



**MODEL PLAN**

**FOR**

**BUILDING CHARITABLE ASSETS**

**AND**

**PARTNERING WITH DONORS**

**(especially for young community foundations)**

**Prepared by the Working Group on “Building Charitable Assets and Partnering with Donors”  
of the Transatlantic Community Foundation Network (TCFN)**

## INTRODUCTION

This document assumes that your community foundation is now fully registered and eligible to receive contributions and that your first board of directors is in place. Many of you will be excited about the prospect of introducing to your community the notion of private wealth being used for public purposes -- a distinct change from the model in which services to the community were the sole responsibility of government.

One might think that the next thing to do would be to begin asking people for contributions to your foundation. However, as our model plan suggests, that could be a mistake. You will greatly improve your chances for success if you first focus your attention upon some prior steps. For example, you will need to develop some clear messages about who you are, and it will be essential to acquire an in-depth knowledge of the community with which you will be in partnership -- its major issues, needs, and opportunities, as well as the role that government plays. This knowledge should also include an analysis of its wealth structure. Very importantly, you will need to ensure that you have sufficient funds with which to function for several years. Of course, the sooner you can lay these building blocks, the sooner you can begin cultivating and soliciting donors. However, as with all worthwhile human endeavors, 90% of the work is preparation.

We have provided what we think is a comprehensive overview of the basic activities that every community foundation must complete as it prepares to gather assets and disburse funds to nonprofit organizations. However, as you read through it, please keep in mind that we are not trying to prescribe a list of things that must be done immediately (although we have identified those activities that we consider most essential by placing them in **boldface type**). You will have to decide for yourselves what is possible and what is not. We also believe that it is important to follow the goals in the order that we have presented them.

Clearly, this plan should be treated as a multi-year plan. We have arranged it in matrix form to make it easier to see at a glance when the various strategies need to be completed, who will be responsible for completing them, how much they will cost, and what particular communications needs are associated with some of them.

Of course, each of the strategies will require additional steps that you will have to determine. For example, the creation of a brochure may involve determining its cost, looking for someone who will print it as an in-kind contribution, selecting pictures, etc.

Once you have completed your asset building plan, refer to it often. Treat it as a road map that can help to keep you and your colleagues on the right track to success. Also keep in mind that the community foundation field is a large one with many resources that can be of help to you. Some of these resources you will find in the 'General Resources' section of this web site. A list of organizations from whom you may receive additional information is provided in the section 'Community Foundations Worldwide'.

We wish you great success and also invite you to share your thoughts about how we can continue to improve this document.

**GOAL #1: DESCRIBE THE COMMUNITY FOUNDATION IN CLEAR AND PERSUASIVE TERMS**

Strategy	Timetable	Responsibility assigned to	Budget needs	Communications requirements
<p>1.1 <b>Prepare a document that provides the CF's:</b></p> <ul style="list-style-type: none"> <li>▪ <b>History, Mission &amp; Values (e.g., transparency)</b></li> <li>▪ <b>Vision</b></li> <li>▪ <b>Distinction from other non-profit organizations</b></li> <li>▪ <b>Activities</b></li> <li>▪ <b>Relationships with donors</b></li> <li>▪ <b>Funding opportunities for donors</b></li> <li>▪ <b>Services to donors</b></li> <li>▪ <b>Proposed grantmaking programs and initiatives</b></li> <li>▪ <b>Relationships with complementary institutions that have similar missions</b></li> <li>▪ <b>Board members' names and the board's role</b></li> <li>▪ <b>Staffing</b></li> <li>▪ <b>Budget</b></li> <li>▪ <b>Contact information</b></li> </ul> <p>1.2 Create a 1-2 page synopsis of above information in Question/Answer format</p> <p>1.3 Make board and staff knowledgeable about and able to communicate all of this information.</p> <p>1.4 Translate information into printed materials and other forms of communication (e.g. Web site)</p> <p>1.5 <b>Build steadily expanding list of people to receive regular information about CF</b></p> <ul style="list-style-type: none"> <li>▪ <b>Professional advisors</b></li> <li>▪ <b>Key government officials</b></li> <li>▪ <b>Individual donors and potential donors</b></li> <li>▪ <b>Private foundations, corporations, other institutional donors</b></li> <li>▪ <b>Expatriates</b></li> <li>▪ <b>Nonprofit organizations</b></li> </ul> <p>1.6 Produce regular newsletter or bulletin about CF's progress and activities and circulate to list of supporters/prospective supporters <b>or</b> schedule meetings to inform community.</p> <p>1.7 Share CF information with media on regular basis.</p> <p>1.8 Educate board members about their responsibilities to be ambassadors for CFs, open doors to prospective supporters, assist with asset building, oversee investments</p>				

**GOAL #2: ESTABLISH ADMINISTRATIVE AND GOVERNANCE STRUCTURES/POLICIES/PROCEDURES**

Strategy	Timetable	Responsibility assigned to	Budget needs	Communications requirements
<p>2.1 <b>Develop job descriptions for board and staff; written policies and procedures for gift receipts; accounting; grantmaking; investment; etc.</b></p>				
<p>2.2 <b>Devise plan for hiring staff</b></p>				
<p>2.3 <b>Develop plan to raise operating funds (see "Finding Operating Support for Your Community Foundation")</b></p>				
<p>2.4 <b>Establish technology-supported systems to organize, manage and communicate information and financial records in most sophisticated possible way.</b></p>				
<p>2.5 <b>Organize educational workshops and other training opportunities for board and staff about the foundation's mission, asset development (including ways to assess donors' interests) and community needs</b></p>				
<p>2.6 Arrange opportunities for board and staff to visit and learn from other community foundations and to attend conferences</p>				
<p>2.7 <b>Subscribe to journals, internet services and other sources of information about asset building.</b></p>				
<p>2.8 Join or help to form associations of grantmakers.</p>				
<p>2.9 Conduct regular retreats to evaluate progress.</p>				

**GOAL #3: RAISE OPERATIONAL EXPENSES**

Strategy	Timetable	Responsibility assigned to	Budget needs	Communications requirements
<p>3.1 <b>Establish an operating budget for a minimum of 3-5 years that anticipates staff, office and meeting space, telephone and fax machine, other equipment and supplies, travel, printing, etc.</b></p> <p>3.2 <b>Identify individuals and organizations to make 3-5 year cash pledges or in-kind contributions (use of office space, for example):</b></p> <ul style="list-style-type: none"> <li>▪ <b>Board members</b></li> <li>▪ <b>Businesses and corporations</b></li> <li>▪ <b>Private foundations</b></li> <li>▪ <b>International funders</b></li> <li>▪ <b>Government agencies</b></li> </ul> <p>3.3 <b>Rate and solicit prospective contributors to annual operational support.</b></p> <p>3.4 Seek ways to share accounting, computer and other operational resources with other non-profit organizations</p> <p>3.5 Organize annual fund raising event for operational support.</p> <p>3.6 Establish fee structure for charitable transactions by the foundation on behalf of individual, corporate and public donors and for endowment management (these fees will be used to offset operational costs).</p> <p>3.7 <u>Cautiously</u> explore the merits of providing nonprofit organizations with the service of managing their endowments for a fee.</p> <p><i>NOTE: We also have prepared another, more detailed document about raising operational support for community foundations -- "Finding Operational Support for Your Community Foundation" [insert link]</i></p>				

**GOAL #4: BECOME A KNOWLEDGEABLE RESOURCE ABOUT THE CHARITABLE ACTIVITIES IN YOUR COMMUNITY**

Strategy	Timetable	Responsibility assigned to	Budget needs	Communications requirements
<p><b>4.1 Compile information about the community you serve (especially its philanthropic, charitable and volunteer organizations) in order to become a knowledgeable resource for purposes of informing donors and doing grantmaking.</b></p> <p>4.2 Schedule meetings with charitable organizations or groups of them to learn about their activities and their intentions and to explain the purpose of the community foundation; make it clear that you want to help them by finding donors who will invest in their work.</p> <p>4.3 Convene charitable organizations and governmental agencies with similar purposes to explore the possibility of collaborative activities.</p> <p>4.4 Working with the nonprofit organizations, conduct a community-wide survey of assets and opportunities that they provide to the community.</p> <p>4.5 Make grants to support projects that undergird the goal of building a strong charitable sector</p> <p>4.6 Convene citizen groups to discuss issues of concern and solicit ideas about ways to address them.</p> <p>4.7 Encourage the charitable organizations in your community to form an association that meets regularly to discuss ways in which to strengthen their sector.</p> <p>4.8 Recruit individuals who are knowledgeable about the charitable sector to serve on your board of directors and/or grants committee</p>				

**GOAL #5: PROMOTE A COMMUNITY WIDE CULTURE OF CARING AND GIVING**

Strategy	Timetable	Responsibility assigned to	Budget needs	Communications requirements
<p><b>5.1 Devise ways to promote all forms of philanthropy in the community</b></p> <p><b>5.2 Compile an inventory of community activities that encourage voluntarism (for example, sports clubs, environmental clean-up efforts, housing and park construction, etc.) and consider how the community foundation might help to strengthen them through grants and other resources</b></p> <p>5.3 Support existing programs of schools, civic organizations, churches, etc., to engage young people in voluntarism and giving programs.</p> <p>5.4 Conduct workshops for charitable organizations on fund raising, management and governance.</p> <p><b>5.5 Celebrate and honor voluntarism and charitable giving in the community with annual award event, stories in the media, etc.</b></p> <p><b>5.6 Organize campaign among charitable organizations and community leaders to educate policy makers and legislators about community foundations and to advocate for policies and laws that encourage charitable giving.</b></p> <p><i>NOTE: The primary emphasis of this goal is to build upon existing models of charitable behavior, to enable their continuation, to encourage new charitable behavior and to empower community voluntarism and giving by emphasizing assets and opportunities rather than needs.</i></p>				

**GOAL #6: PROVIDE SERVICES TO DONORS**

Strategy	Timetable	Responsibility assigned to	Budget needs	Communications requirements
<p><b>6.1 Make lists of target audiences and markets to which community foundation will tell its story:</b></p> <ul style="list-style-type: none"> <li>▪ Professional advisors (attorneys, etc.)</li> <li>▪ Individuals with charitable impulses</li> <li>▪ Businesses and corporations</li> <li>▪ Faith communities</li> <li>▪ Local nonprofit organizations</li> <li>▪ Civic and governmental leaders</li> <li>▪ National and international foundations</li> </ul> <p><b>6.2 Determine services that community foundation can provide to donors (and philosophy of relationships with donors):</b></p> <ul style="list-style-type: none"> <li>▪ Investment management (including fees)</li> <li>▪ Information about nonprofits and their work</li> <li>▪ Education about community needs and philanthropic opportunities</li> <li>▪ Contact with other donors for collaboration</li> <li>▪ Regular communications about philanthropy</li> <li>▪ Opportunities to be involved in site visits</li> </ul> <p><b>6.3 Organize program to educate professional advisors about how community foundation can be of assistance to their clients.</b></p> <p><b>6.4 Organize program to work with prospective donors, identify their charitable interests and explain how community foundation can assist them.</b></p> <p>6.5 Establish field-of interest funds (youth, women, arts, environment, etc.) to appeal to donors.</p> <p>6.6 Establish program for annual small grants initiative (pass-through funding) to support local charitable organizations, raise foundation visibility and build donors' trust in community foundation.</p> <p><b>6.7 Organize and implement program to raise endowment funds, perhaps beginning with search for a challenge grant from a major donor.</b></p>				