



**COMMUNITY
FOUNDATION**
of Northern Nevada

Community Foundation Affiliate Fund Handbook

Introduction

The Community Foundation of Northern Nevada (Community Foundation) strives to respond to the changing needs of northern Nevada communities by building permanent philanthropic capital. Its mission is to connect people who care with causes that matter.

Since 1998 the Community Foundation has provided over \$250 million in grants and scholarships to organizations and communities throughout northern Nevada and beyond.

In 2014, the Community Foundation began a series of conversations in rural Nevada communities focused on developing place-based community foundations. In 2015, we opened our first community affiliate fund; this fund will serve Elko County now and in perpetuity for the future.

The Community Affiliate Fund Program provides current and long-term benefit to local communities by establishing a sizable permanent endowment over time while raising other funds for current and future community improvement efforts.

This handbook introduces the Community Foundation of Northern Nevada and the concept of Community Affiliate Funds. The information in the handbook was compiled from a variety of sources and adapted for the Community Foundation.

Anticipated Benefits

Affiliation with the Community Foundation of Northern Nevada (Community Foundation) provides a number of benefits that balance local control with strategic partnership and professional management services. Because Community Affiliate Funds are not separate legal entities, their activities will be attributed to the Community Foundation, with the Community Foundation Board of Trustees having ultimate accountability for the operations of the Community Foundation and its Community Affiliate Funds.



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Nonprofit Status

Community Affiliate Funds gain access to the Community Foundation's tax-exempt 501(c)(3) status, allowing donors to take a tax deduction for their contributions. The Community Foundation issues charitable receipts conforming to IRS standards directly to donors. Community Affiliate Funds are encouraged to provide additional acknowledgement of gifts. However, the Community Foundation has legal responsibility for all funds entrusted to it and must ensure that funds are used in a manner consistent with state and federal law and donor intent.

Local Goal Setting

Community Affiliate Funds are supported by the Community Foundation in their efforts to develop a unique, community-specific fund development and impact strategy. This includes specific goals around donor relations, community outreach and grant making.

Financial and Administrative Services

As a Community Affiliate Fund of the Community Foundation, all funds are supported by the Community Foundation's financial and administrative services. This includes recording contributions, making disbursements, cash and investment management, preparing and filing IRS Form 990, obtaining an audit of its financial statements, and issuing fund financial reports. In other words, the Community Foundation handles all "back of the house" functions.

National Standards

The Community Foundation has been recognized for meeting National Standards for US Based Community Foundations, as outlined by the Council on Foundations. In maintaining this status, the Community Foundation strives to stay abreast of new legal and financial requirements for nonprofits and foundations and maintain policies and procedures that comply with those requirements and industry best-practice standards. These standards impact Community Affiliate Funds, which benefit greatly from this recognition and access to best practices and procedures.



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Coaching

The Community Foundation provides Community Affiliate Funds with a Coach who will use a step-by-step set of structured activities to assist Community Affiliate Fund leaders in creating and strengthening fund development, grant making, and goal setting for the Community Affiliate Fund. In addition, Coaches act as a bridge between the Community Affiliate Funds and the Community Foundation providing unfiltered access to the breadth and depth of expertise of the Foundation staff and its networks.

Peer Learning Network

The Community Foundation uses peer learning to help build community capacity and leadership. The Foundation facilitates peer learning opportunities through a variety of offerings including, in-person gatherings, workshops, and shared resources.

Training and Technical Assistance

The Community Foundation staff and consultants have experience in community development, strategic planning, governance, planned giving, grant making, and communication that is available to Community Affiliate Funds. In addition, the Community Foundation has access to networks and resources to provide content experts on topics of interest to Community Affiliate Funds.

Amplify Local Goals with Other Grants

The Community Foundation will seek input from Community Affiliate Funds as grant applications and requests come into the Community Foundation or as donor advisors recommend grants to a Community Affiliate Fund region. Efforts will be made to partner with Community Affiliate Funds and bring additional resources to the projects and goals established by the Community Affiliate Fund Advisory Committee.



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Marketing, Communication and Website

The Community Foundation marketing materials are available to Community Affiliate Funds and can be customized as appropriate. Staff from the Community Foundation will help ensure that Community Affiliate Funds are able to communicate effectively with donors and local communities, and maintain brand standards, templates and resources for Community Affiliate Funds. The Community Foundation registers domain names and corporate names of Community Affiliate Funds for the corporate names of Community Affiliate Funds for the protection of both identities.

Responsibilities and Benchmarks of Fund Advisory Committee

A Community Affiliate Fund will identify at least 5 Fund or community leaders (who might be current, former or likely future Fund Advisory Committee members) who commit to serve as the Community Fund Leadership Team for the Pilot and commit to participate in all its activities over the course of the Pilot.

A Community Affiliate Fund will build at least these two funds:

- An unrestricted Community Endowment Fund of at least \$25,000 for the community, with at least \$10,000 placed in the Fund at the onset of the Pilot, and the remainder (or more) raised and placed in the fund within one year from the start of the Pilot.
- An unrestricted Community “Current Use or General” Fund (not endowed), which must maintain a minimum balance of \$10,000, to be used for current program and grant making.

Advisory Committee Roles & Responsibilities

Community Affiliate Fund Advisory Committees are sanctioned committees of the Community Foundation of Northern Nevada (Foundation) and as such is covered under the Foundation Directors and Officers liability insurance. Responsibilities include:

- Set and implement annual goals for the Community Affiliate Fund
- Provide local leadership related to community priorities



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- Be willing to learn and speak knowledgably about the Foundation and the Community Affiliate Fund
- Help build the local endowment and grant making capacity
- Oversee local grant making process
- Identify and participate in prospect and donor meetings
- Lend credibility as a trusted local leader
- Participate in training sessions related to Advisory Committee responsibilities, donor education, cultivation and grant making
- Set term limits

Community Foundation of Northern Nevada Board

The Board of Directors of the Foundation oversees the activities of the Foundation and all component funds, including Community Affiliate Funds. Responsibilities include:

- Operating according to the National Standards of the Council on Foundations
- Governance of the Foundation as a single 501(c)(3) entity and Community Affiliate Funds as component funds of the Foundation
- Ensures compliance with all legal and ethical responsibilities of a community foundation and will establish policies that support standards and best practices
- Approves the process for establishing Community Affiliate Funds and their Advisory Committees, ensuring that the Advisory Committee has term limits, is representative of the community, has policies and procedures, etc.; but it does not select the individuals who serve on the committee.
- Ultimate responsibility to approve grants

Community Foundation of Northern Nevada Staff

Within available resources, the Foundation staff will provide support for Community Affiliate Funds. This includes:

- Providing each Community Affiliate Fund with a Coach
- Convening all Community Affiliate Funds periodically to provide educational opportunities and shared learning
- Offer periodic trainings related to Advisory Committee responsibilities



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Affiliate Fund Management

Proposals for grants from unrestricted funds and field of interest funds will be forwarded to staff of the Foundation for review to ensure all legal requirements are met:

- This review will be done in a timely manner to facilitate local decision making.
- Community Affiliate Fund Advisory Committees will recommend grants based on available funds and merit.
- Community Affiliate Fund Advisory Committees will contact the Foundation staff before initiating projects to ensure compliance with legal requirements and policies; project guidelines and procedures; and to determine the division of labor related to management of such projects