




Branch County

community foundation SM

For **good.** For **ever.**[®]

Community Foundation Board of Directors
Prospective Member Information



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www.brcofoundation.org

About the Community Foundation

Mission

*We serve our community
by promoting charitable giving,
building permanent endowments,
and connecting community resources.*

The Branch County Community Foundation (BCCF) is a tax-exempt public charity created in 1991 by local Rotary clubs. We are organized and operated to offer people of all means - no matter how great or small their personal resources - an opportunity to give back. We enable people to easily and effectively support the issues they care about – immediately or at the end of their lives. Donors can contribute to one of over 100 funds or establish a new charitable fund at the foundation. Donor gifts are preserved, invested, and managed to assure a steady stream of income for grants to organizations within a defined community. Our service area includes all communities in Branch County and Colon, Michigan.

The Branch County Community Foundation is in compliance with National Standards for U.S. Community Foundations. National Standards were developed in 2000 by a group of community foundation practitioners to serve as a roadmap for legal, ethical, and effective practices. The National Standards for U.S. Community Foundations are philanthropy's most rigorous. Since the standards were adopted, hundreds of community foundations of all sizes, ages, and locations have committed to operational excellence and are leading philanthropy in six key areas:

- Mission, Structure, and Governance
- Resource Development
- Stewardship and Accountability
- Grantmaking and Community Leadership
- Donor Relations
- Communications

Serving Donors

Your Dream. Your Community Foundation.

The Community Foundation works with donors and their estate planning professionals to help realize their dreams! Whether it's supporting the arts, enhancing educational opportunities, building a bike trail, supporting their church, preventing homelessness – the Community Foundation can help a donor champion all of those and lots more!

We're extremely flexible in the assets donors may contribute: **cash, securities, life insurance policies, real estate, or personal property** – either during their lifetimes or through wills or trusts.

We also offer several ways to direct how donor gifts are administered. We create specific types of funds with governing documents – called fund agreements – to assure donor intent and proper administration of gifts.

Unrestricted funds are the most flexible funds because the donor allows us discretion in the use of annual income. This provides the Community Foundation the opportunity to respond to changing community needs.

With *Field-of-Interest* funds the donor sets a certain program area for the annual income. The Community Foundation determines the specific grant recipients.

Donor Advised funds allow the donor to actively participate in the grantmaking process by recommending to the Community Foundation both the program area or areas and organizations to receive the annual income. Recommendations are referred to the Community Foundation's Board of Directors for approval. Many advised funds become unrestricted on the death of the donor or at the end of a specified period.

Designated funds are funds in which a donor specifies a particular organization (or more than one) to receive the annual income at the time the fund is created.

Other nonprofit organizations create *Agency Endowments* when they place their funds within the Community Foundation for management and investment purposes. The Community Foundation regularly distributes the annual income back to these agencies to help them accomplish their charitable purposes.

The Foundation's primary mission is to establish permanent funds, but we recognize that at times it's more appropriate to serve the donor and the community through a temporary fund. Any type of fund can be a temporary fund; *Special Project, Memorial*, and donor advised funds are the most common.

Investing in Your Community

Through our grantmaking program we support community betterment, health and social service enhancement, educational advancement, cultural development, and the needs of young people. We want these dollars – our donors' investment – to make a lasting impact. Therefore we give high priority to projects that reach a broad segment of the community, are innovative and have a high probability of leading to new solutions, promote cooperation among organizations, and encourage matching or additional funding.

In addition to grantmaking, we actively donate staff time and other resources in working with other community groups on several community initiatives – including early childhood development, rural economic development, and promoting family self-sufficiency.

Investing in Youth

Working with youth will be like a stone thrown into a pond; the ripples keep expanding far beyond our time and place, far beyond our ability to measure or perhaps even envision.

~ Russell G. Mawby, former CEO, W.K. Kellogg Foundation ~

Our **Youth Advisory Council (YAC)** is designed to assist young people dedicated to effective *grantmaking, endowment building, and community service*. YAC makes grant to organizations that value and support youth by involving them in significant ways, including

- opportunities for voting positions for **youth on the governing board**
- opportunities for youth to serve on **standing committees**
- forming a youth **advisory committee** to seek input for the project
- opportunities for youth to assist in the **writing of the grant** application for the project
- incorporating **youth input** into the project design
- opportunities for youth to **volunteer**

YAC is a training ground for future philanthropists who want to make a difference, address youth issues in their communities, learn leadership and teamwork skills, and have fun doing it!

2009 Volunteers and Staff

Community Foundation Board

Bruce Bloom

Jay Carlson

Paul Creal

Sandy Davis

Hillary Eley, President

Ted Gordon, Secretary

Rachel Hard

Sandi Jackson

Mary Jo Kranz, Vice-President

Kim Morgan

Dale Norton

Wayne Reese

Remus Rigg

Ron Rose

Dave Wright, Treasurer

Directors Emeritus

Joe Ganger

Robert Mayer

Patricia Shoemaker

Bruce Young

Community Volunteers

Kathy Culy

Christine Delaney

Steve Dobson

Amy Galliers

Dan Gerth

Amy Gifford

Mary Guthrie

Chuck Lillis

Kim Morgan

Sue Morton

Wayne Reese

Connie Swain

Sheila Taylor

Renita Wallen-Halbleib

Staff

Colleen Knight, Executive Director & YAC Advisor

Susan Sparrow, Associate Director/Controller

Amy Gifford Ziegler, YAC Advisor

Jackson Bartlett, Assistant YAC Advisor

Serving on the Board

Board Member Qualifications

To be eligible to serve on the Community Foundation's Board of Directors an individual must:

- **be a Community Foundation donor** (or become a donor before service begins)
- be a United States citizen who resides, works, or has a place of business in the United States
- serve without compensation

Term of Service

Board members serve up to four three-year terms. Terms follow a calendar year.

Meeting Dates and Attendance

The Board meets quarterly the 4th Thursday 9:00 a.m., at the Community Foundation, 2 West Chicago Street, Coldwater. Meetings are generally 1 – 1 ½ hours in length.

In addition to quarterly meetings, each year Board members attend our annual dinner and a regional community foundation board member meeting.

Directors must attend at least fifty percent of the scheduled meetings and events over a twelve-month period. Directors will be considered to have resigned if unexcused absences exceed the above maximum. (Requests for excused absences are submitted to the Executive Committee prior to the Board meeting.)

Role of the Board

Under the law, a non-profit Board member must meet three standards of conduct:

Duty of Care means exercising your best judgment (reasonable caution) when making decisions. You can fulfill this duty by learning about the Community Foundation's programs, attending meeting, participating in discussions, and making sure you obtain the necessary information to ask questions.

Duty of Loyalty means putting aside your personal and professional interests for the good of the organization. When you enter the boardroom, you are expected to focus exclusively on what's best for the BCCF. A conflict of interest declaration signed each year is one way you can assure you fulfill this duty.

Duty of Obedience means ensuring that the BCCF stays true to its mission and purpose. Directors carry out this duty by overseeing the BCCF's distribution of funds and monitoring compliance with all applicable laws and regulations.

Under those basic rules of conduct, the Board is responsible for governing and setting broad policies and goals for the Community Foundation. The Board gives the Executive Director authority to implement the goals and for the day-to-day management of the Community Foundation.

Responsibilities

Full Board's Responsibilities

- ensure effective organizational planning by creating, updating, and monitoring a long-range strategic plan
- ensure legal and ethical integrity and assure accountability to our donors
- manage resources effectively and assure adequate funding for operations
- ensure adequate future resources by opening the door to securing major gifts
- ensure an effective grantmaking program and appropriate use of other resources to support community initiatives
- hire and annually evaluate the Executive Director
- recruit and orient new Board members
- assess board effectiveness

Individual Board Member's Responsibilities

- make an annual financial contribution
- attend all Board meetings and activities, including special events
- become knowledgeable about the Community Foundation
- disclose conflicts of interest to the Board President
- come to Board meetings well-prepared and well-informed about issues on the agenda
- contribute to meetings by expressing your point of view and considering other points of view, make constructive suggestions, and help the Board make decisions that benefit the communities BCCF serves
- serve on at least one committee and assume a Board leadership role when asked
- represent the Community Foundation in a positive manner to individuals, the public, and other organizations---remembering that the President and Executive Director are the official spokespersons for the Board and the Community Foundation
- participate in the Executive Director's performance evaluation

Preparation for Meetings

Board packets are generally posted on the restricted area of our website at least one week prior to the monthly meeting. You will receive an email notifying you when the packet is available. You should print the agenda and supporting attachments and review them prior to the meeting. After reading through the packet if you have questions or concerns, we recommend you contact either the Executive Director or the Board President to get clarification prior to the meeting. You should critically evaluate the information you receive in the packet and be fully prepared to render an informed, independent decision on all matters brought before the Board.

Confidentiality

Unless information has been made public, discussions that take place during the Board meetings are strictly confidential. The Board President is the official spokesperson for the Board and the Executive Director is the official spokesperson for the organization.

Conflict of Interest

The success of the Community Foundation depends to a large degree on the involvement of Board and committee members in community service. It is understood that Board and committee members work with other community organizations. This may give rise to possible conflicts of interest for Board and committee members who serve on other community boards and/or are employed by firms with whom the Community Foundation does business. We strive to avoid any real or apparent conflict of interest. Board members are asked to sign an annual conflict of interest statement and to disclose any personal, business, or social interest or involvement prior to review and discussion of an item during a Board or committee meeting. The full Conflict of Interest Policy is available to prospective Board Members upon request.

Board Member Contract

Board members are asked to sign a contract outlining both their and the organization's responsibilities.

Committee Participation

Board members are expected to participate on at least one committee. Committee duties and time commitments vary. The Executive Director or Board President will work with you to help you determine which committee assignment will work best for you. The following are short committee descriptions:

Governance Committee assists the Board in evaluating its effectiveness by reviewing the by-laws and monitoring the success of strategic plan. The committee also oversees orientation of Board and committee members, evaluates effectiveness of the Board and committees, and identifies Board training needs and helps create Board training programs.

Grant Review Committees assist the Board in carrying out its grantmaking mission by reviewing applications and making recommendations for funding to the Board.

Grantmaking Policy & Impact Committee reviews and recommends all grantmaking policies (including scholarship programs). The committee also assists the Board in assessing community issues, prioritizing needs, developing strategies to address needs, helping grantees design effective programs and program evaluation, evaluating the organizations over all grantmaking impact, and working with the Marketing/Communications Committee to effectively show our donors how their gifts are making a difference.

Investment Committee assists the Board in investing assets in a manner that will preserve the real (inflation-adjusted) value of assets and provide for short-term spending needs as well as long-term growth. Specifically this committee works with staff and consultants to develop, implement, monitor, and evaluate the organization's

long-range investment plan and investment policies; works with Operations & Audit Committee to assure adequate funding and cash flow for operations and grants; is responsible for monitoring overall long term (endowed) investment performance; and is responsible for reviewing investment managers' performance and adherence to investment policy and reporting to the full board.

Those who serve on this committee must have a general knowledge of, or willingness to learn, Modern Portfolio Theory, Uniform Management of Institutional Funds Act (UMIFA), and other laws and regulations related to proper exercise of asset investment responsibilities and other fiduciary duties.

Marketing/Communications Committee assists the Executive Director and the Board with maintaining a positive public image of the Community Foundation by planning for and monitoring public relations and publicity activities (e.g. "branding") in the community. The committee is responsible for developing specific strategies for creating and maintaining name recognition and a "presence" in the community.

Nominating Committee consists of individuals who are current or prior BCCF Board officers and assists the Board in identifying qualified members of the community for positions on the Board and qualified Board members for officer positions.

Operations & Audit Committee assists the Board in assuring the integrity of financial statements and other financial reporting. In addition, the committee works with staff to review and recommend internal financial policies, develop and monitor operating and grant budgets, develop and distribute an audit Request for Proposal (RFP) every three years, recommends an audit firm of independent public accountants, annually meets with the auditor.

Philanthropy Committee assists the Board in carrying out its philanthropic mission. Specifically the committee works to promote philanthropy in the community; helps develop strategies for maintaining positive relationships with the Community Foundation's *current donors*; works with staff to develop, implement, monitor, and evaluate the organization's asset development plan; and provides leadership in the Community Foundation's process of identifying and attracting potential donors.

Scholarship Committees work with the Executive Director and/or other staff to review applications and recommend recipients to the Board of Directors.

Youth Advisory Council (YAC) is made up of youth ages 14-19 who are responsible for making recommendations for grants from the Youth Project Fund. The youth are also involved in learning leadership skills, participating in community service projects, and in asset development activities. Board members are welcome to volunteer time to assist with the group meetings and help mentor our youth members.

Leaving the Board

The Community Foundation understands that sometimes board members find themselves in a situation that does not allow them to continue to participate in board activity at a high level. If this happens, contact the Board president to discuss the level, if any, at which you can participate or offer to resign.

Board Member Education Resources

Website – www.brcofoundation.org The restricted area (i.e. password protected) includes organizational policies, Board meeting minutes, staff reports, and other information to help Board members learn more.

Council of Michigan Foundations – www.michiganfoundations.org

Michigan Community Foundations Youth Project (MCFYP) – www.youthgrantmakers.org gives more information about youth advisor councils all over Michigan.

Some Helpful Terms

501(c)(3): Section of the Internal Revenue Code that designates an organization as charitable and tax-exempt.

Bequest: A gift by Will (made available upon the donor's death).

Challenge grant: A grant made on the condition that other monies must be secured, either on a matching basis or via some other formula, usually within a specified period of time, with the objective of stimulating giving from additional sources.

Council of Michigan Foundations: The Council of Michigan Foundations (CMF) is a membership association of grantmakers in Michigan. Its mission is to **strengthen, promote, and increase philanthropy in Michigan.** (We are a member of CMF.)

Council on Foundations: The Council on Foundations (COF) is a national membership organization of grantmaking foundations (community, private, and public). COF helped create National Standards for U.S. Community Foundations.

Endowment: The principal amount of gifts and bequests that are accepted subject to a requirement that the principal be maintained intact and invested to create a source of income for a foundation.

Form 990: Annual 'tax' return filed by public charities.

Grant: An award of funds to an organization or individual to undertake charitable activities.

In-kind contribution: A donation of goods or services rather than cash or appreciated property.

Operating support: A contribution given to cover an organization's day-to-day, ongoing expenses, such as salaries, utilities, office supplies, etc.

Philanthropy: From the Greek word for 'love of mankind'. Voluntary giving by an individual or group to promote the common good, typically supporting research, health, education, arts and culture, and other activities, as well as the alleviation of poverty.

Seed money: A grant or contribution used to start a new project or organization.

Tax-exempt organizations: Organizations that don't have to pay state and/or federal income taxes.