



Community Asset Building Initiative (CABI)

What is CABI?

The Alaska Community Foundation (ACF) supports community based philanthropy through our geographic Affiliates – also known as “affiliate community funds.” In partnership with the Rasmuson Foundation, ACF’s Affiliate program started in 2008 with the launch of CABI.

The initiative helped start five affiliates in the Chilkat Valley, Kenai Peninsula, Petersburg, Seward, and the Upper Susitna, and supported the growth of two partner community foundations, the Homer Foundation and the Juneau Community Foundation. These combined efforts are helping develop permanent assets and grow philanthropy throughout the State of Alaska.

ACF provides financial management, investment oversight, IRS and National Standards compliance, legal expertise, while community leaders contribute the local insight that makes affiliate grant program so impactful.

The affiliate model is growing across the United States. Affiliate funds enable charitable dollars raised in a community to go toward philanthropic activities in the local community rather than administration and operating expense.

Goals of CABI

- Increase the capacity of local communities to identify priorities and solve problems
- Encourage the creation of permanent charitable assets for Alaskan communities and organizations
- Encourage individual philanthropy among Alaskans
- Support the development of community funds at ACF with the ultimate goal that every community will have access to a pool of philanthropic funds to meet locally defined needs
- Create sustaining sources of support for valued Alaskan nonprofit services
- Cultivate local philanthropic leadership capacity

Components of CABI

A major component of CABI is the creation of geographic Affiliates to carry out the goals and objectives, while drawing upon the rich diversity from the local community. The Affiliate model is based upon a specific relationship between ACF (the lead foundation) and geographic Affiliates/Affiliate Funds. This relationship is summarized below, but further developed and outlined in the following pages of this handbook.

Lead Foundation

The Alaska Community Foundation is the lead foundation for the Affiliate program. The lead foundation provides the back office management systems and services to community Affiliates, including the administrative component of preparing checks to vendors and grantees, making deposits, and completing the annual financial audit. The lead foundation also establishes the policies and procedures regarding legal, ethical, financial, and governance standards to ensure that ACF and its Affiliates maintain the National Standards for US Community Foundations.

Affiliates / Affiliate Funds

Affiliates raise local donations to build a permanent endowment and make grant recommendations for projects of local impact. The Affiliate operates under the By-Laws and Articles of Incorporation of ACF. When a community foundation is statewide in focus, Affiliates are one way to address the needs of a particular geographic region and spread the word about the benefits of developing philanthropy through community foundations.



Current ACF Affiliate Fund Communities

Since 2008, ACF has partnered with community leaders in the development of five Affiliate Fund communities. The five Affiliates are listed below in alphabetical order with a brief description from the ACF website that reflects the mission, vision, and culture of each Affiliate. The information is also available on the ACF website: www.alaskacf.org.



Chilkat Valley Community Foundation

An Affiliate of The Alaska Community Foundation

The Chilkat Valley Community Foundation allows joyful givers to realize community dreams. Locally advised, the Foundation is solely focused on the needs of the Chilkat Valley, which includes the Haines Borough and the Chilkat Indian Village of Klukwan. Approximately 2500 residents make their home in the valley. In addition, numerous seasonal residents and visitors enjoy all the community has to offer.

The Chilkat Valley Community Foundation meets our community's needs by increasing connections between people and the organizations that serve them. We have more than 75 nonprofits that serve all ages and provide educational, cultural, health, social, historical, environmental, recreational, and arts-related opportunities.

The Chilkat Valley Community Foundation is a permanent fund for the Chilkat Valley. Your gifts will be part of a long-term endowment, allowing you to invest in our community's future and contribute to our quality of life.

Your donation will:

- Connect donors with causes they care about
- Catalyze community planning between individuals, organizations, and governments
- Support nonprofits through grants and educational training



Jessica Stevens Community Foundation

An Affiliate of The Alaska Community Foundation

Volunteers from northern Susitna Valley communities have taken on the spirit of Jessica Stevens as they build the Foundation named in her memory. Seeking to encourage compassionate health care, innovative education, active enjoyment of the natural environment, and community enrichment through the arts and cultural expression, Foundation directors are building an endowment that will support community efforts forever.

Jessica Stevens embodied this spirit as she worked tirelessly for 14 years to transform healthcare in the region. Her efforts transformed a single-provider clinic with a shoestring budget, into a federally qualified community health center with a staff of 40 health-care professionals housed in a new, state-of-the-art rural clinic facility. Until her tragic, accidental death in 2007, Jessica had been extremely active in the area's arts community, always an inspiration for others wanting to give back to their community.

Since its founding in 2008, the JSCF advisory board has raised and endowed nearly a quarter of a million dollars to perpetually support local nonprofit groups' efforts to build healthy communities in the northern Susitna Valley. This region is an immense portion of the Matanuska-Susitna Borough, bordering Denali State and National Parks. Its residents are renowned for being independent people with a tremendous community spirit, and JSCF is proud to play a role in improving their lives.



Kenai Peninsula Foundation

An Affiliate of The Alaska Community Foundation

A hearty group of committed leaders in the central Kenai Peninsula are building philanthropy in their area to benefit young people, recreation, safety, vulnerable populations and the elderly. By raising funds and targeting their grantmaking to help with these community needs, area residents will be taken care of for years to come.

The Kenai's regular population booms in the summer months to match the fishing runs in the area's rivers. Year-round community services ensure residents are well taken care of. A large part of area's residents work in other communities, like the North Slope or other oil fields, only adding to the philanthropic challenges the group is tackling head on.

Locally advised, the Kenai Peninsula Foundation is solely focused on the needs of the area through a permanent endowment that makes grants to the non-profit groups serving the community.



Petersburg Community Foundation

An Affiliate of The Alaska Community Foundation

Combining a hearty fishing heritage with a love of community led to the establishment of the Petersburg Community Foundation. It is devoted to improving the lives of the young, the elderly and vulnerable populations as well as creating recreation, education and safety programs.

Locally advised, PCF focuses on the needs of the area through a permanent endowment that makes grants to non-profit groups serving the area



Seward Community Foundation

An Affiliate of The Alaska Community Foundation

Located at the head of historic Resurrection Bay on the Kenai Peninsula, Seward is hard at work making changes for its future. Committed residents recently began rebuilding a library and museum, as well as a park for young children.

The endowment that the Seward Community Foundation is building allows grants to be made that improve the lives of Seward and Moose Pass residents in areas such as health, education, human services, arts and culture, youth, and community development.

Like other Alaskan communities, Seward's population booms in the summertime, when fishing and sailing are popular. The area hosts the famed Mt. Marathon run on July 4th, when several thousand hardy people run up and then down Mt. Marathon in the second-oldest organized foot race in the country.

The Seward Community Foundation is locally advised by a dynamic group of citizens who are attuned to the changing needs and goals of Seward and Moose Pass non-profit groups.



National Standards for U.S. Community Foundations and Affiliate Funds

Mission, Structure and Governance

A community foundation’s governing body is responsible for the financial health and sustainability of the organization, including ensuring adequate revenue, monitoring expenses, and overseeing investment and spending policies.

A community foundation’s governing body maintains oversight and control over geographic affiliates. A geographic affiliate is a component fund (or a collection of component funds), established within or by the community foundation, serving a defined geographic region and under a common advisory group.

Summary of the Relationship

Fundamentally, the Affiliate Fund and its lead foundation have to maintain a productive, constructive, and reciprocating relationship. They are partners in the effort and work together to help each other succeed. Therefore, it is critical that the Affiliate and lead foundation communicate regularly and build a healthy, friendly, and candid relationship. When there are disagreements, it is important to raise the issues in the spirit of honesty and collaboration, rather than conflict. Like any relationship, affiliation is similar to being a spouse or a family member. It is important to have the best relationship possible and that each partner exercise care in communication.

The lists below summarize a basic separation of roles and responsibilities between an Affiliate and lead foundation as outlined by the Council on Foundation’s in alignment with National Standards:

The Affiliate Fund

Organizes its own advisory board and sets priorities based on community vision.

Saves time, money, and effort by using the lead foundation’s nonprofit status.

Seeks donors, raises funds, and grows endowment for its area.

Saves time and resources by using the lead foundation’s existing processes and systems.

Makes recommendations for community grants from its discretionary funds.

Takes leadership / conducts projects on local issues.

Can focus on addressing local issues and growing funds.

The Lead Foundation

Provides “back-office” management systems and services to the Affiliate Fund.

Includes the Affiliate Fund under its nonprofit status.

Helps with process, promotion, and fundraising.

May offer training, tools, and technical assistance to the Affiliate Fund.

Gains Affiliate leaders’ know-how about the best way to serve their communities.

Gains momentum: More people on the ground growing resources and building the region.

Invests the funds. Holds more endowed resources, likely increasing investment diversification options and return.



ACF Affiliates

A Summary of the Affiliate Relationship

Overview

The Alaska Community Foundation (ACF) is a nonprofit corporation recognized by the Internal Revenue Service as a tax-exempt 501(c)(3) public charity. It is organized as a statewide community foundation which consists of multiple component funds that are a part of and governed by the lead foundation, ACF.

Mission

ACF advances philanthropy to strengthen Alaska's communities now and forever. Together with our Affiliates, we connect people who care with causes that matter by encouraging and nurturing philanthropy through building and managing permanent endowments, convening stakeholders and working with partners to strengthen Alaskan communities, and providing donors with grant options that are strategic to their philanthropic objectives.

ACF Affiliates are component fund(s) led by a community-based advisory board with some of the functions of a community foundation fund for or in a specific geographic location or region within Alaska. Affiliates operate under the ACF By-Laws and Articles of Incorporation and derive their charitable status from ACF.

Philosophy

ACF's Affiliate program reflects a core value of community and a belief that local citizens across Alaska best know their own community needs. We respect the diversity of cultures and interests in local communities while balancing this with ACF's interest in a robust statewide community. The ACF Affiliate model is central to an overall strategy supporting a platform for efficient and sustainable philanthropy across Alaska. Affiliate Funds are permanent parts of ACF to support community goals in perpetuity.

National Standards

ACF meets the National Standards for US Based Community Foundations, as outlined by the Council on Foundations. The National Standards define the relationship between The Alaska Community Foundation and our Affiliates, with emphasis on the legal, ethical, fiduciary, and governance standards between the entities.

Governance

The ACF Board of Directors is the governing entity with fiscal and legal responsibility for all Affiliate activities. In accordance with the National Standards, the Affiliate operates under the oversight and control of ACF. The Affiliate Advisory Board serves in an advisory capacity and is not a governing board. The Affiliate Advisory Board provides grant recommendations to the ACF Board. ACF retains fiduciary responsibility for management of personnel, financial matters, and, ultimately, approves the grant recommendations made by the Affiliate Advisory Board.

Local Control

Affiliates are empowered to develop local assets and forward grant recommendations to the ACF Board for final approval. The Affiliate Advisory Boards have the capacity to recommend advisory board members, set community priorities and establish fund development strategies. ACF may delegate authority to conduct due diligence on grants.



Partnership Model

The ACF Affiliate program is based on the pursuit of common community goals with separate responsibilities divided between ACF and the Affiliate. The Affiliate is in the best position to identify the local community needs and develop strategies to meet those needs. The Affiliate Advisory Board plays the central role in local fundraising decisions and making grant recommendations. ACF provides support, education, technical assistance, financial management and legal advice for its Affiliates.

Affiliate Fund Requirements

Because Affiliates are not separate legal entities, their activities will be attributed to ACF, with the ACF Board of Directors having ultimate accountability for the operations of ACF and its Affiliates. While efforts will be made to support the unique needs of each Affiliate, certain operational standards must be consistent in order to ensure ACF is in compliance with National Standards and IRS regulations and to promote operational efficiencies. These include the following:

Donor Intent

Each contribution received must be accounted for in a timely manner that insures and documents donor intent. As such, separate accounts will be maintained for contributions that have been designated by donors for a specific purpose. ACF reserves the right to decline designated funds.

Donor Confidentiality

Trust and confidentiality are critical elements of ACF's operations. Affiliate steering committee members must agree to maintain donor confidentiality as requested. In addition, Affiliates understand that, when asked, ACF will honor confidentiality requests from donors who may wish to remain anonymous to Affiliate steering committee members and their community.

Contracts

All contracts (including fund agreements) must be entered into by ACF and may only be signed by an officer of ACF; Affiliates do not have the legal standing or authority to enter into a contract, borrow money or otherwise obligate ACF.

Bank Accounts

Affiliates may not maintain separate bank accounts.

Event Insurance

Affiliates that plan to host special events must contact ACF in advance of the event to ensure that appropriate liability insurance and permits are in place or that a special event rider can be purchased, if necessary.

Grant Applications

Before an Affiliate applies for a grant, the proposed grant application should be sent to ACF for review. ACF will need to sign the grant application, subsequent grant agreement, and reports. The Affiliate will be responsible for the narrative part of all grant reports but ACF staff is available to assist and will complete the financial section of all grant reports.

Identification

All marketing materials, press releases, donor solicitations, etc. should state that "The <Affiliate name> Fund is an affiliated fund of The Alaska Community Foundation" and use the ACF/Affiliate logo on all publications. Marketing materials, press releases and other communication materials should be sent to the ACF Affiliate Program Officer prior to publication or printing. The affiliated fund should not represent itself to third parties as being a separate legal entity or a separate 501(c) (3) organization or imply this by default by neglecting to mention the affiliation with ACF.



Affiliate Fund Benefits

Affiliation with ACF provides a number of benefits that balance local control with strategic partnership and professional management services, including the following.

Nonprofit Status

Affiliates gain access to ACF's tax-exempt 501(c)(3) status, allowing donors to take a tax deduction for their contributions. ACF issues charitable receipts directly to donors conforming to IRS standards. ACF 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. Affiliates are encouraged to provide additional acknowledgement of gifts, but the legal tax receipt is issued by ACF.

Local Goal Setting

ACF supports Affiliates in their efforts to develop a unique, community-specific fund development and community impact strategy. This includes specific goals around donor relations, community outreach and grant making.

Financial and Administrative Services

As a component fund of ACF, Affiliates are supported by ACF's financial and administrative support. This includes recording contributions, making disbursements, cash management, preparing and filing IRS Form 990, obtaining an audit of its financial statements, and issuing fund financial reports.

National Standards

ACF has been recognized for meeting National Standards for US Based Community Foundations, as outlined by the Council on Foundation. ACF strives to stay abreast of new legal and financial requirements for non-profits and foundations, and our policies and procedures aim to comply with those requirements and with industry best practice standards.

Peer Learning Network

ACF uses peer learning to help build community capacity and leadership. ACF facilitates peer-learning opportunities through teleconferences, videoconferencing, in-person gatherings, and shared list-servs.

Training and Technical Assistance

ACF staff and consultants have experience in community development, strategic planning, planned giving, grant making and communication that is available to Affiliates as needed. In addition, as able, ACF will host Affiliate gatherings that provide content experts on topics of general interest to all Affiliates.

Statewide Connectivity

ACF will work with other funders and partners to connect them with Affiliate communities as appropriate. In addition, ACF will develop relations with outside funders interested in regional or statewide projects that support local community goals.

Amplify Local Goals with Other Grants

ACF will seek input from Affiliates as grant applications and requests come into ACF or as our donor advisors recommend grants to an Affiliate region. Efforts will be made to partner with Affiliates and bring additional resources to the projects and goals established by Affiliate steering committees.



Gift Planning Assistance

ACF assists attorneys, CPA's, insurance agents, financial planners, bankers and brokers, and their respective clients/donors with charitable gift planning. Materials and consultants are available to support local efforts and ACF works to promote statewide messaging and outreach.

Marketing, Communication, and Website

ACF marketing materials are available to Affiliates and can be customized as appropriate. ACF staff will help ensure that Affiliates are able to communicate effectively with donors and local communities. ACF maintains an extensive website with information about Affiliate funds, targeted materials for financial planners and the ability to accept online donations to each component fund. In addition, ACF registers domain names and corporate names of our Affiliate funds for the protection of both of our identities.

Memberships

Through ACF, Affiliates are able to access training and resources to the following organizations: The National Council on Foundations, Philanthropy Northwest, The Alaska Funders Group, and The Foraker Group. Through ACF, Affiliates are also currently eligible for participation in Pick.Click.Give., the Alaska Permanent Fund Dividend charitable giving program.



ACF and Affiliate Roles & Responsibilities

Affiliate Advisory Boards

Affiliate Advisory Boards are sanctioned committees of The Alaska Community Foundation and as such are covered under ACF Directors and Officers liability insurance. Responsibilities include:

- Responsible for local grantmaking following best practices
- Act as or participate as members of local scholarship fund(s) advisory committee(s)
- Provide local leadership related to community priorities and projects
- Identify and participate in donor/prospect/professional advisor meetings
- Help build the local grantmaking fund(s), as well as donor advised or agency funds
- Be willing to learn and speak knowledgeably about the statewide foundation and the local Affiliate Fund
- Lend their credibility as trusted local leaders
- Participate in training sessions related to advisory board responsibilities, donor education, cultivation, and grantmaking

The Alaska Community Foundation Board

- The Alaska Community Foundation operates according to National Standards of the Council on Foundations
- Governance with The Alaska Community Foundation (ACF) as the single 501(c)(3) entity and Affiliates as component funds of ACF
- 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 the local Affiliate Advisory Board ensuring the advisory board has term limits, is representative of the community, has a policy for conflict of interest, etc., but does not select the individuals who will serve on the Affiliate Advisory Boards
- Although there are no allocated seats for Affiliate Funds on ACF Board, ACF will strive to have an inclusive Board representative of the state as a whole. The ACF Governance Committee will accept recommendations from Affiliates for candidates to the ACF Board
- Ultimate responsibility to approve grants but will fulfill this responsibility through
 - delegating the responsibilities of due diligence to ACF staff, any local staff and the local advisory board
 - reviewing reports on the grants awarded locally to assure this due diligence has occurred and advisory boards have complied with legal and ethical practices

The Alaska Community Foundation Staff

Within available resources ACF staff will provide support for Affiliates/Affiliate Funds

- Provide all support listed in the “Benefits of a Statewide Community Foundation”
- Convene all Affiliates at least annually to provide educational opportunities and an opportunity to learn from each other
- Offer periodic trainings related to advisory board responsibilities will be provided for Affiliate Advisory Boards and the Affiliates will have access to minutes and other statewide board materials
- Review grant proposals to assure all legal and ethical standards have been met. Affiliate boards will determine the merits of the proposals that meet these standards



Affiliate Volunteers/Staff

- If interested in building local capacity beyond support provided through ACF, the local community must be willing to raise additional local operating support
- ACF staff will assist in raising additional local or statewide support and may develop a fee sharing arrangement to increase local capacity, including local staff on a full or part time basis if population and local resources are sufficient to support
- The Affiliate may not independently enter into contractual agreements. Only ACF has the authority to enter into contractual agreements that result in the hire of permanent or temporary Affiliate staff.
- Under such arrangements, local Affiliate staff are employees or consultants of ACF
- A “circuit rider” or other statewide staff/consultants will be available for communities that do not have their own staff. This cost is covered by the fees charged to funds

Affiliate Funds

All funds in the geographic area – including unrestricted, field of interest, scholarship, donor advised, organization and project funds – will be listed as funds of the Affiliate unless the donor specifically requests otherwise.

Affiliates have the best understanding of their local community’s needs and strengths. Affiliate Advisory Boards work together with local fund advisors and the ACF Board to ensure that local philanthropic goals are realized.

- Grants from unrestricted and field of interest funds are recommended by Affiliate Advisory Boards and approved by the ACF Board to assure all legal requirements are met
 - Affiliates will determine the frequency of their local grant reviews
 - Affiliate Advisory Boards will recommend grants based on available funds and application merit
 - ACF staff will review all grant recommendations
- Grants from donor advised and agency funds will be recommended by the fund advisor and approved by the ACF Board. The fund advisor may, at their discretion, involve the Affiliate or delegate their advisor privileges to the Affiliate.
 - Affiliate Advisory Boards may work with donor advisors to connect them with opportunities to support local programs and grant requests
- Organization funds will work directly with ACF staff to request income from their funds
- Scholarship guidelines will be approved by ACF staff to assure compliance with legal requirements. The Affiliate Advisory Boards will manage the scholarships application review and award recommendations
- Affiliate Advisory Boards will contact ACF staff before initiating projects to assure compliance with legal requirements and policies; project guidelines; and to determine the division of labor related to management of such projects



	The Alaska Community Foundation (Governing Board)	Affiliate Fund Board (Advisory Board)
Authority	ACF Board has governing and policy authority. Granted by charter, articles of incorporation and by-laws. May enter into contractual agreements.	Confirmed by ACF Board resolution as an advisory board. May not enter into contractual agreements.
Legal Status	Establish and maintain the 501(c) 3 nonprofit status for all fund holders.	Does not establish or maintain a separate or individual 501(c) 3 nonprofit status.
Policies	Establishes all general policies for the community foundation in compliance with National Standards.	Determines matters of procedure on a local level within the guidelines of all ACF policies.
Staffing	Employs CEO/President who oversees other ACF staff. Provides staff support to Affiliates.	Primarily through volunteer advisory board and community members.
Financial and Legal	Manages assets and investments, undergoes annual financial audit, and prepares Form 990 to meet IRS reporting requirements for charitable foundations. Maintains Directors & Officers (D&O) Liability Insurance Policy.	Not involved with asset management, investments, or annual reporting requirements to IRS. Advisory Board members are covered under the ACF D&O Liability Insurance policy.
Planning	Establishes ACF's long range goals, develops strategies, approves and carries out annual strategic plan. Receives input from Affiliates to set goals, make and execute plans.	Identifies local needs and opportunities. Provides input to the ACF Board regarding local, regional, and statewide needs.
Fundraising	Responsible for financial accounting of all fundraising efforts undertaken by the ACF and Affiliates.	Provides local leadership and direction for fund raising efforts in the community.
Contributions	Accounts for all donations received and prepares charitable contribution receipts for tax purposes.	May prepare personalized correspondence for donations received, but does not issue receipt for tax purposes.
Grants	ACF Board approves funding recommendations made by Affiliate Advisory Board. ACF staff ensure legal and ethical compliance.	Reviews grant requests and makes funding recommendations to the ACF Board.
Relationships	Represents ACF in general community and with other regional and national organizations. Represents the organization at national events.	Represents the Affiliate in local community. May send representatives to regional and national events. Conduit to strengthening relationships with local constituents.



Getting Started

Our communities are as diverse as the people that live within them. We cannot know all the forms community will take, but we know the values and the kinds of supporting structures we want to preserve. We are a community building species.

John Gardner (Common Cause)

Philanthropy: A Working Definition

Philanthropy and the American way of life are synonymous. Understanding philanthropy is the first step. When we talk about philanthropy, people have numerous ideas and definitions. Often, people think that philanthropy is the domain of only those with great wealth and only for a select few. However, we all have the capacity to give back and be philanthropic. Our gifts of time, talent and resources to causes and organizations whose values we share are all acts of philanthropy.

There are many traditions of philanthropy in Alaska and unique examples can be found within many Alaska Native communities. Whether it is the tradition of potlatch to redistribute individual wealth through the community or the sharing of a successful subsistence harvest among community members, Alaskans have had a strong tradition of helping our neighbors by engaging in activities that improve our quality of life.

Although philanthropy in the formal sense is a new concept to some communities, the core principles and values of reciprocity and generosity that underlie philanthropy are deeply rooted in many Alaska communities. We act on our values and those actions are often in the form of voluntary action (philanthropy). The former director of the Indiana Center for Philanthropy, Robert Payton, offers a definition of philanthropy that we use throughout this handbook: *“Philanthropy is voluntary action for the public good and it is based on values.”*

Our values provide the framework by which we make decisions on our philanthropic activity in the community.

Community Vision

Philanthropy is a values-based activity. Shared community vision should convey the values of the community. What is a vision? Noted author of Visionary Leadership, Burt Nanus offers the following definition:

A vision is a realistic, credible; attractive future for your community... vision is where tomorrow begins, for it expresses what you and others who share that vision will work hard to create.

Vision may be the most critical component to the successful startup of your Affiliate. Any potential Affiliate should work carefully to develop a shared community vision and clearly identify how philanthropy will help to achieve that vision.

Endowments are not created simply to grow philanthropy, but to grow philanthropy for a purpose – for the betterment of a community and all its citizens.

We teach ourselves to see things the way they are.

Only with vision, we begin to see things the way they can be.

Max de Pree



Affiliate Advisory Board Development

The organization is not just a tool. It bespeaks values. It bespeaks the personality of a business, nonprofit enterprise, a government agency.

Peter Drucker

The development of the Affiliate Advisory Board may be one of the most important tasks you undertake. The Advisory Board is the Affiliate's direct connection and conduit to the local community. Advisory Board members bring leadership, respect, connection, access, and legitimacy to the organization/funds. The local Advisory Board is legally advisory to The Alaska Community Foundation Board. This section looks at the process for building a representative Affiliate Advisory Board.

According to Eugene Struckhoff, the father of modern community foundations, there are three characteristics that successful community foundations share – *clout*, *commitment* and *capability*. Careful thought should be given to the selection of potential Affiliate Advisory Board members. Strive for a balance of people with connections/influence (clout), commitment and capability. Steps to identify potential Affiliate Advisory Board members are highlighted below as well as in the Community Readiness section of this handbook.

Basic Responsibilities of the Affiliate Advisory Boards:

- Determine local needs and opportunities for the community to address
- Ensure that local community is represented on the Affiliate Advisory Board
- Assist in facilitating the creation of local endowed funds for the Affiliate within ACF
- Review grant requests from community groups and make recommendations to the ACF Board
- Enhance The Alaska Community Foundation's mission of promoting personal philanthropy
- Abide by general policies established by ACF in compliance with National Standards established by the Council on Foundations

Recruiting Your Affiliate Advisory Board

Planning ahead will result in a better board for your Affiliate. Creating the Affiliate Advisory Board is not an exact science. The process for each Affiliate is unique to each community. These steps outlined below are guidelines to help ensure that your Affiliate Advisory Board best represents the broad diversity of your community.

Step One:

Develop a list of key constituencies: businesses (large and small), organizations, ethnic groups, community leaders, etc. You may quickly come up with a list of community leaders who seem to be involved in everything. While it is important to consider these individuals, we encourage you to think broadly. A good question to consider is "Who has an interest in enhancing the quality of life within our community?" This list is a starting point and is not comprehensive. Your list may include the following: influential business leaders, prominent donors, key representatives from different ethnic communities, academics, legal and financial professionals, volunteer leaders, and retired executives.

Groups creating Advisory Boards tend to follow one of two paths: they will make their decisions subjectively or objectively. While there is nothing wrong with creating an Advisory Board based on personal relationships and working with friends, please refrain from doing so. An objective method to building an Affiliate Advisory Board may take more time and effort, but it will yield a greater diversity of viewpoints and be more representative of the community.



Step Two:

Create a list of potential Affiliate Advisory Board members. The first Advisory Board you select is critically important to your success. You may wish to form a steering committee to serve until the first Advisory Board is put in place. Make a list of potential candidates and your reasons for selecting them. Ask yourself which community members could inspire/convince others of the benefits of a community foundation. Also remember that the people you consider must be willing to invest time and effort to help the Affiliate succeed.

Use the worksheet below (or similar) to start categorizing prospective Affiliate Advisory Board members.

Prospect Name			
Gender			
Age Range			
Race/Ethnicity			
Profession*			
Expertise** (specific and different from profession)			
Willingness to promote a new community foundation			
Willingness to assist in endowment building and fundraising			
Capacity to make a personal/legacy gift			
Connections in the community			
Other board affiliations			

* *Profession* refers to roles such as: community volunteer, small business owner, lawyer, educator, accountant, etc.

** *Expertise* refers to areas such as: fundraising, marketing, media, social marketing, financial management, human resources, community organizing, etc.

Step Three:

Identify seven to 11 potential Advisory Board members from the list you have developed. Review the Advisory Board prospect worksheet and look for a balance of skills, interests and diversity. Advisory Board members involved during the start-up or inception of an Affiliate may be different from those who are brought on board once an affiliate is established. Although the Advisory Board size may vary by community, there should probably be no fewer than five and no more than 20, with an average of 11 for most Affiliate Advisory Boards. Listed below are advantages and limitations to consider when thinking of your Affiliate Advisory Board size.

Small Advisory Boards

Advantages	Limitations
<p>Advisory Board members feel more ownership and responsibility for the work.</p> <p>Communication and interaction may be easier and more flexible.</p> <p>Advisory Board members know each other as individuals – creating unity.</p> <p>Every person’s participation counts.</p> <p>Advisory Board members may gain more satisfaction from their meaningful involvement.</p> <p>Easier to recruit in areas of limited population</p>	<p>Small numbers limit opportunities for diversity and inclusiveness.</p> <p>Fewer skills and perspectives are represented at the table.</p> <p>Fewer people are available to serve on committees; heavy work load may create burnout.</p> <p>Fundraising becomes a burden on the shoulders of a few.</p> <p>Advisory Board has less continuity in times of leadership change.</p>

Large Advisory Boards

Advantages	Limitations
<p>Larger numbers allow for more opportunity for diversity and inclusiveness.</p> <p>More seats allow for inclusion of advisors, community leaders, and funding area experts.</p> <p>Work can be shared among the group; more people are available to serve on committees.</p> <p>Fundraising may be easier with more people who have more connections.</p> <p>Helps to maintain institutional memory in times of leadership change.</p>	<p>Members may feel less individual responsibility and less ownership of the work.</p> <p>Large groups may hinder communication and interactive discussion.</p> <p>Cliques or core groups may form, deteriorating board cohesion.</p> <p>Some voices may not be heard.</p> <p>Bigger Advisory Boards may not be able to engage all members, which may lead to apathy or loss of interest.</p> <p>Meetings are more difficult to schedule; more time is needed to coordinate advisory board functions.</p>

Term limits should be confirmed before recruitment. Affiliate Advisory Boards often limit individuals to two or three consecutive three-year terms. A total of 10 years is the maximum considered as best practice. Stagger terms to ensure there is continuity while bringing in new voices each year.

After advisory board prospects have been identified, personally meet with them to share the Affiliate Fund concept. Make use of information in this handbook to help state your case. Staff from ACF will be happy to meet with local individuals/groups.



Guidelines for Advisory Board Service

In general, there are several criteria that go into the selection and formation of an Affiliate Advisory Board. The assets and qualities listed below are a good starting point when identifying individuals who exhibit interest and commitment for Advisory Board Service:

1. Commitment to the purpose and philosophy of The Alaska Community Foundation (ACF), its Affiliates, and the role of foundations in serving communities;
2. Willingness to contribute time to become knowledgeable about ACF and its Affiliates; to regularly attend advisory board and/or steering committee meetings; to participate actively in asset building, advisory board assignments and other foundation support;
3. Willingness to disclose conflicts of interest and uphold confidentiality;
4. Ability to engage in open dialogue and active listening to gain understanding and clarity on issues facing the Affiliate foundation, to operate in a sense of teamwork and consensus/collegial decision making to reach the best possible conclusion from collective good judgment and practical wisdom;
5. Connection to the Affiliate foundation and community, as a whole, to meet community and human needs within the context of moral sensitivity to the act of “giving” and its implications;
6. Ability to be an active annual donor and to be willing to use personal contacts to assist in fundraising and marketing the Affiliate Fund and ACF to other agencies, corporations and individual donors;
7. Willingness to work, to use best practical wisdom to consider the validity of opposing arguments and positions, and to act in as objective a manner as possible to distinguish principle from expediency and the ideal with the realistically possible – to the best of individual capacity serve with vision and imagination to reach dispassionate, objective and broadly based judgments on foundation policies and issues;
8. Within the broad parameters of the above: an ability to contribute skills (and contacts) from individual knowledge of business, legal and financial matters; community development; the arts and cultural affairs; human service needs; education and training; government; and general community affairs.

Once a cadre of individuals has been identified, the slate of Advisory Board candidates should be affirmed by the ACF Board and will be asked to complete an ACF confidentiality and conflict of interest form, included in the following pages. As part of the process of forming and approving the list of Advisory Board members, Affiliates are encouraged to adopt a job description that is signed by each advisory board member and officer position descriptions that articulate the roles and responsibilities for each advisory board member and officer position. Sample Affiliate Advisory Board Member Job Descriptions and Officer Descriptions are included on the following pages.



Confidentiality and Conflict of Interest Policy

Introduction

The intent of these guidelines is:

- To provide a clear understanding of the policies of The Alaska Community Foundation (the “Foundation”) concerning conflicts of interest and confidentiality.
- To outline the responsibilities of the members of the Board of Directors and advisory boards/committee members, as well as employees, to maintain confidentiality and to recognize and disclose potential conflicts of interest.
- To provide for appropriate action if conflicts arise.

Applicability

These policies apply to all members of the Board of Directors, advisory boards/committee members, and paid employees of the Foundation.

Confidentiality Policy

The Alaska Community Foundation (ACF) recognizes that the efficient operation of the Foundation requires the maintenance and management of extensive donor and prospect records. These records may contain sensitive information that has been shared with or developed by the Foundation staff on a confidential basis. ACF, its staff and board members, have an ethical and legal obligation to respect the privacy of our constituents, and to protect and maintain the confidentiality of all information and records about our constituents that we may learn or create in the course of providing services to them. Protecting donor confidentiality is an essential part of providing good service to the donors.

Additionally, care must be taken to preserve confidentiality of discussions that take place and information that is shared in the course of conducting Foundation business. The purpose of this statement is to express the position of the Foundation on confidentiality.

Confidentiality of Records

The management staff shall be responsible for maintaining the confidentiality of donor and prospect records, as well as fund information. At the direction of management, staff may make all or part of any records available to Foundation board members to assist them in executing their specific responsibilities. The Foundation’s auditors, legal counsel and other contractors are authorized to review donor/prospect and fund records as required for the purposes for they are engaged.

All persons accessing donor/prospect or fund records in the conduct of Foundation business shall maintain confidentiality of said records. This applies to agency endowments as well as to other types of funds. Staff may share information with donors, fund beneficiaries and grantees pertaining to their own gifts, funds, grants, etc.

Publication of Donor Names

Unless otherwise requested by the donor, the names of all individual donors may be printed in the Foundation’s annual report and in other appropriate listings. The foundation will not publish the amount of any donor’s gift without the



permission of the donor as expressed in the Donor Agreement. Unless otherwise specified in the document, donors making gifts to the Foundation by bequest or other testamentary device are deemed to have granted such permission.

Memorial/Tribute Gifts

The names of donors of memorial or tribute gifts may be released to the honoree, next of kin, or appropriate member of the immediate family, unless otherwise specified by the donors. Gift amounts are not to be released without the express consent of the donor.

Anonymous Gifts

The Foundation is authorized to accept anonymous gifts and to handle them appropriately. The name of the donor may be withheld from the Public if so requested by the donor. When made known to Board members they will respect the anonymity of any such gift. Under the following conditions anonymous donations would be restricted to staff and an Officer of the Board:

1. The donor specifically requests the highest level of anonymity;
2. the gift is to the unrestricted fund or a field of interest fund (there can be NO donor advice);
3. the gift is cash or cash equivalent; and
4. the “acceptance committee” (the staff member and an Officer of the Board) present a finding to the board that the donor is known to them and that the donation would otherwise meet all requirements of the gift acceptance policy.

No Disclosures to Third Parties

The Foundation shall not release to third parties or allow third parties to copy inspect or otherwise use Foundation records or other information pertaining to the identification of a donor or donor’s gifts. No disclosures to third parties of such information, including addresses and demographic information, shall be made without the donor’s consent.

Confidentiality of Foundation Business

Discussions that take place in the context of the Foundation’s operations require discretion, including discussions pertaining to grant making, personnel issues, development activities, operational fundraising, investment management, etc. The positions or statements of individual board members, advisors, or staff should not be discussed outside of official Foundation meetings and processes. Likewise, the content of Foundation business, including documents or Foundation analysis or documents, should not be discussed or shared outside official meetings and processes.

Public Disclosure

The Foundation will comply with both the letter and spirit of all public disclosure requirements, including the open availability of its Form 990 tax returns. This Confidentiality Policy shall not be construed in any manner to prevent the Foundation from disclosing information to taxing authorities or other governmental agencies or courts having regulatory control or jurisdiction over the Foundation. However, all staff, volunteers, and contractors must hold strictly confidential all information of a private nature, including but not limited to all items explicitly discussed in this policy.

Conflict of Interest Policy

General

It is expected that all those associated with the Foundation shall exercise strict rules of honesty and fair dealing between themselves and the Foundation. They shall not use their positions within the Foundation, or knowledge gained thereof, so that any conflict might arise between the interest of the Foundation and that of the individual.



Applicable Law

Directors of a not-for-profit corporation are required by law to be loyal to the corporation. Their fiduciary relationship includes the responsibility to administer its affairs honestly and economically, and to exercise their best care, skill and judgment for the sole benefit of the corporation.

In the strictest sense, the law requires only the Director to declare a conflict of interest if one exists, and abstain from voting on issues where there is a conflict of interest. Members of committees may or may not be Directors. However, the spirit of the law covering conflict of interest should apply to everyone in a close working relationship with the Foundation.

Employees of the Foundation owe a duty of loyalty, and as a policy matter, must also avoid a conflict of interest with the Foundation.

Disclosure

It is the policy of the Foundation that all conflicts of interest, including potential interests, shall be disclosed. Members of the Board, as well as the advisory boards/committees of the Foundation, and employees should periodically review their vocational activities to determine and disclose any potential conflicts of interest. When in doubt, the rule is to disclose. Directors and advisory boards/committee members shall refrain from voting upon or participating in any Board or advisory board/committee action involving the entity with which they may have a conflict of interest. It is difficult to anticipate all circumstances where conflicts of interest may develop. By way of example, individual Board or advisory board/committee members are considered to have a conflict of interest when asked to vote on a grant to an organization with which they have a formal affiliation, when they are asked to vote on an issue in which an existing or potential financial material interest exists, or where the promise of a favor from other sources might be perceived to influence their decisions in a specific area.

Business Relationships

It is the Foundation's policy to endeavor to establish business relationships consistent with the goals, objectives, and needs of the organization. This does not prohibit the Foundation from doing business with anyone, including organizations or entities associated with members of its Board, advisory boards/committees, and employees. However, no special consideration will be given to those individuals. Any contract or transaction between the Foundation and one or more of its Directors, or between the Foundation and any other corporation, firm, association, or entity in which one or more of its Directors have a substantial financial interest shall be entered into only after the material facts are fully disclosed to the Board and the transaction is approved by a majority of disinterested Directors, in accordance with non-profit law.

Employees

Employees shall avoid any conflicts of interest with the Foundation. No employee shall have any interest in any entity which does business with the Foundation without the prior written approval of the President, after full disclosure. No employee shall hold any position with any not-for-profit organization that may have been or may become a grantee of the Foundation, or which may be reasonably considered to compete for funding with other nonprofits that are or may become grantees, without full disclosure and prior approval by the President.

Acknowledgment and Disclosure

Each individual, whether Board member, advisory board/committee member, or employee, associated with the Foundation shall annually file a disclosure statement with the President.

The disclose shall include current positions or relationships in which they are involved or which may pose a potential conflict of interest, and shall further disclose any subsequently established relationship that may be perceived to be a potential conflict of interest. If the potential for conflict is uncertain, disclosure is required.



Personal Data

Name: _____

Current employer or other principal business affiliation: _____

ACF Role: _____

Other Business

Please disclose any other employment or financial interest which you or a member of your immediate family (spouse and lineal descendants) may have as either an officer, director, trustee, partner, employee or agent of any business organization, which might give a rise to a possible conflict of interest or duality of interest with the Foundation.

Charitable or Civic Involvement

Please disclose all official positions which you or any member of your immediate family may have as director, trustee or officer of any charitable, civic or community organization as well as any unofficial roles might give rise to a possible conflict of interest or duality of interest between you and the Foundation.

I hereby acknowledge receipt of the Foundation's Confidentiality and Conflict of Interest Policies. If at any time there is a matter under consideration which may constitute a direct or indirect conflict of interest or duality of interest, it is my obligation to declare the conflict, to abstain from voting and to refrain from using my personal influence on the matter. It is also my obligation to keep Foundation business confidential and to honor donor confidentiality.

As a Director, advisory board/committee member, volunteer or employee of The Alaska Community Foundation, I hereby agree to abide by the above policies.

Signature _____ Date _____



Sample Advisory Board Member and Officer Job Descriptions

The following are general templates for an Affiliate Advisory Board to consider. They do not include other specific duties as assigned or the length of term for advisory board service.

AFFILIATE ADVISORY BOARD/STEERING COMMITTEE JOB DESCRIPTION

TITLE: Advisory Board Chair

Purpose

Dedicated to providing leadership in catalyzing change that creates a better future for all in the community by inclusively uniting people and resources, to address challenges and needs, and produce significant, widely shared and lasting results.

Characteristics

- Show integrity, respect & humility
- Proactive; able to plan ahead and set direction; able to prioritize
- Passionate about the mission of ACF and its Affiliates
- Resourceful, energetic, committed & dedicated to improving the community
- A good listener; able to hear and seek feedback from others

Skills

- One year prior experience as Vice Chair
- Ability to speak before a group; facilitate open communication and constructive debate
- Approachable; ability to work with people and ability to delegate responsibility

Duties

- Attend and conduct advisory board/steering committee meetings
- Ensure that all policies of ACF are understood and acknowledged by the advisory committee
- Orient new advisory board members
- Act as liaison with ACF staff
- Solicit donations from individuals, corporations & organizations statewide
- Design, implement and assist with special fund raising and awareness events

Participation

- Advisory Board Members
 - Ensure that every board member carries out the roles & responsibilities of advisory board service
 - Oversee an advisory board assessment process
 - Partner with advisory board members
 - Oversee affairs & assets, practice fiscal & programmatic transparency
 - Participate in strategic planning & program evaluation
 - Ensure ethical compliance of all board work
 - Install & maintain risk management safeguards
- Meetings
 - Call the meetings and prepare the agenda
 - Preside at all meetings of the board & executive committee & at other meetings or events, as necessary
 - Promote meaningful dialogue at board meetings & give every board member an opportunity to contribute
- Advisory Board Committees
 - Appoint advisory board committees & chairs
 - Ensure ongoing communication with the advisory board

I understand the responsibilities of my position and commit to upholding the mission of the Affiliate community foundation and ACF.

Signed: _____ Date: _____

AFFILIATE ADVISORY BOARD/STEERING COMMITTEE JOB DESCRIPTION

TITLE: Advisory Board Vice Chair

Purpose

Dedicated to catalyzing change that creates a better future for all in the community by inclusively uniting people and resources, to address challenges and needs, and produce significant, widely shared and lasting results.

Characteristics

- Show integrity, respect & humility
- Passionate about the mission of ACF and its Affiliates
- Resourceful, energetic, committed & dedicated to improving the community
- A good listener; able to hear and seek feedback from others

Skills

- Knowledge of basic parliamentary procedures
- Ability to speak before a group, work closely with the Chair and with other members
- Approachable; ability to work with people and ability to delegate responsibility
- Promote advisory board development and outstanding governance practices

Duties

- Provide assistance to the advisory board Chair in the planning and implementation of meetings
- Attend advisory board/steering committee meetings – 75% annual attendance is expected
- Help create the calendar of events and assist with Affiliate activities and events
- Attend ACF workshops and training sessions
- Solicit donations from individuals, corporations & organizations statewide
- Design, implement and assist with special fund raising and awareness events

Participation

- Leadership
 - Participate as a vital part of the advisory board's leadership
 - Work with the Chair on the scope and implementation of Affiliate activities and events
- Meetings
 - Regularly attend advisory board, advisory committee & at other meetings or events – 75% annual attendance is expected
 - Preside at meetings as necessary in the absence of the Chair
 - Carry out special assignments as requested by the Chair.
 - Cultivate relationships with individual donors, funders and other community stakeholders

I understand the responsibilities of my position and commit to upholding the mission of the Affiliate community foundation and ACF.

Signed: _____ Date: _____

AFFILIATE ADVISORY BOARD/STEERING COMMITTEE JOB DESCRIPTION

TITLE: Advisory Board Secretary

Purpose

Dedicated to catalyzing change that creates a better future for all in the community by inclusively uniting people and resources, to address challenges and needs, and produce significant, widely shared and lasting results.

Characteristics

- Show integrity, respect & humility
- Be proactive & resourceful; able to plan ahead and able to prioritize
- Passionate about the mission of ACF and its Affiliates
- Resourceful, energetic, committed & dedicated to improving the community
- A good listener; able to hear and seek feedback from others
- Approachable & available; be a team player who can lead and invite collaboration

Skills

- Proficient at word processing, typing, writing skills; ability to take detailed notes
- Commitment to Affiliate community foundation
- Good communication; ability to work closely with the Chair and with other members
- Approachable; ability to work with people and ability to delegate responsibility

Duties

- Attend all Advisory Board/Steering Committee meetings - – 75% annual attendance is expected
- Take minutes, then send to members and ACF
- Record exact vote on motions; record decisions
- Write thank you letters and other correspondence
- Assist with special fund raising and awareness events

Participation

- General Board Support
 - Gather and distribute correspondence on a timely basis
 - Assist teams as requested
 - Maintain website changes
- Meetings
 - Secure meeting location & resources for advisory board meetings
 - Send meeting notice including agendas, minutes and handouts (1 week prior to meeting)
 - Take minutes at advisory board and committee meetings and distribute minutes on a timely basis
 - Maintain advisory board attendance records
 - Carry out special assignments as requested by the Chair or Vice Chair

I understand the responsibilities of my position and commit to upholding the mission of the Affiliate community foundation and ACF.

Signed: _____ Date: _____

AFFILIATE ADVISORY BOARD/STEERING COMMITTEE JOB DESCRIPTION

TITLE: Advisory Board Treasurer

Purpose

Dedicated to catalyzing change that creates a better future for all in the community by inclusively uniting people and resources, to address challenges and needs, and produce significant, widely shared and lasting results.

Characteristics

- Show integrity, respect & humility
- Be proactive & resourceful; able to plan ahead and able to prioritize
- Passionate about the mission of ACF and its Affiliates
- Resourceful, energetic, committed & dedicated to improving the community
- A good listener; able to hear and seek feedback from others
- Approachable & available; be a team player who can lead and invite collaboration
- Promote advisory board development & outstanding governance practices

Skills

- Commitment to Affiliate community foundation
- Good communication; ability to work closely with the Chair and with other members
- Approachable; ability to work with people and ability to delegate responsibility
- Knowledge of basic accounting methods

Duties

- Check the Affiliate post box on a regular basis, receive, record and forward all donations to ACF within 2 days
- Attend all Advisory Board/Steering Committee meetings, give financial reports/updates - Provide a record of all Affiliate fund activities
- Notify the board of all donations (except when the donor requests to be anonymous)
- Ensure all donors receive a timely thank you note from the advisory board members
- Work with the Chair and ACF to prepare an annual budget and technical assistance request
- Complete financial reports required by ACF
- Keep accurate, detailed records of donations, expenses and receipts
- Maintain list of members and donors
- Assist with special fund raising and awareness events

Participation

- Process transactions
 - Check mail and distribute communications as necessary
 - Log all cash receipts, copy for Affiliate fund records and timely mail to ACF
 - Send Thank You notes to donors
 - Assist with reimbursements and vendor payments
- Meetings
 - Regularly attend advisory board meetings – 75% annual attendance is required
 - Provide oral & written Treasurer's report at each meeting
 - Carry out special assignments as requested by the Chair or Vice Chair

I understand the responsibilities of my position and commit to upholding the mission of the Affiliate community foundation and ACF.

Signed: _____ Date: _____