

Dear Community Leader,

Earlier this year, a group of interested Wichita County residents completed a three-day course of intensive instruction on establishing a community foundation. By the end of the course, the groundwork had been laid for the Wichita County Community Foundation, Inc. This foundation will be the vehicle for residents of Wichita County to give back to the community; building a foundation for a brighter future in Wichita County.

“Therefore, when we build, let us think that we build forever... Let it not be for present delight or present use alone, Let it be such work as our descendants will thank us for... and that they will say, as they look upon the result of our labor, See this our fathers did for us.” –John Ruskin

The Wichita County Community Foundation, Inc. is providing the opportunity for other groups and organizations that serve Wichita County to ‘affiliate’ with the Foundation. Using the Wichita County Community Foundation, Inc. as a 501(c)(3) affiliated fund and fund manager, nonprofit organizations can establish permanent and non-permanent funds to assist the charitable purposes they designate.

Each affiliate is a distinct organization, meeting the unique needs of the community. Still, affiliates operate under the Wichita County Community Foundation, Inc. umbrella and need to understand standard policies and procedures of community foundations. This booklet provides basic information on the benefits of affiliation, steps to affiliation, organizational documents, standing rules, and Wichita County Community Foundation, Inc. bylaws.

Community foundations are wonderful assets to a town or county. They are stewards of community resources. They are community problem solvers. They are catalysts for positive change.

The board of directors of the Wichita County Community Foundation, Inc. looks forward to assisting you and your organization in improving the quality of life in Wichita County.

Sincerely,

Wichita County Community Foundation, Inc.
Board of Directors

Affiliate Services

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Wichita County Community Foundation, Inc. Affiliate Program

Information Sheet

What is a community foundation?

A community foundation is a vehicle for charitable giving capable of benefiting the entire community. Through the mechanism of endowment funds, charitable minded individuals can establish funds to build a permanent source of charitable assets to meet emerging, as well as existing, needs of the community.

What is the Wichita County Community Foundation, Inc.?

The Wichita County Community Foundation, Inc. was established earlier this year. Community Foundations are public charities that enjoy the widest possible tax exemption. The Wichita County Community Foundation, Inc. will facilitate charitable giving for local needs.

What is an “endowment fund”?

An endowment fund is a permanent fund, the principal of which is never touched. Grants for charitable purposes are made from the annual earnings. Endowment funds should not be confused with a capital fund, a reserve fund, or a special project fund, all of which generally allow for expenditure of the principal.

What is an “affiliate”?

Affiliation is the process by which an organization can legally establish an affiliated fund under the Wichita County Community Foundation, Inc.’s charitable 501(c)(3) status. Affiliation with the Wichita County Community Foundation, Inc. gives organizations access to and all the privileges of a 501(c)(3) charitable corporation.

The Wichita County Community Foundation, Inc. requires that each affiliate have a permanent endowment fund of a minimum of \$2,500. The affiliate is encouraged to continue seeking additional funds to reach an endowment of at least \$10,000 within five years. This fund will then provide dollars for the organization’s grantmaking program. Fundraising for the affiliate organization may be enhanced through the Wichita County Community Foundation, Inc.’s pursuit of seed, challenge and matching grants. The Foundation will award the affiliate a Permanent Fund Growth Incentive of \$2,500, payable at the end of the first five year period, should the affiliate’s permanent fund reach \$10,000 through its own fundraising efforts.

Wichita County Community Foundation, Inc.

Benefits to Affiliates

Organizations launching an affiliate of the Wichita County Community Foundation, Inc. effectively pool resources for organizational and community betterment, benefit from experienced investment and administration services, and generate increased awareness of the organization's and community needs and citizens' philanthropy.

Pooling Resources for Community Betterment

- An affiliate program is a permanent, steady, and secure source of grantmaking that addresses present and future community needs.
- The affiliate would provide a catchment for bequests and other gifts (both large and small) that will benefit the organization and the entire community.
- Affiliates are attractive options to donors who wish to make large gifts with a lasting impact.
- Donors may take tax deductions for their contributions to your fund.
- Wichita County will become a growing, strengthened community by its ability to serve its citizens' needs now and for future generations.

Benefits to Affiliates (continued)

Benefiting from Experienced Investment and Administration Services

- The Wichita County Community Foundation, Inc. will consult with Commerce Bank and Trust of Kansas City as the Foundation's investment "Manager-of-Managers". This company is composed of knowledgeable leaders in the field of banking, business, finance and investment. Managing funds is their primary responsibility, and funds within the Foundation will benefit from their experience and expertise.
- The Foundation will pool all endowment funds for investment purposes, thus providing the benefits of a balanced portfolio, diversification, appreciation, and potentially higher returns to each affiliate fund.
- A simple document can establish an affiliate endowment, eliminating the need for establishing a nonprofit corporation or trust.
- All money raised and all contributions to your fund are channeled through your account with the Foundation. Your organization is relieved of all reporting requirements for this money.
- Quarterly accountings will be provided.

Generating Increased Awareness of Community Philanthropy

- The affiliate shares in the public relations efforts of the Foundation and will be featured in print pieces such as the Wichita County Community Foundation, Inc.'s Annual Report and other publications, which can create more awareness of the affiliate and its endowment among the potential donor community.

Wichita County Community Foundation, Inc.

Steps Toward Affiliation

- 1. A Fund Advisory Committee should be formed to be responsible for fundraising, governance, and grantmaking.**
- 2. The Fund Advisory Committee should notify the Wichita County Community Foundation, Inc. in writing of the organization's intent to affiliate, and sign the Affiliate Agreement Form and fund document form for their general grantmaking program.**
- 3. Fundraising to collect the required pool of unrestricted funds can begin. Donations to the unrestricted fund should be made payable to the "Wichita County Economic Development, Inc.", the Community Foundation's conduit, and be identified for "Wichita County Community Foundation, Inc. – _____ (organization's name) Affiliate".**
- 4. The board of directors of the Wichita County Community Foundation, Inc. is prepared to assist the affiliate organization with advice regarding fundraising, publicity, and procedural issues as described in the Affiliate Services booklet.**

Wichita County Community Foundation, Inc.

Recommended Affiliate Financial Operating Procedures

The Affiliate members must exercise reasonable care when conducting business on behalf of the Affiliate organization. Prudent stewardship of the assets of the Affiliate is essential.

As the mission of the Affiliate is carried out, the Affiliate members will seek three types of contributions from individuals and corporations:

1. gifts to the affiliate's endowment fund;
2. gifts to the affiliate's special project funds; and
3. gifts to named endowment funds.

It is important to follow standard procedures to ensure these contributions will qualify as tax deductible donations and meet audit regulations.

The following procedures are recommended:

Accepting contributions:

- All gifts should be documented to record the donor, the purpose of the gift, the type of gift (cash, check, stock, etc.), the date of the gift and the amount. Copies of all checks should be made before deposit. Copies of all information should be provided to the Wichita County Community Foundation, Inc. along with the donation.
- WCCF, inc. strongly recommends that all gifts be acknowledged by the President of the affiliate organization or chairman of the affiliate Fund Advisory Committee reflecting the nature of the gift. In addition, the Wichita County Community Foundation, Inc. will acknowledge all contributions in the amount of \$250 and over to satisfy IRS requirements.
- Gifts of stock, real estate, or other non-cash gifts – please contact the Wichita County Community Foundation, Inc. before accepting any gifts other than checks or cash.

Recommended Affiliate Financial Operating Procedures (continued)

Establishing a new named fund:

Sometimes donors like to establish funds to benefit a specific organization or cause under the donor's name or in memoriam. When a new named fund is created, three copies of the governing document for the fund will be prepared by the Wichita County Community Foundation, Inc. Those signing the document will include:

1. the donor;
2. the President of the Affiliate organization; and
3. the President of the Board of Directors of the Wichita County Community Foundation, Inc.

After all three parties have signed the documents; an original copy will be given to each for their files.

Grantmaking:

1. One year after the affiliate's endowment fund has reached its initial goal, the Wichita County Community Foundation, Inc. will notify the affiliate of the amount available for grants.
2. The Affiliate Fund Advisory Committee will submit a grant proposal to the Wichita County Community Foundation, Inc. on behalf of the affiliate organization for the available funds; OR the affiliate may elect to announce that grant funds are available and make grant applications accessible to local area qualified non-profit organizations.
3. Should the affiliate submit a grant proposal on behalf of the organization for funds, the Wichita County Community Foundation, Inc. will review the proposal to determine if it falls within the charitable purposes of the affiliate and the legal requirements governing community foundations. It is the policy of the Foundation Board to approve affiliate proposals/recommendations so long as they meet the charitable purposes and legal requirements.
4. Should the affiliate solicit for grant applications from qualified applicants, the affiliate will form a Grants Committee to review the applications that are received through a specific deadline date.

Recommended Affiliate Financial Operating Procedures (continued)

Grantmaking continued:

5. The application will include a succinct description of the project or organization for which support is being sought and its proposed benefit to the community. The application will also include information about the principal staff members of the grantseeking organization, a budget of the project, their most recent audit report, an indication of the amount requested, a copy of the grantseekers 501(c)(3), (or other IRS recognized qualification) and a board list.
6. The Affiliate Fund Advisory Committee will make recommendations for grants to the Board of Directors of the Wichita County Community Foundation, Inc. Again, it is the policy of the Foundation Board to approve the recommendations so long as they fall within the charitable purposes of the affiliate and the legal requirements governing community foundations.
7. Funds for grants approved will be mailed to the Affiliate. It is recommended that the affiliate use the check presentation opportunity to present the checks personally at the grant recipients' board meetings, or at other public events. If the affiliate submits the grant proposal, the Wichita County Community Foundation, Inc. will present the check to the affiliate at their board meeting, or other public event.
8. A monitoring program is recommended to insure the grants are carried out in the manner described in the original application. If the affiliate is the recipient, the affiliate will be required to submit a final grant report to the Foundation. If the affiliate grants funds to another organization, the affiliate will provide a copy of the recipient's final report to the Foundation.

Wichita County Community Foundation, Inc.

Investment Policy

The Wichita County Community Foundation, Inc. will establish two accounts, one each at Security State Bank and Western State Bank. Equal balances will be maintained in each account until they reach \$50,000 each. Upon reaching a combined permanent endowment fund total of \$100,000, the Foundation will consult with Commerce Bank and Trust, a Kansas City-based company, for investment services.

Funds set up as pass-through accounts to make payments for specific community betterment projects will be invested in short-term investments or immediate access vehicles.

Wichita County Community Foundation, Inc.

Fund Raising

Fund Raising Campaign Steps:

- Recruit a committee composed of a broad cross-section of the community.
- Write a Case Statement – a compelling statement of the need that can be easily communicated to potential donors.
- Create a Campaign Plan
 - Select target goal
 - Choose a time frame (a campaign ending point is an important motivator)
 - Develop appropriate gift range chart
 - Work together to develop a prospect list and decide who is the best person to make the contact
 - Create a solicitation strategy
 - Personal contact with higher level donors
 - Special events
 - Seeking grants where available
 - Create a “leave behind” explanatory print piece
 - Create a public awareness effort
- Implement Campaign Plan
 - Conduct regular reporting meetings with the campaign committee to stay on target
 - Donor recognition is important, not only to thank the donor, but to influence others to give
 - The purpose of a campaign deadline is to inject an element of urgency and stimulate the completion of the campaign
 - A celebratory event provides another opportunity for donor recognition

Elements of Successful Fund Raising Programs:

- A highly motivated committee/board
- A high committee/board giving level – 100% in accordance with means
- A goal based on consensus
- A group of key, pace-setting commitments and leadership gifts
- A donor recognition program

Sample

**STANDING RULES OF
FOUNDATION
AN AFFILIATE OF WICHITA COUNTY COMMUNITY FOUNDATION, INC.**

ARTICLE I

The name of this community-based charitable foundation shall be _____ Foundation, an affiliate of the Wichita County Community Foundation, Inc. (the "Affiliate Foundation").

ARTICLE II

Purpose

The Affiliate Foundation is a vehicle for charitable giving capable of benefiting the affiliate organization. Through the mechanism of endowment funds, charitable minded individuals can establish funds to build a permanent source of charitable assets to meet emerging, as well as existing, needs of the affiliate organization.

Mission

The mission of the Affiliate Foundation is to establish endowments that enhance the quality of life for current and future generations by reinvesting in the community through the affiliate organization.

Governance

The Affiliate Foundation shall be managed and administered in accordance with the by-laws of the Wichita County Community Foundation, Inc., the Memorandum of Agreement between the Wichita County Community Foundation, Inc., and this Affiliate Foundation, and these Standing Rules. In the event of a conflict between the terms and conditions of any of the three above referenced documents, the by-laws of the Wichita County Community Foundation, Inc. shall control.

ARTICLE III

Board of Governors

Section 1. Composition of the Board of Governors. The Board of Governors shall consist of five (5) members. Each member of the Board of Governors is to be selected for knowledge of the educational, cultural, civic, moral, public or other charitable needs of those served by the Affiliate Foundation, and shall serve without compensation except for payment of reasonable expenses incurred on behalf of the Affiliate Foundation.

Section 2. Election Date and Term Length of the Board of Governors. The initial board shall consist of the initial Governors whose names are set forth at the end of this document. The terms of the initial Governors shall be staggered, such that two (2) of the Governors shall serve for a term of three (3) years, two (2) for a term of two (2) years, and one (1) for a term of one (1) year. The terms of the respective initial Governors are set forth opposite their names at the end of this document. Other than the initial Governors, each Governor shall be elected by the Board to a term length of three (3) years. The full Board shall consist of five (5) Governors. Nominations to fill the expired terms on the Board will be made in June with the vote to be conducted in July at the annual meeting of the Board. At each annual meeting, the Board shall elect the number of Governors whose term is expiring, each to serve until their successor has been elected and qualified. Election shall be by simple majority of the Board of Governors then entitled to vote. No person may serve as a Governor for more than two (2) complete consecutive three (3) year terms.

Section 3. Vacancy or Removal. Any vacancy on the Board of Governors shall be filled by the membership of the Board of Governors. Nominations to fill open positions on the Board of Governors as a result of resignation, death, refusal to serve or otherwise shall be made by the Board of Governors and approved by a majority vote of the Board of Governors. Failure to attend three (3) consecutive meetings

without excuse acceptable to the Board of Governors within the fiscal year may result in termination from the Board without excuse acceptable to the Board.

ARTICLE IV

Membership of Advisory Board

Section 1. Composition of the Advisory Board. The Affiliate Foundation shall have an Advisory Board. This Advisory Board will comprise of the members of the Affiliate Organization or from the community at large with knowledge of the educational, cultural, civic, moral, public or other charitable needs of those served by the Affiliate Foundation. The Advisory Board will consist of at least seven (7) members and not more than twenty-one (21) members. Nominations for membership may be made by members of the Board of Governors or members of the Advisory Board with approval of the Board of Governors.

Section 2. Duties of the Membership. The principal duty of the Advisory Board members will be to advise the Board of Governors as to the educational, cultural, civic, moral, public, or other charitable needs of the Affiliate Organization and/or community. Members of the Advisory Board may be asked to serve on committees with the Board of Governors, if they have certain expertise.

Section 3. Resignation from the Advisory Board. Any member desiring to resign from the Advisory Board may request in writing that his/her name be removed from the membership list. Resignation shall be submitted to the Chairman of the Board of Governors.

ARTICLE V

Officers and Duties

Section 1. Officer. Officers shall be a chairman, vice-chairman, and secretary/treasurer. These officers will be elected from the Board of Governors. The officers will serve a two (2) year term of office to assure continuity of the Affiliate Foundation administration.

Section 2. Duties of Officers.

Chairman – The chairman shall be the principal executive officer to the Board of Governors and shall preside at the meetings. He/she shall perform all duties incidental to the office of Chairman as prescribed by the Board of Governors, and may sign all instruments as authorized by the Board of Governors.

Vice-Chairman – The vice-chairman shall perform duties and exercise the power of the Chairman during the absence or disability of the Chairman.

Secretary/Treasurer – The secretary/treasurer shall be the keeper of the recorded minutes of meetings of the Affiliate Foundation and the keeper of legal and Affiliate Foundation documents. The secretary/treasurer shall also be responsible for the handling of the financial matters relative to the operation of the Affiliate Foundation's business.

Section 3. Term of Office. The officers of the Affiliate Foundation shall be elected for a term of two (2) years.

ARTICLE VI

Meetings

Section 1. Regular Meetings. The Board of Governors will meet monthly or as agreed upon by the Board of Governors.

Section 2. Special Meetings. The Chairman or any three (3) members of the Board of Governors may call a special meeting if needs are identified upon a five (5) day written notice of the time, place, and purpose to each member.

Section 3. Quorum. Quorum for the Board of Governors will be a simple majority of the non-vacant seats.

Section 4. Voting and Proxies. Each member of the Board of Governors shall have one vote. No votes by proxy.

Section 5. Conflict of Interest. It will be the responsibility of the individual members of the Board of Governors to declare any conflict of interest which may unduly influence their vote on any particular question.

ARTICLE VII

Committees

Section 1. Formation of Committees. The Chairman has the power to form committees of the Affiliate Foundation Board of Governors or the Advisory Board as directed by the Board of Governors.

ARTICLE VIII

Administration of Funds

Section 1. The secretary/treasurer of the Affiliate Foundation will be responsible to receive, record and document all funds coming into the Foundation for charitable purposes. After recording, the secretary/treasurer will forward the funds and all copies of documents to the Wichita County Community Foundation, Inc. for deposit. The disbursement of the funds by the Wichita County Community Foundation, Inc. will be made for charitable disbursement in accordance with the Memorandum of Agreement between the Affiliate Foundation and the Wichita County Community Foundation, Inc.

Section 2. The secretary/treasurer shall be responsible to make a treasurer's report at each monthly meeting of the Board of Governors and to forward the recommendation of the Affiliate Foundation to the Wichita County Community Foundation, Inc. relative to the Board of Governors' decision about the disbursement of the funds.

ARTICLE IX

Amendment to the Standing Rules

Section 1. The Standing Rules may be amended, altered, changed, or repealed by an affirmative vote of two-thirds (2/3) of the members of the Board of Governors present and voting at any regular meeting or at any special meeting if notice in writing for the proposed amendment is contained in the meeting notice.

ARTICLE X

The fiscal year of the Affiliate Foundation shall end December 31.

ARTICLE XI

Rules of Order

Roberts Rules of Order or a similar set of rules will guide the dialogue and establish the structure for meetings.

ATTEST:

Secretary

Chairman

Adopted on this _____ day of _____, 200__.

Secretary