization a private operating foundation?		✓	E
Is the organization, or any part of it, a home for the aged or handicapped?		✓	F
Is the organization, or any part of it, a child care organization?		✓	G
Does the organization provide or administer any scholarship benefits, student aid, etc.?	✓		H
Has the organization taken over, or will it take over, the facilities of a "for profit" institution? . . .		✓	I

Part IV Financial Data

Complete the financial statements for the current year and for each of the 3 years immediately before it. If in existence less than 4 years, complete the statements for each year in existence. If in existence less than 1 year, also provide proposed budgets for the 2 years following the current year.

A. Statement of Revenue and Expenses

	Current tax year	3 prior tax years or proposed budget for 2 years			(e) TOTAL
	(a) From 2/04 to 12/31/04	(b) 2005	(c) 2006	(d)	
Revenue					
1 Gifts, grants, and contributions received (not including unusual grants—see page 6 of the instructions)	365,000	750,000	800,000		1,915,000
2 Membership fees received					
3 Gross investment income (see instructions for definition)					
4 Net income from organization's unrelated business activities not included on line 3					
5 Tax revenues levied for and either paid to or spent on behalf of the organization					
6 Value of services or facilities furnished by a governmental unit to the organization without charge (not including the value of services or facilities generally furnished the public without charge)					
7 Other income (not including gain or loss from sale of capital assets) (attach schedule)					
8 Total (add lines 1 through 7)	365,000	750,000	800,000		1,915,000
9 Gross receipts from admissions, sales of merchandise or services, or furnishing of facilities in any activity that is not an unrelated business within the meaning of section 513. Include related cost of sales on line 22					
10 Total (add lines 8 and 9)	365,000	750,000	800,000		1,915,000
11 Gain or loss from sale of capital assets (attach schedule)					
12 Unusual grants					
13 Total revenue (add lines 10 through 12)	365,000	750,000	800,000		1,915,000
Expenses					
14 Fundraising expenses	45,500	55,500	60,000		
15 Contributions, gifts, grants, and similar amounts paid (attach schedule)	25,000	175,000	200,000		
16 Disbursements to or for benefit of members (attach schedule)					
17 Compensation of officers, directors, and trustees (attach schedule)					
18 Other salaries and wages	117,000	270,000	270,000		
19 Interest					
20 Occupancy (rent, utilities, etc.)	15,300	28,800	23,800		
21 Depreciation and depletion					
22 Other (attach schedule)	161,400	175,600	205,100		
23 Total expenses (add lines 14 through 22)	364,200	704,900	758,900		
24 Excess of revenue over expenses (line 13 minus line 23)	800	45,100	41,100		

Potlatch Fund
7104 230th Street S.W.
Mountlake Terrace, WA 98045
EIN: 73-1712905

Information for IRS Form 1023, Part IV, Financial Data
Detail of Expenses (Page 1 of 2)

	2004 Estimated	2005 Estimated	2006 Estimated
Fundraising Expenses (Form 1023, Part IV, Line 14)			
Public Relations, Media, and Graphics	\$20,000	\$30,000	\$30,000
Printing			
Photocopies	\$2,000	\$2,000	\$2,000
Marketing Packets	\$5,000	\$5,000	\$5,000
Postage and Delivery			
Marketing Materials	\$2,000	\$2,000	\$3,000
Fundraising Events and Potlatch Celebrations	\$2,000	\$2,000	\$3,000
Fundraising and Special Events	\$2,500	\$2,500	\$4,000
Food	\$2,000	\$2,000	\$3,000
Conferences, Travel, and Related Expenses			
Conferences and Meetings with Foundations	\$10,000	\$10,000	\$10,000
TOTAL	\$45,500	\$55,500	\$60,000

	2004 Estimated	2005 Estimated	2006 Estimated
Other salary and wages (Form 1023, Part IV, Line 18)			
Andrea Alexander Lead Project Consultant (40+hours/week) (Ends 2004)	\$60,000		
Communications/Outreach/Administrative Consultant (Ends third quarter 2004)	\$57,000		
Organizational Development Consultant		\$25,000	\$25,000
Executive Director		\$70,000	\$70,000
Program Manager		\$50,000	\$50,000
Officer Manager		\$40,000	\$40,000
Grants Manager		\$45,000	\$45,000
Payroll Taxes & Benefits		\$40,000	\$40,000
TOTAL	\$117,000	\$270,000	\$270,000

	2004 Estimated	2005 Estimated	2006 Estimated
Occupancy (Form 1023, Part IV, Line 20)			
Rent and Utilities	\$2,000	\$17,000	\$18,500
Equipment	\$7,300	\$10,000	\$3,000
Materials & Supplies	\$6,000	\$1,800	\$2,300
TOTAL	\$15,300	\$28,800	\$23,800

Potlatch Fund
7104 230th Street S.W.
Mountlake Terrace, WA 98045
EIN: 73-1712905

Information for IRS Form 1023, Part IV, Financial Data
Detail of Expenses (Page 2 of 2)

	2004 Estimated	2005 Estimated	2006 Estimated
Other Expenses (Form 1023, Part IV, Line 22)			
Technical Assistance Coordination and Implementation	\$60,000	\$80,000	\$100,000
Website Maintenance	\$10,000	\$10,000	\$10,000
Printing			
Training Materials	\$2,000	\$2,000	\$3,000
Communications			
Conference Calls	\$7,000	\$7,000	\$7,000
Monthly Phone Service	\$2,500	\$2,500	\$3,000
Long Distance Charges	\$5,000	\$6,000	\$7,500
Board Meetings and Retreats	\$11,000	\$11,000	\$11,000
Food			
Technical Assistance Activities	\$2,000	\$2,000	\$3,000
Other Potlatch Events	\$2,000	\$2,000	\$2,000
Conferences, Travel, and Related Expenses			
Training/Technical Assistance Activities	\$6,000	\$6,000	\$7,500
Board and Strategic Planning Meetings	\$5,000	\$10,000	\$10,000
Postage and Delivery			
Technical Assistance Materials	\$2,000	\$2,000	\$3,000
Other Mailings	\$2,000	\$2,000	\$3,000
Financial and Legal Services	\$7,800	\$20,000	\$20,000
Memberships	\$2,100	\$2,100	\$2,100
Insurance	\$4,500	\$4,500	\$4,500
Gifts and Honoraria	\$1,500	\$1,500	\$1,500
Miscellaneous	\$5,000	\$5,000	\$5,000
Grants Administration (Applied Research Center Fiscal Sponsorship)	\$24,000		
TOTAL	\$161,400	\$175,600	\$205,100

Part IV Financial Data (Continued)

B. Balance Sheet (at the end of the period shown)		Current tax year Date <u>7/31/04</u>
Assets		
1	Cash	0
2	Accounts receivable, net	
3	Inventories	
4	Bonds and notes receivable (attach schedule)	
5	Corporate stocks (attach schedule)	
6	Mortgage loans (attach schedule)	
7	Other investments (attach schedule)	
8	Depreciable and depletable assets (attach schedule)	
9	Land	
10	Other assets (attach schedule)	
11	Total assets (add lines 1 through 10)	0
Liabilities		
12	Accounts payable	
13	Contributions, gifts, grants, etc., payable	
14	Mortgages and notes payable (attach schedule)	
15	Other liabilities (attach schedule)	
16	Total liabilities (add lines 12 through 15)	0
Fund Balances or Net Assets		
17	Total fund balances or net assets	0
18	Total liabilities and fund balances or net assets (add line 16 and line 17)	0

If there has been any substantial change in any aspect of the organization's financial activities since the end of the period shown above, check the box and attach a detailed explanation

Schedule H. Organizations Providing Scholarship Benefits, Student Aid, etc., to Individuals

1a Describe the nature and the amount of the scholarship benefit, student aid, etc., including the terms and conditions governing its use, whether a gift or a loan, and how the availability of the scholarship is publicized. If the organization has established or will establish several categories of scholarship benefits, identify each kind of benefit and explain how the organization determines the recipients for each category. Attach a sample copy of any application the organization requires individuals to complete to be considered for scholarship grants, loans, or similar benefits. (Private foundations that make grants for travel, study, or other similar purposes are required to obtain advance approval of scholarship procedures. See Regulations sections 53.4945-4(c) and (d).)

See Attachment H-1

b If you want this application considered as a request for approval of grant procedures in the event we determine that the organization is a private foundation, check here

c If you checked the box in **1b** above, check the box(es) for which you wish the organization to be considered.

- 4945(g)(1)
- 4945(g)(2)
- 4945(g)(3)

2 What limitations or restrictions are there on the class of individuals who are eligible recipients? Specifically explain whether there are, or will be, any restrictions or limitations in the selection procedures based upon race or the employment status of the prospective recipient or any relative of the prospective recipient. Also indicate the approximate number of eligible individuals.

See Attachment H-2

3 Indicate the number of grants the organization anticipates making annually ▶	0-5
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4 If the organization bases its selections in any way on the employment status of the applicant or any relative of the applicant, indicate whether there is or has been any direct or indirect relationship between the members of the selection committee and the employer. Also indicate whether relatives of the members of the selection committee are possible recipients or have been recipients.

No grants have been awarded to date. Current members of the Board of Directors of the organization, staff, consultants, grant selection committee members, and their immediate family members will not be eligible to apply. It is possible that relatives of the members of the grant selection committee or the Board of Directors of the organization will apply for grants. In such a case, the related member of the committee or Board will recuse himself or herself from the discussion and vote on the subject application.

5 Describe any procedures the organization has for supervising grants (such as obtaining reports or transcripts) that it awards and any procedures it has for taking action if the terms of the grant are violated.

See Attachment H-5

Potlatch Fund
7104 230th Street S.W.
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Information for IRS Form 1023, Schedule H

1a Describe the nature and amount of the grant, including terms and conditions of use, and how availability of the grants will be publicized.

Each year the organization will provide financial support to individuals and organizations for the completion of certain Indian cultural and artistic projects, including but not limited to the visual, performing, craft, literary and media arts, history, archaeology, folklore, archives, collections, research, historic preservation and the construction or renovation of cultural facilities. In making such grants, the organization seeks to provide training and assistance to artists and other individuals engaged in Indian cultural activities and to facilitate research and the development and implementation of initiatives that preserve, honor and enhance Indian culture.

Each applicant will be required to submit a written synopsis of the proposed project, a complete project budget, a resume, and a sample of his or her work. The organization will convene one or more review panels, composed of community representatives, artists, and arts professionals, to review applications. Panelists will be selected by the organization's staff and approved by the organization's Board of Directors. Panel recommendations will be presented to the Board of Directors for confirmation.

The number and amounts of grants awarded each year may vary based upon the number of eligible applicants and the amount of funding available.

The availability of the grants will be publicized on the organization's web site and in marketing materials, newsletters and brochures developed by the organization and distributed in the target Indian tribes and communities located in Washington, Oregon, Idaho and western Montana. It is anticipated that tribes and other nonprofit organizations also will assist in publicizing the availability of these grants.

The organization has not yet developed a grant application form.

2 Limitation or restrictions on class of eligible recipients

Only individuals who are members of an Indian tribe, band, nation or Alaska Native village and are actively working on artistic or cultural projects will be eligible to receive grants from the organization. Applicants must be 18 years of age or older. Preference will be given to applicants from the organization's target geographic area (Washington, Oregon, Idaho and western Montana). Current members of the Board of Directors of the organization, staff,

consultants, grant selection committee members, panelists, and their immediate family members will not be eligible to apply. It is estimated that there are more than 10,000 eligible recipients.


5 Procedures for supervising grants

Each grant recipient will be required to enter into a written grant agreement with the organization. At the completion of the project, each recipient will be required to submit a written report, including a complete project budget, an accounting of the grant money spent and details regarding the outcomes of the project. In the case of a multi-year project, the recipient will be required to submit interim written reports on each anniversary of the grant award date.

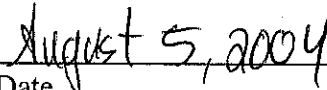
If for any reason the project defaults during the grant period, the grant recipient will be required by agreement to refund any sums that have not yet been expended for grant purposes.

**LETTER OF CONFORMANCE
ARTICLES OF INCORPORATION AND BYLAWS**

I certify that the attached copies of the Articles of Incorporation and Bylaws of the Potlatch Fund are complete and correct copies of the original documents.



Andrea Alexander, President



Date

Insert copies of Certificate
of Incorporation,
Articles and Bylaws
behind.

Potlatch Fund Bylaws

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**BYLAWS
OF
POTLATCH FUND**

**Article I
*Offices***

The principal office of the Corporation shall be located at its principal place of business or such other place as the Board of Directors may designate. The Corporation may have such other offices, either within or without the State of Washington, as the Board of Directors may designate or as the business of the Corporation may require from time to time.

**Article II
*Membership***

The Corporation shall have no members.

**Article III
*Purposes and Objectives***

3.1. The Corporation has been organized as a nonprofit corporation under the Revised Code of Washington State, raising and distributing funds to advance and promote the direct participation of Northwest tribes and their members in the full use of the economy in Alaska, Washington, Oregon, Idaho and Montana. Support for the Corporation is not limited to residents or organizations within those states.

3.2. Contributions shall come from tribes, individual donors, other foundations, corporations, government agencies, and wills and bequests, as permitted by law.

3.3. Contributions to the Corporation may be directed to its general fund, its Endowment, and to any other fund as established by the Board of Directors.

**Article IV
*Dedication to Exclusively Public Purposes***

The principal and income of all property received and accepted by the Corporation are irrevocably dedicated to exclusively public purposes, such as the conducting and funding of charitable and educational activities. No part of the net earnings of the Corporation shall inure to the benefit of, or be distributable to Advisory Board members, officers, or other private persons, except that the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and make payments and distributions in furtherance of the purposes set forth in Article IV hereof.

Article V
Acknowledgement of Sovereignty

The Corporation acknowledges and affirms the rights of individual and tribal Native sovereignty as stipulated by historic treaties, legislation and judicial decisions. Nothing in the Corporation's governance, grantmaking, or policies shall be construed to undermine recognition of such sovereignty.

Article VI
Conflicts of Interest

While serving on the Corporation's Grantmaking Committees, many members have or will have links or ties with current or possible grantees. Potential conflicts of interest are to be expected, but the Corporation wishes to limit both actual or the appearance of a conflict of interest, to ensure fairness for all. Therefore, the Corporation Board of Directors, members and staff shall adhere to the Corporation Conflict of Interest Policy, which defines conflicts of interest, establishes a process for disclosing interests in applicant organizations, and establishes a procedure for resolving any conflicts of interest.

Article VII
Board of Directors

7.1. General Powers: The business property and affairs of the corporation shall be managed and controlled, and all corporate powers shall be exercised by or under the direction of the Board of Directors, except as otherwise provided in the Washington Nonprofit Corporation Act, the Corporation's Articles of Incorporation or these Bylaws.

7.2. Qualifications: Directors shall be individuals and have such other qualifications as the Board of Directors may prescribe by resolution or amendment to these Bylaws. The Board of Directors shall be composed of members who possess a diverse range of knowledge, skills, and life experiences. At least two-thirds (2/3) of the Directors shall always be Native Americans. Directors shall reflect the diversity of the community within the cultural framework of northwest Native cultures. Thus the goal will be to cultivate Directors from both genders, and diversity of sexual orientation, tribal representation, geography, age, and economic means. Directors need not be residents of the state of Washington.

7.3. Duties of Directors: Each Director shall perform the duties of a director, including the duties as a member of any committee of the Board of Directors upon which the Director may serve, in good faith, and in a manner that such Director believes to be in the best interests of the Corporation, and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.

7.4. Board Composition: The number of Directors of the corporation shall be no fewer than seven (7) nor more than nine (9). The Board of Directors by resolution may

increase or decrease the number of Directors by a majority vote of the entire Board. . No decrease in the number of Directors, whether by resolution of the Board of Directors or by amendment of these Bylaws, shall have the effect of shortening the term of any incumbent or reducing the number of Directors to less than seven.

7.5. Compensation: The Board may receive reasonable compensation at a per diem rate established annually by the Board of Directors. Directors shall not be disqualified from receiving reasonable compensation for services rendered to or for the benefit of the Corporation in any other capacity.

7.6. Election and Term: The Directors shall be divided into three (3) groups and shall be known as Class I, Class II, and Class III. The initial Class I Directors shall hold office until the first annual election of Directors, the initial Class II Directors shall hold office until the second annual election of Directors, and the initial Class III Directors shall hold office until the third annual election of Directors. Thereafter, of each class shall serve for a term of three (3) years, commencing on the date of election and each Director shall hold office until his or her successor is elected and qualified, or until his or her death, resignation or removal. Any Director, including the initial Directors, may serve an unlimited number of terms, including successive terms, and shall not be disqualified by reason of having served previously as a Director.

Directors shall be nominated and elected at the annual meeting of the Board of Directors. All Directors shall be nominated by the Board.

7.7. Vacancies: The Board of Directors shall have power to (1) fill any vacancy resulting from an unexpired term in the Board; and (2) fill any Directorship created by an increase in the number of Directors as provided by these Bylaws. The Board of Directors may do so at any meeting of the Board of Directors by affirmative vote of a majority of the remaining Directors even if less than a quorum of the Board of Directors is present at the meeting. A Director elected to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office. Any Director appointed by the Board by reason of an increase in the size of the Board shall stand for election for the remainder of the specified term for such position at the next annual meeting.

7.8. Resignation: A Director may cease to serve upon tendering a resignation in writing to the President. Any such resignation shall take effect at the time specified therein, or if the time is not specified, upon delivery thereof; provided however, that if the resignation would result in the Corporation having no Director or no Director capable of serving as such, the resigning Director shall continue to serve as a Director until a successor Director is appointed and qualified as provided in these Bylaws or by resolution of the Board of Directors.

7.9 Removal: If a Director misses two (2) of the previous three (3) regularly scheduled Board meetings, or if a Director is in violation of the Corporation Conflict of Interest Policy, the Board is authorized, by two-thirds (2/3) vote of the Board, to remove that Director as long as there is at least one Director remaining after such removal.

7.10. Executive Committee of the Board: The Board of Directors, by resolution, will designate and appoint an Executive Committee which shall consist of five (5) or more Directors, including the officers of the Board of Directors.

7.11 Limitation on Executive Committee Authority: The Executive Committee shall not have the authority of the Board of Directors in reference to amending, altering, or repealing the bylaws; electing, appointing, or removing any director, officer or member of the corporation; amending the articles of incorporation; adopting a plan of merger or adopting a plan of consolidation with another corporation; authorizing the sale, lease, exchange or mortgage of all or substantially all of the property and assets of the corporation; making the Corporation liable for any debt beyond the amount of money which may be at the time a part of the Board's operating expenses and not needed for the discharge of existing debts or liabilities; authorizing the voluntary dissolution of the corporation or revoking proceedings therefore; adopting a plan for the distribution of the assets of the corporation; or amending, altering, or repealing any resolution of the Board of Directors which by its terms provides that it shall not be amended, altered, or repealed by such committee.

Article VIII ***Meetings of Directors***

8.1. Frequency: The Board of Directors shall convene at least four (4) times a year at dates and times to be determined by the Board of Directors, which shall be specified by resolution.

8.2. Places of Meetings; Meetings by Telephone: Regular meetings of the Board of Directors may be held at any place within or outside of the State of Washington as designated by the President upon consultation with the Board of Directors. In the absence of such designation, regular meetings shall be held at the principal office of the Corporation. Special meetings of the Board shall be held at any place within or outside Washington State that has been designated in the notice of the meeting. If no location has been stated in the notice or if there is no notice, the site shall be at the principal office of the Corporation.

Notwithstanding the above provisions, members of the Board of Directors or any committee designated by the Board of Directors may participate by means of conference telephone or similar communication equipment, so long as all Directors participating in the meeting can hear one another. All such participating Directors shall be deemed to be present in person at such meeting.

8.3. Annual Meetings of Directors: The annual meeting of the corporation shall be held each year as set forth by resolution of the Board of Directors. The annual meeting shall be for the purposes of election of Directors and Officers, approval of annual budget and workplan, and transaction of other official business. Notice of this meeting shall be provided in advance as required by these Bylaws.

8.4. Special Meetings:

a) **Authority to call:** Special meetings of the Board of Directors for any purpose may be called at any time by the President, the Secretary, or any two Directors.

b) **Notice:** Notice of any special meeting of the Board of Directors shall be given to all Directors either by first class mail four (4) days in advance or by notice delivered personally, by telephone, 48 hours in advance. The general nature of the business to be transacted at the meeting should be specified in the notice. Such notice may be waived by any Director, as set forth in Subsection (c) below.

c) **Waiver of Notice:** The transactions of any business at any meeting of the Board, however called and noticed or wherever held, shall be as valid as though made at a meeting duly held after regular call and notice, if (1) a quorum is present, and (2) either before or after the meeting, each of the Directors not present signs a written waiver of notice, a consent holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. All waivers, consents and approvals shall be filed with the corporate records or made a part of the minutes of the meeting. Notice of a meeting shall also be deemed given to any Director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

8.5. Quorum: A majority of the members of the Board of Directors shall constitute a quorum for all purposes except to adjourn as provided in section 8.6. Every act or decision done or made by a simple majority of the Directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board of Directors. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of any Director(s), if any action taken is approved by at least a majority of the quorum required for that meeting.

8.6. Adjournment: A majority of Directors present, whether or not constituting a quorum, may adjourn any meeting to another time and place.

8.7. Notice of Adjournment: Notice of the time and place of holding an adjourned meeting need not be given unless the meeting is adjourned for more than 24 hours, in which case notice of the time and place shall be given before the time of the adjourned meeting to the Directors, who were not present at the time of the adjournment. Such notice may be waived in the same manner as set forth under Section 8.4.c of above.

8.8. Action without Meeting: Any action required or permitted to be taken by the Board of Directors may be taken without a meeting, if all members of the Board of Directors, individually or collectively, consent in writing to that action. Such action by written consent shall have the same force and effect as a unanimous vote of the Board of Directors. Such written consent or consents shall be filed with the minutes of the proceedings of the Board of Directors.

8.9. Restriction on Interested Directors: Not more than 49% of the persons serving on the Board of Directors at any time may be interested persons. An interested person is (1) any

person compensated by the corporation for services rendered to it within the previous twelve months, whether as a full-time or part-time employee, independent contractor, or otherwise, excluding any reasonable compensation paid to a director as Director; and (2) any brother, sister, ancestor, descendant, spouse, brother-in-law, sister-in-law, mother-in-law, or father-in-law of any such person. However, any violation of the provisions of this paragraph shall not affect the validity of enforceability of any transaction entered into by the corporation.

Article IX ***Officers***

9.1. *Officers Enumerated*: The officers of the Corporation shall be a President, a Vice President, a Secretary, a Treasurer, and other such officers and assistant officers as may be deemed necessary by the Board of Directors. The officers shall be elected for a one-year term by the Board of Directors following the annual membership meeting and shall serve without compensation until their successors are duly elected and qualified. In addition to the powers and duties specified below, the officers shall have such powers and perform such duties as the Board of Directors may prescribe.

9.2. *President*: The President of the Board of Directors shall be subject to the direction and control of the Board of Directors, shall have general charge and supervision over the Corporation's property, activities, directly supervise the Executive Director, and affairs; and shall be responsible for convening the Board of Directors as needed to carry on the business of the corporation. The Board President may remain on the Board of Directors one (1) year following the end of his/her term as President, regardless of the length of Board tenure prior to term of Presidency.

9.3. *Vice President*: The Vice President shall serve in absence or incapacity of the President and carry out such other responsibilities as the President or the Board delegates.

9.4. *Secretary*: The Secretary shall be the recorder for the Corporation. It shall be the duty of the Secretary to oversee the keeping of records of the proceedings of the Board of Directors and, when requested by the President to do so, to sign and execute with the President all deeds, bonds, contracts, and other obligations, or instruments, in the name of the corporation.

9.5. *Treasurer*: The Treasurer shall keep and maintain, or cause to be kept and maintained, adequate and correct accounts of the properties and business transactions of the Corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, and other matters customarily included in financial statements. The Treasurer shall ensure an annual audit of revenues and expenditures.

The Treasurer shall deposit, or cause to be deposited, all moneys and other valuables in the name and to the credit of the Corporation with such depositories as may be designated by the Board of Directors. The Treasurer shall disburse, or cause to be disbursed, funds,

as recommended by the Board of Directors, and shall render, upon request, an account of all transactions and the financial condition of the Corporation.

9.6. Vacancies: A vacancy of any office created by the death, resignation, removal, disqualification, creation of a new office or any other cause may be filled by the Board of Directors for the unexpired portion of the term or for a new term established by the Board of Directors.

9.7. Resignation: An Officer may cease to serve upon tendering a resignation in writing to the President. Any such resignation shall take effect at the time specified therein, or if the time is not specified, upon delivery thereof.

9.8. Removal: The Board of Directors is authorized, by two-thirds (2/3) vote, to remove any Officer with or without cause.

Article X ***Procedures***

10.1. Actions by Written Consent: Any corporate action required or permitted by the Articles of Incorporation or these Bylaws, or under the laws of the State of Washington, to be taken at a meeting of the Directors of the Corporation, or committee of Directors may be taken without a meeting if a majority of the Directors, or the members of such a committee entitled to vote with respect to the subject matter thereof consent in writing, setting forth the action so taken. Such consent shall have the same force and effect as any other voting method.

10.2. Board Actions Approved by Email Vote: When deemed necessary by the Executive Committee, email may be considered written consent for the purposes of section 10.1 above. Notice proposing approval of an action by email vote, with the text of the proposed action, shall be sent by email to all Board members at least seven (7) days prior to the scheduled vote. If any Director does not have email, that Director must receive written notice of the proposed action at least three (3) days prior to the proposed vote. If any Director objects to approval of the proposed action by email before the scheduled vote, the vote will not proceed. Directors may vote by email over an additional minimum period of seven (7) days. The period shall be extended, as necessary, to accommodate any Director without email. An action approved via email vote by the majority of the Board of Directors shall be an action of the Board of Directors. Email vote may not be taken to amend Bylaws, or to remove any member, Director, or officer.

Article XI ***Waiver of Notice***

Whenever any notice is required to be given to any Director of the Corporation by the Articles of Incorporation or by these Bylaws, or under the laws of the State of Washington, a waiver thereof in writing, signed by the person or persons entitled to such

notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice.

Article XII ***Indemnification***

12.1. Right to Indemnification:

12.1.1. Each person who was, or is threatened to be made a party to or is otherwise involved (including, without limitation, as a witness) in any actual or threatened action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he or she is or was a director or officer of the Corporation or, while a director or officer, he or she is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to employee benefit plans, whether the basis of such proceeding is an alleged action in an official capacity as a director, trustee, officer, employee or agent or in any other capacity while serving as a director, trustee, officer, employee or agent, shall be indemnified and held harmless by the Corporation, to the full extent permitted by applicable law as then in effect, against all expense, liability and loss (including attorney's fees, judgments, fines, ERISA excise taxes or penalties and amounts to be paid in settlement) actually and reasonably incurred or suffered by such person in connection therewith, and such indemnification shall continue as to a person who has ceased to be a director, trustee, officer, employee or agent and shall inure to the benefit of his or her heirs, executors and administrators; provided, however, that except as provided in Section 2 of this Article with respect to proceedings seeking solely to enforce rights to indemnification, the Corporation shall indemnify any such person seeking indemnification in connection with a proceeding (or part thereof) initiated by such person only if such proceeding (or part thereof) was authorized by the Board of Directors of the Corporation. The right to indemnification conferred in this Section 1 shall be a contract right and shall include the right to be paid by the Corporation the expenses incurred in defending any such proceeding in advance of its final disposition; provided, however, that the payment of such expenses in advance of the final disposition of a proceeding shall be made only upon delivery to the Corporation of an undertaking, by or on behalf of such director or officer, to repay all amounts so advanced if it shall ultimately be determined that such director or officer is not entitled to be indemnified under this Section 1 or otherwise.

12.1.2. If the Washington Nonprofit Corporation Act is hereafter amended to authorize corporate action further indemnifying or limiting the personal liability of directors and officers of this corporation, then such directors and officers shall be indemnified to the full extent permitted by the Washington Nonprofit Corporation Act, as so amended.

12.2 Right of Claimant to Bring Suit: If a claim for which indemnification is required under Section 12.1 of this Article is not paid in full by the Corporation within sixty (60) days after a written claim has been received by the Corporation, except in the case of a

claim for expenses incurred in defending a proceeding in advance of its final disposition, in which case the applicable period shall be twenty (20) days, the claimant may at time to time thereafter bring suit against the Corporation to recover the unpaid amount of the claim and, to the extent successful in whole or in part, the claimant shall be entitled to be paid for those expenses (or a pro rata share thereof, if partially successful) of prosecuting such claim. The claimant shall be presumed to be entitled to indemnification under this Article upon submission of a written claim (and, in an action brought to enforce a claim for expenses incurred in defending any proceeding in advance of its final disposition, where the required undertaking has been tendered to the Corporation), and thereafter the Corporation shall have the burden of proof to overcome the presumption that the claimant is not so entitled. Neither the failure of the Corporation (including its Board of Directors, independent legal counsel or its members) to have made a determination prior to the commencement of such action that indemnification, or the reimbursement or advancement of expenses of the claimant is proper in the circumstances, nor an actual determination by the Corporation (including its Board of Directors, independent legal counsel or its members) that the claimant is not entitled to indemnification or the reimbursement or advancement of expenses, shall be a defense to the action or create a presumption that the claimant is not so entitled.

12.3 *Non Exclusivity of Rights*: The right of indemnification and the payment of expenses incurred in defending a proceeding in advance of its final disposition conferred in this Article shall not be exclusive of any other right which any person may have or hereafter acquire under any statute, provision of the Articles of Incorporation, Bylaws, agreement, vote of members, or vote of disinterested Directors or otherwise.

12.4 *Insurance*: The Corporation shall purchase and maintain insurance at its expense to protect itself and any person who is or was a director, officer, member, employee, or agent of the Corporation against any expense, liability or loss, incurred by such person in their capacity or arising out of such person's status as a director, officer, member, employee, or agent of the Corporation, whether or not the Corporation would have the power to indemnify such person against such expense, liability or loss under the Washington Nonprofit Corporation Act or the Washington Business Corporation Act, as applied to nonprofit corporations.

12.5 *Indemnification of Employees and Agents of the Corporation*: The Corporation may by action of its Board of Directors provide indemnification and pay expenses in advance of the final disposition of a proceeding to employees and agents of the Corporation within the same scope and effect as the provisions of this Article pertaining to the indemnification and advancement of expenses of Directors and Officers of the Corporation or pursuant to rights granted under the Washington Business Corporation Act, as applied to nonprofit corporations.

Article XIII
Committees

13.1. Meeting and Action of Committees: Meetings and actions of committees shall be governed by, and held and taken in accordance with, the provisions of Article VIII, concerning meetings of the Board of Directors, with such changes in the context of those bylaws as are necessary to substitute the committee and its members for the Board of Directors and its members, except that the time for regular meetings of committees may be determined either by resolution of the Board of Directors or by resolution of the committee. Special meetings of committees may also be called by resolution of the Board of Directors.

Notice of special meetings of committees shall also be given to any and all alternate and ex-officio members, who shall have the right to attend all meetings of the committee. Minutes shall be kept of each meeting of any committee and shall be filed with the corporate records. The Board of Directors may not adopt rules for any committee, that are not consistent with the provisions of these bylaws.

Standing committees shall be comprised of Grantmaking, Program, Finance/Investment, Fundraising and the Board Executive Committee.

13.2. Other Committees: The Board of Directors may designate by resolution from their own number or otherwise, as they may determine, any other committees, the number of committee members to be determined by the Board of Directors. Any such committee, if composed of Directors only, shall have and exercise the authority of the Board of Directors in the management of the corporation to the extent provided by the resolution. The designation and appointment of any such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual Director of any responsibility imposed upon it or him/her by law.

13.3. Committees, Elections and Terms: Terms of committee members shall be one (1) year.

Article XIV
Administrative and Financial Provision

14.1. Fiscal Year: The fiscal year of the Corporation shall be based on the calendar year (January 1- December 31).

14.2. Loans prohibited: No loan shall be made by the Corporation to any officer or Director.

14.3. Books and Records: The Corporation shall keep current and complete books and records of account and shall keep minutes of the proceedings of the Board of Directors, and committees having the authority of the Board of Directors; and shall keep at its registered office a register of the names and addresses of its members entitled to vote.

All books and records of the corporation may be inspected by any active Director, or his or her agent or attorney, for any proper purpose at any reasonable time.

14.4. *Rules of Procedure*: The rules of procedure at meetings of the Board of Directors, and committees of the corporation shall be the rules contained in Robert's Rules of Order on Parliamentary Procedure, as most recently amended, so far as applicable and when not inconsistent with these Bylaws, the Articles of Incorporation, the laws of the State of Washington, or with any resolution of the Board of Directors.

14.5. *Contributions*: The Board of Directors may solicit and receive contributions, gifts, bequests, or other monies to fund its work. Nothing herein shall prohibit the Corporation from accepting any contribution whatsoever, from any source consistent with all applicable laws and these Bylaws, for any purpose to further the goals of the Corporation, and its member tribes.

14.6. *Investments*: Any monies held by the Corporation may be retained in whole or in part in cash or be invested and reinvested from time to time as the Board of Directors, in its sole discretion, may deem appropriate.

Article XV ***Reports***

15.1. *Annual Report*: The Corporation shall provide to the Board of Directors, no later than four months after the end of each fiscal year, a report of its proceedings and activities during such year, including a full and complete statement of its receipts, expenditures, and investments, and a description of all acquisitions and dispositions of donated property.

15.2. *Contents of Annual Report*: The Annual Report will contain comparable information to that required by IRS Form 990 (the Annual Information Return filed by Section 501(c)(3) organizations).

15.3. *Disclosure and Availability of Annual Report*: The Annual Report shall be a permanent document made available through the Corporation's Office. The general public will be able to review this report when these offices are open during normal office hours. The Annual Report will also be made available to the general public through the website of the Corporation at www.potlatchfund.org, and a copy of the Annual Report will be made available by mail to all those who request it.

Article XVI ***Charitable contributions and endowment***

16.1 *Use of Donations*: Donations of money or property to the Corporation shall be used for the purposes for which the Corporation is formed, including, but not limited to, charitable and educational purposes.

16.2. Use of Donations Not Earmarked by Donors: Donations not earmarked for use by a designated program of the Corporation may be designated for an appropriate use, provided such designation is exclusively for one or more exempt purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code or the corresponding section of any future federal tax code. The Board of Directors may also transfer such donations for use by the Corporation.

16.3. Charitable Substantiation: If a donor contributes money or property valued at \$250 or more to the Corporation, the Corporation must provide the donor with a written acknowledgment of the donation. The Corporation must provide the written acknowledgment to the donor by the date the donor files his or her federal tax return for the year of the contribution or the donor's due date for filing the return. The acknowledgment must describe the property or amount of money contributed, whether the donor received goods or services in whole or in part for the contribution, and an estimate of the value of goods or services, if any, provided in consideration of the donation.

16.4. The Board of Directors shall establish a Potlatch Fund Endowment to which donations may be made specifically and to which the Board of Directors may allocate other donations to the extent such funds are not prohibited from such allocation by the terms of the donation.

16.5. The Board of Directors may elect to spend or otherwise encumber in each fiscal year an amount of the Endowment Fund equal to the amount by which the market value of the Endowment Fund grew (after considering inflation) in the previous fiscal year. The Board of Directors shall use any such funds first to offset program management, administration, and overhead expenses of the Corporation. Any additional available funds may be used at the Board's discretion or may be reinvested as part of the Endowment Fund.

16.6. The Board of Directors shall also be responsible for determining which donations to accept or reject in accordance with such policies regarding acceptance of donations as may be adopted by the Board of Directors from time to time.

Article XVII ***Amendments***

Notwithstanding Article 8.5, these Bylaws contained herein may be amended or repealed only by a majority of the entire Board of Directors. The full Board, not a quorum, must approve of any amendments by a two-thirds (2/3) vote.

Potlatch Fund
Articles of Incorporation

The undersigned, a citizen of the United States of America and a resident of the State of Washington, for the purpose of forming a nonprofit corporation under RCW Title 24.03, the Washington Nonprofit Corporation Act, hereby adopts the following Articles of Incorporation:

ARTICLE I

The name of the nonprofit corporation shall be Potlatch Fund.

ARTICLE II

The duration of the Corporation shall be perpetual.

ARTICLE III

The number of directors constituting the initial board of directors will be determined by the steering committee but shall not exceed nine (9) directors. The names and addresses of the persons who are to serve as the initial directors are:

ARTICLE IV

The Corporation will not have any members.

ARTICLE V

SECTION 1. The Corporation is organized exclusively for one or more of the purposes as specified in Section 501(c)(3) of the Internal Revenue Code of 1986, including without limitation, the following:

1. Inspire the Native tradition of giving in Northwest Indian Country to promote economic development, natural resource protection, education, cultural preservation, civic participation, and the overall health of Native people and their communities.
2. Establish a tribally directed endowment developed from resources contributed by tribes, foundations, and individual donors.
3. Provide and facilitate the distribution of resources, advice, and assistance to tribes and other tribally driven organizations that advance the Corporation's mission.
4. Concentrate funding and services within the states of Washington, Oregon, Idaho, Montana and Alaska.
5. Create strategic alliances with other Native philanthropic organizations throughout the United States.

6. Serve as a bridge that supports collaborative, sustainable relationships between tribes, tribal foundations, other tribally driven organizations, private and corporate foundations, public agencies, and individual donors.
7. Remove barriers to effective philanthropic giving in Northwest Indian Country.
8. To do any and all lawful activities which may be necessary, useful or desirable for the furtherance, accomplishment, fostering or attainment of the foregoing purposes, either directly or indirectly and either alone or in conjunction with others, whether such others be persons or organizations of any kind or nature, such as corporations, firms, associations, trusts, institutions, foundations, or government bureaus, departments, or agencies.
9. To administer property donated to the Corporation for charitable purposes.
10. To distribute property for such purposes or in accordance with determinations made by the Board of Directors pursuant to these Articles of Incorporation and the Bylaws of this Corporation.

SECTION 2. All of the foregoing purposes and powers shall be exercised exclusively for charitable purposes in such manner that the Corporation shall qualify as an exempt organization under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or the corresponding provision of any future United States Internal Revenue law, and that contributions to the Corporation shall be deductible under Section 170(c)(2) of the Internal Revenue Code of 1986, as amended, or the corresponding provision of any future United States Internal Revenue law.

ARTICLE VI

The initial registered office of the Corporation is 7104 230th St. SW, Mountlake Terrace, WA 98043, 425-673-0749.

ARTICLE VII

The initial registered agent for the Corporation is Andrea Alexander.

ARTICLE VIII

The Corporation shall operate subject to the guidance and assistance of the Potlatch Fund Board of Directors, as set forth in the Bylaws.

ARTICLE IX

The assets of this Corporation are irrevocably dedicated to charitable purposes and no part of the net earnings of the assets of this Corporation shall inure to the benefit of, or be distributable to its representatives, trustees, officers, directors or other private persons,

except that this Corporation shall be authorized and empowered to pay reasonable compensation for services rendered to make payments and distributions in furtherance of the purposes of this Corporation.

No substantial part of the activities of this Corporation shall be devoted solely to lobbying, and this Corporation shall not participate or intervene in (including the publishing and distribution of statements) any political campaign on, behalf of, or in opposition to any candidate for public office.

Notwithstanding any other provision of these Articles, this Corporation shall not carry on any other activities not permitted to be carried on: (a) by a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code or the corresponding section of any future federal tax code; or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code, or the corresponding section of any future tax code.

ARTICLE X

In the event of dissolution of this Corporation, all of the assets remaining after payment, or provision for payment, of all debts and liabilities of this Corporation, shall be distributed as directed by the Corporation in its Bylaws exclusively for the purposes of this Corporation or for one or more exempt purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code or the corresponding section of any future federal tax code.

ARTICLE XI

A director shall have no liability to the Corporation for monetary damages for conduct as a director, except for acts or omissions that involve intentional misconduct by the director, or for any transaction from which the director will personally receive a benefit in money, property or services to which the director is not legally entitled. If the Washington Nonprofit Corporation Act is hereafter amended to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director shall be eliminated or limited to the full extent permitted by the Washington Nonprofit Corporation Act, as so amended. Any repeal or modification of this Article shall not adversely affect any right or protection of a director of the Corporation existing at the time of such repeal or modification for or with respect to an act or omission of such director occurring prior to such repeal or modification.

Directors of the Corporation shall not be personally liable to the Corporation or its members for monetary damages for conduct as a director, except for acts or omissions that involve intentional misconduct by a director or a knowing violation of law by a director, where the director votes or assents to a distribution which is unlawful or violates the requirements of these Articles of Incorporation, or for any transaction from which the director will personally receive a benefit in money, property, or services to which the director is not legally entitled.

ARTICLE XII

SECTION 1. Right to Indemnification.

1) Each person who was, or is threatened to be made a party to or is otherwise involved (including, without limitation, as a witness) in any actual or threatened action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he or she is or was a director or officer of the Corporation or, while a director or officer, he or she is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to employee benefit plans, whether the basis of such proceeding is an alleged action in an official capacity as a director, trustee, officer, employee or agent or in any other capacity while serving as a director, trustee, officer, employee or agent, shall be indemnified and held harmless by the Corporation, to the full extent permitted by applicable law as then in effect, against all expense, liability and loss (including attorney's fees, judgments, fines, ERISA excise taxes or penalties and amounts to be paid in settlement) actually and reasonably incurred or suffered by such person in connection therewith, and such indemnification shall continue as to a person who has ceased to be a director, trustee, officer, employee or agent and shall inure to the benefit of his or her heirs, executors and administrators; provided, however, that except as provided in Section 2 of this Article with respect to proceedings seeking solely to enforce rights to indemnification, the Corporation shall indemnify any such person seeking indemnification in connection with a proceeding (or part thereof) initiated by such person only if such proceeding (or part thereof) was authorized by the Board of Directors of the Corporation. The right to indemnification conferred in this Section 1 shall be a contract right and shall include the right to be paid by the Corporation the expenses incurred in defending any such proceeding in advance of its final disposition; provided, however, that the payment of such expenses in advance of the final disposition of a proceeding shall be made only upon delivery to the Corporation of an undertaking, by or on behalf of such director or officer, to repay all amounts so advanced if it shall ultimately be determined that such director or officer is not entitled to be indemnified under this Section 1 or otherwise.

2) If the Washington Nonprofit Corporation Act is hereafter amended to authorize corporate action further indemnifying or limiting the personal liability of directors and officers of this corporation, then such directors and officers shall be indemnified to the full extent permitted by the Washington Nonprofit Corporation Act, as so amended.

SECTION 2. Right of Claimant to Bring Suit. If a claim for which indemnification is required under Section I of this Article is not paid in full by the Corporation within sixty (60) days after a written claim has been received by the Corporation, except in the case of a claim for expenses incurred in defending a proceeding in advance of its final disposition, in which case the applicable period shall be twenty (20) days, the claimant may at time to time thereafter bring suit against the

Corporation to recover the unpaid amount of the claim and, to the extent successful in whole or in part, the claimant shall be entitled to be paid for those expenses (or a pro rata share thereof, if partially successful) of prosecuting such claim. The claimant shall be presumed to be entitled to indemnification under this Article upon submission of a written claim (and, in an action brought to enforce a claim for expenses incurred in defending any proceeding in advance of its final disposition, where the required undertaking has been tendered to the Corporation), and thereafter the Corporation shall have the burden of proof to overcome the presumption that the claimant is not so entitled. Neither the failure of the Corporation (including its Board of Directors, independent legal counsel or its members) to have made a determination prior to the commencement of such action that indemnification, or the reimbursement or advancement of expenses of the claimant is proper in the circumstances, nor an actual determination by the Corporation (including its Board of Directors, independent legal counsel or its members) that the claimant is not entitled to indemnification or the reimbursement or advancement of expenses, shall be a defense to the action or create a presumption that the claimant is not so entitled.

SECTION 3. Non Exclusivity of Rights. The right of indemnification and the payment of expenses incurred in defending a proceeding in advance of its final disposition conferred in this Article shall not be exclusive of any other right which any person may have or hereafter acquire under any statute, provision of the Articles of Incorporation, Bylaws, agreement, vote of members, or vote of disinterested Directors or otherwise.

SECTION 4. Insurance. The Corporation shall purchase and maintain insurance at its expense to protect itself and any person who is or was a director, officer, member, employee, or agent of the Corporation against any expense, liability or loss, incurred by such person in their capacity or arising out of such person's status as a director, officer, member, employee, or agent of the Corporation, whether or not the Corporation would have the power to indemnify such person against such expense, liability or loss under the Washington Nonprofit Corporation Act or the Washington Business Corporation Act, as applied to nonprofit corporations.

SECTION 5. Indemnification of Employees and Agents of the Corporation. The Corporation may by action of its Board provide indemnification and pay expenses in advance of the final disposition of a proceeding to employees and agents of the Corporation within the same scope and effect as the provisions of this Article XII pertaining to the indemnification and advancement of expenses of Directors and Officers of the Corporation or pursuant to rights granted under the Washington Business Corporation Act, as applied to nonprofit corporations.

ARTICLE XI. Amendments

These Articles of Incorporation may be amended as allowed by the Washington Nonprofit Corporation Act.

Date of Incorporation _____

Signature

Printed Name

INCORPORATOR
Title

CONSENT TO SERVE AS REGISTERED AGENT

I, _____, hereby consents to serve as Registered Agent, in the State of Washington, for Potlatch Fund. I understand that as agent for the Corporation, it will be my responsibility to receive Service of Process in the name of the Corporation; to forward all mail to the Corporation; and to immediately notify the Office of the Secretary of State in the event of my resignation or of any changes in the registered office of the Corporation for which I am agent.

DATED: _____, 20__.

By _____

Its _____

Address:

Consent Fixing Period of Limitation Upon Assessment of Tax Under Section 4940 of the Internal Revenue Code

(See instructions on reverse side.)

To be used with
Form 1023. Submit
in duplicate.

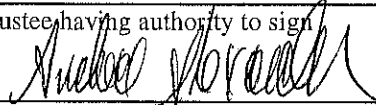
Under section 6501(c)(4) of the Internal Revenue Code, and as part of a request filed with Form 1023 that the organization named below be treated as a publicly supported organization under section 170(b)(1)(A)(vi) or section 509(a)(2) during an advance ruling period,

<p>Potlatch Fund</p> <p>_____</p> <p>(Exact legal name of organization as shown in organizing document)</p> <p>7104 230th Street SW</p> <p>Mountlake Terrace, Washington 98043</p> <p>_____</p> <p>(Number, street, city or town, state, and ZIP code)</p>	<p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p>	<p>District Director of Internal Revenue, or Assistant Commissioner (Employee Plans and Exempt Organizations)</p>
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Consent and agree that the period for assessing tax (imposed under section 4940 of the Code) for any of the 5 tax years in the advance ruling period will extend 8 years, 4 months and 15 days beyond the end of the first tax year.

However, if a notice of deficiency in tax for any of these years is sent to the organization before the period expires, the time for making an assessment will be further extended by the number of days the assessment is prohibited, plus 60 days.

Ending date of first tax year
December 31, 2004
(Month, day, and year)

Name of organization (as shown in organizing document)	Date
Potlatch Fund	Aug 4, 2004
Officer or trustee having authority to sign	
Signature > 	Title > President

For IRS use only

District Director or Assistant Commissioner (Employee Plans and Exempt Organizations)	Date
---	------

By >

Power of Attorney and Declaration of Representative

OMB No. 1545-0150

For IRS Use Only

Received by:

Name _____

Telephone _____

Function _____

Date / /

▶ Type or print. ▶ See the separate instructions.

Part I Power of Attorney

Caution: Form 2848 will not be honored for any purpose other than representation before the IRS.

1 Taxpayer information. Taxpayer(s) must sign and date this form on page 2, line 9.

Taxpayer name(s) and address Potlatch Fund 7104 230th Street SW Mountlake Terrace, WA 98043	Social security number(s) _____ _____ _____	Employer identification number 73 1712905 Plan number (if applicable)
Daytime telephone number ()		

hereby appoint(s) the following representative(s) as attorney(s)-in-fact:

2 Representative(s) must sign and date this form on page 2, Part II.

Name and address N. Elizabeth McCaw 800 Fifth Avenue, Suite 4000 Seattle, WA 98104	CAF No. 8006-18832R Telephone No. (206) 892-2156 Fax No. (206) 464-1496 Check if new: Address <input checked="" type="checkbox"/> Telephone No. <input checked="" type="checkbox"/> Fax No. <input checked="" type="checkbox"/>
Name and address	CAF No. _____ Telephone No. _____ Fax No. _____ Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/> Fax No. <input type="checkbox"/>
Name and address	CAF No. _____ Telephone No. _____ Fax No. _____ Check if new: Address <input type="checkbox"/> Telephone No. <input type="checkbox"/> Fax No. <input type="checkbox"/>

to represent the taxpayer(s) before the Internal Revenue Service for the following tax matters:

3 Tax matters

Type of Tax (Income, Employment, Excise, etc.) or Civil Penalty (see the instructions for line 3)	Tax Form Number (1040, 941, 720, etc.)	Year(s) or Period(s) (see the instructions for line 3)
Application for Recognition of Exemption	1023	2004

4 Specific use not recorded on Centralized Authorization File (CAF). If the power of attorney is for a specific use not recorded on CAF, check this box. See the instructions for Line 4. Specific uses not recorded on CAF.

5 Acts authorized. The representatives are authorized to receive and inspect confidential tax information and to perform any and all acts that I (we) can perform with respect to the tax matters described on line 3, for example, the authority to sign any agreements, consents, or other documents. The authority does not include the power to receive refund checks (see line 6 below), the power to substitute another representative, the power to sign certain returns, or the power to execute a request for disclosure of tax returns or return information to a third party. See the line 5 instructions for more information.

Exceptions. An unenrolled return preparer cannot sign any document for a taxpayer and may only represent taxpayers in limited situations. See **Unenrolled Return Preparer** on page 2 of the instructions. An enrolled actuary may only represent taxpayers to the extent provided in section 10.3(d) of Circular 230. See the line 5 instructions for restrictions on tax matters partners.

List any specific additions or deletions to the acts otherwise authorized in this power of attorney: including the power to sign the application and other related documentation, provide additional information and documentation in support of the application, and communicate directly with representatives of the Service regarding the application.

6 Receipt of refund checks. If you want to authorize a representative named on line 2 to receive, **BUT NOT TO ENDORSE OR CASH**, refund checks, initial here _____ and list the name of that representative below.

Name of representative to receive refund check(s) ▶

7 Notices and communications. Original notices and other written communications will be sent to you and a copy to the first representative listed on line 2.


- a** If you also want the second representative listed to receive a copy of notices and communications, check this box
- b** If you do not want any notices or communications sent to your representative(s), check this box

8 Retention/revocation of prior power(s) of attorney. The filing of this power of attorney automatically revokes all earlier power(s) of attorney on file with the Internal Revenue Service for the same tax matters and years or periods covered by this document. If you **do not** want to revoke a prior power of attorney, check here.

YOU MUST ATTACH A COPY OF ANY POWER OF ATTORNEY YOU WANT TO REMAIN IN EFFECT.

9 Signature of taxpayer(s). If a tax matter concerns a joint return, **both** husband and wife must sign if joint representation is requested, otherwise, see the instructions. If signed by a corporate officer, partner, guardian, tax matters partner, executor, receiver, administrator, or trustee on behalf of the taxpayer, I certify that I have the authority to execute this form on behalf of the taxpayer.

▶ IF NOT SIGNED AND DATED, THIS POWER OF ATTORNEY WILL BE RETURNED.


8-4-2004
President
 Signature Date Title (if applicable)

Andrea Alexander Potlatch Fund
 Print Name PIN Number Print name of taxpayer from line 1 if other than individual

Signature Date Title (if applicable)

Print Name PIN Number

Part II Declaration of Representative

Caution: Students with a special order to represent taxpayers in Qualified Low Income Taxpayer Clinics or the Student Tax Clinic Program, see the instructions for Part II.

Under penalties of perjury, I declare that:

- I am not currently under suspension or disbarment from practice before the Internal Revenue Service;
- I am aware of regulations contained in Treasury Department Circular No. 230 (31 CFR, Part 10), as amended, concerning the practice of attorneys, certified public accountants, enrolled agents, enrolled actuaries, and others;
- I am authorized to represent the taxpayer(s) identified in Part I for the tax matter(s) specified there; and
- I am one of the following:
 - a** Attorney—a member in good standing of the bar of the highest court of the jurisdiction shown below.
 - b** Certified Public Accountant—duly qualified to practice as a certified public accountant in the jurisdiction shown below.
 - c** Enrolled Agent—enrolled as an agent under the requirements of Treasury Department Circular No. 230.
 - d** Officer—a bona fide officer of the taxpayer's organization.
 - e** Full-Time Employee—a full-time employee of the taxpayer.
 - f** Family Member—a member of the taxpayer's immediate family (i.e., spouse, parent, child, brother, or sister).
 - g** Enrolled Actuary—enrolled as an actuary by the Joint Board for the Enrollment of Actuaries under 29 U.S.C. 1242 (the authority to practice before the Service is limited by section 10.3(d) of Treasury Department Circular No. 230).
 - h** Unenrolled Return Preparer—the authority to practice before the Internal Revenue Service is limited by Treasury Department Circular No. 230, section 10.7(c)(1)(viii). You must have prepared the return in question and the return must be under examination by the IRS. See **Unenrolled Return Preparer** on page 2 of the instructions.

▶ IF THIS DECLARATION OF REPRESENTATIVE IS NOT SIGNED AND DATED, THE POWER OF ATTORNEY WILL BE RETURNED. See the Part II instructions.

Designation—Insert above letter (a-h)	Jurisdiction (state) or identification	Signature	Date
a	WA	<i>St. Elizabeth McCaw</i>	7/29/04

Potlatch Fund
7104 230th Street S.W.
Mountlake Terrace, WA 98045
EIN: 73-1712905

Information for IRS Form 1023, Part IV, Financial Data
Detail of Expenses (Page 1 of 2)

	2004 Estimated	2005 Estimated	2006 Estimated
Fundraising Expenses (Form 1023, Part IV, Line 14)			
Public Relations, Media, and Graphics	\$20,000	\$30,000	\$30,000
Printing			
Photocopies	\$2,000	\$2,000	\$2,000
Marketing Packets	\$5,000	\$5,000	\$5,000
Postage and Delivery			
Marketing Materials	\$2,000	\$2,000	\$3,000
Fundraising Events and Potlatch Celebrations	\$2,000	\$2,000	\$3,000
Fundraising and Special Events	\$2,500	\$2,500	\$4,000
Food	\$2,000	\$2,000	\$3,000
Conferences, Travel, and Related Expenses			
Conferences and Meetings with Foundations	\$10,000	\$10,000	\$10,000
TOTAL	\$45,500	\$55,500	\$60,000

	2004 Estimated	2005 Estimated	2006 Estimated
Other salary and wages (Form 1023, Part IV, Line 18)			
Andrea Alexander Lead Project Consultant (40+hours/week) (Ends 2004)	\$60,000		
Communications/Outreach/Administrative Consultant (Ends third quarter 2004)	\$57,000		
Organizational Development Consultant		\$25,000	\$25,000
Executive Director		\$70,000	\$70,000
Program Manager		\$50,000	\$50,000
Officer Manager		\$40,000	\$40,000
Grants Manager		\$45,000	\$45,000
Payroll Taxes & Benefits		\$40,000	\$40,000
TOTAL	\$117,000	\$270,000	\$270,000

	2004 Estimated	2005 Estimated	2006 Estimated
Occupancy (Form 1023, Part IV, Line 20)			
Rent and Utilities	\$2,000	\$17,000	\$18,500
Equipment	\$7,300	\$10,000	\$3,000
Materials & Supplies	\$6,000	\$1,800	\$2,300
TOTAL	\$15,300	\$28,800	\$23,800

Potlatch Fund
7104 230th Street S.W.
Mountlake Terrace, WA 98045
EIN: 73-1712905

Information for IRS Form 1023, Part IV, Financial Data
Detail of Expenses (Page 2 of 2)

	2004 Estimated	2005 Estimated	2006 Estimated
Other Expenses (Form 1023, Part IV, Line 22)			
Technical Assistance Coordination and Implementation	\$60,000	\$80,000	\$100,000
Website Maintenance	\$10,000	\$10,000	\$10,000
Printing			
Training Materials	\$2,000	\$2,000	\$3,000
Communications			
Conference Calls	\$7,000	\$7,000	\$7,000
Monthly Phone Service	\$2,500	\$2,500	\$3,000
Long Distance Charges	\$5,000	\$6,000	\$7,500
Board Meetings and Retreats	\$11,000	\$11,000	\$11,000
Food			
Technical Assistance Activities	\$2,000	\$2,000	\$3,000
Other Potlatch Events	\$2,000	\$2,000	\$2,000
Conferences, Travel, and Related Expenses			
Training/Technical Assistance Activities	\$6,000	\$6,000	\$7,500
Board and Strategic Planning Meetings	\$5,000	\$10,000	\$10,000
Postage and Delivery			
Technical Assistance Materials	\$2,000	\$2,000	\$3,000
Other Mailings	\$2,000	\$2,000	\$3,000
Financial and Legal Services	\$7,800	\$20,000	\$20,000
Memberships	\$2,100	\$2,100	\$2,100
Insurance	\$4,500	\$4,500	\$4,500
Gifts and Honoraria	\$1,500	\$1,500	\$1,500
Miscellaneous	\$5,000	\$5,000	\$5,000
Grants Administration (Applied Research Center Fiscal Sponsorship)	\$24,000		
TOTAL	\$161,400	\$175,600	\$205,100