Montana Community Foundation, Inc. (MCF) is honored you have partnered with us to build permanent funds to foster your community’s growth and development. Your partnership cultivates a culture of giving, so your community can flourish. That’s MCF’s mission, and we are privileged to collaborate, convene, and facilitate the important role you play in this mission – and in your community.

As an affiliate, your organization operates under MCF’s nonprofit status. There are laws, regulations, and standards the Internal Revenue Service (IRS) mandates; as part of MCF, your affiliate organization must fulfill these requirements to maintain your affiliate status. The following policies and procedures are intended to help affiliates comply with legal regulations, standards, and best practices of our sector.

MCF was the first community foundation in Montana to earn national accreditation from the National Standards for U.S. Community Foundations. As an affiliate, you share in this distinction. The Affiliate Policies and Procedures Manual provides guidance both on legal operational matters, and best practice standards, put forth by the National Standards for U.S. Community Foundations. Thank you for helping us create a foundation that fosters excellence in community philanthropy.

Each year, the Fund Representative (often the advisory committee chair) will sign a statement stating the affiliate’s board, or committee, has read the Affiliate Policies and Procedures Manual, and agrees to conduct the business of the affiliate, in accordance with the policies and procedures found herein.

We look forward to building success with you. Should you have any questions regarding the policies and procedures, or have suggestions about how we can better serve you, please contact us.

In Partnership,

Jenifer Gursky
Program Officer
Local Community Foundations
Because You are an Affiliate… ........................................................................................................5

Glossary of Terms ..........................................................................................................................7

Affiliate Administrative Responsibilities ......................................................................................10

Donor Portal..................................................................................................................................13

Finance.........................................................................................................................................13

Fundraising ....................................................................................................................................16

Marketing......................................................................................................................................17

Grantmaking.................................................................................................................................18

Organization Transitions ............................................................................................................19

Staff Contact Information............................................................................................................21
Montana Community Foundation, Inc. (MCF) is honored you have chosen to affiliate with us for permanent funds that benefit your community. Being an Affiliate means you are under MCF’s 501(c)(3) status. Because you have affiliated with MCF, you enjoy the following services:

**Community Foundation Educational Programming**
MCF provides ongoing training and consultation for Affiliate advisory committee members that includes, but is not limited to:
- Federal and State regulatory standards
- Nonprofit and committee governance
- Asset development (fundraising)
- Grantmaking
- Marketing and community engagement resources
- Donor services
- Strategic and action planning
- Community leadership

**Grantmaking Services**
MCF has recently bolstered how we support Affiliates in the area of grantmaking. The Grants Department offers:
- Research and due diligence for grantmaking in accordance to state and federal regulations
- Grantmaking in accordance with Council on Foundation best practices
- Guidance and support for conducting site visits, and examining grant impacts within your community
- Grantee tracking, data collection, and grant reporting
- Strategic grantmaking consultation and training, when requested
- Maintenance of granting history

**Administrative and Financial Support**
Probably the most technical of services MCF provides for affiliates is administrative and financial support. “Back-end” services include:
- Investment and performance management of funds
- Quarterly fund reports created and distributed
- Access to online statements
- Annual auditing of funds, including affiliate funds
- Annual preparation of tax filings
- Annual distributions
- Storage of affiliate documentation, both legal and governing
- Maintenance of donor lists and donor data
DONOR SERVICES
Most of the following services are provided through MCF’s Montana Office of Gift Planning (MOGP). Through MOGP and our donor services team, MCF offers highly sophisticated, full circle fundraising support through:

- Gift acknowledgement (both legal requirements and high-touch stewardship)
- Donor relationship management and stewardship training
- Professional advisory visits, as appropriate
- Donor visits, as appropriate and requested
- Technical expertise in accepting complex gifts
  - Charitable gift annuities
  - Charitable remainder trusts
  - Bequests
  - Charitable lead trusts
  - Transfer of stocks, bonds, mutual funds
  - Real estate
  - Crops and livestock
  - Retirement account assets
  - Life insurance
  - Life estate
- Donor-centered philanthropy
- Donor cultivation and stewardship
- Donor solicitation resources
  - Montana Charitable Endowment Tax Credit
  - Planned Giving
  - Leaving a Legacy

BECAUSE YOU ARE AN AFFILIATE OF MCF, YOU ARE Accredited
MCF is the first community foundation in Montana to have earned accreditation by the National Standards for U.S. Community Foundations.

Protected
As an affiliate of MCF, your advisory committee members are protected from personal liability under MCF’s Directors and Officers Insurance. Legal counsel is available as warranted and needed. MCF complies with regulations, and is registered to fundraise, in all 50 states. Affiliates can fundraise under these legal registrations, with MCF approved materials.

Resourced
MCF has a library of templates that align with Council of Foundations’ best practices and recommendations. Affiliates have access to marketing resources developed by MCF’s Marketing and Communications department. The Marketing and Communications department consults and advises with anything from social media, to news releases, to marketing brochures. Affiliates are members of Council on Foundations, Philanthropy Northwest, and Montana Nonprofit Association through MCF’s membership of these organizations.
**Local and Sharing in a Vision for Montana**
Because you are an affiliate of MCF, your community benefits from keeping wealth in Montana through permanently endowed assets that are managed by a board of Montanans, for Montanans. MCF is committed to providing clear, transparent information about our financial position, investment management, performance, and fees. Because MCF is a community foundation, we share your vision for securing your community’s wealth for your community’s future and are honored to be your partner.

### Glossary of Terms

<table>
<thead>
<tr>
<th>Term</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Affiliate</td>
<td>A local community foundation or fund that has 100% of its endowed assets invested at MCF. The community foundation or fund is under MCF’s 501(c)(3) status. The affiliate serves a specific area, generally a geographic area, and operates under the guidance, or in accordance with a formal agreement with MCF.</td>
</tr>
<tr>
<td>Affiliate Advisory Committee</td>
<td>Members from the local community who assume responsibility for creating and implementing the affiliate’s mission and vision. Members are volunteers of MCF and covered by MCF’s liability insurance. An affiliate may choose to call its advisory committee a “board,” but legally MCF’s Board of Directors governs the affiliate. An advisory committee supports MCF’s board in managing the activities of the affiliate.</td>
</tr>
<tr>
<td>Administrative Fund</td>
<td>Is a nonpermanent component of the affiliate’s funds at MCF. This fund is used for the operations of the affiliate. Administrative funds can also be called operating funds and can be separately fundraised for, creating operating funds for non-granting programming of the affiliate.</td>
</tr>
<tr>
<td>Charitable Donation</td>
<td>A Charitable Donation is “something voluntarily transferred by one person to another without compensation.” <em>(Merriam-Webster’s Collegiate Dictionary, Tenth Edition).</em> It is a gift of money or other property to a qualified organization for charitable purposes for which the donor does not reasonably anticipate benefit from in return. In IRS Code Section 170, the income tax charitable contribution provision, and numerous court cases define “charitable donation.”</td>
</tr>
<tr>
<td>Charitable Purpose</td>
<td>The relief of poverty, the advancement of education or religion, the promotion of health, governmental or municipal purposes, and other purposes the achievement of which is beneficial to the community <em>(IRS definition)</em>. Organizations set up and operated exclusively for charitable purposes, and which serve a public rather than a private interest, are exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code and are eligible recipients of tax-deductible charitable contributions.</td>
</tr>
</tbody>
</table>
Community Foundation

Are publicly supported, grantmaking charities, that are dedicated to improving the lives of people in a defined local geographic area. They bring together the financial capital (usually permanent endowments) to support charitable efforts in their communities. Community foundations play a key role in identifying and solving community problems and often are critical leaders in the community they serve.

Conflict of Interest

A situation where personal interests prevent an individual from making an impartial decision that is in the best interest of the charity. Putting one’s own interests before those of the charity can have negative consequences to the individual and charity. Even the most minor action or appearance that a person has acted for personal benefit can diminish the public’s trust in the charity.

Distributable Earnings

Funds available from an endowment for grantmaking. The amount of distributable funds is calculated annually using MCF’s payout policy. Affiliates are notified of the new amount of distributable funds each February. On the Donor Portal this balance is reflected as part of the “grantable balance.”

Donor Portal

The MCF donor portal is an online way to manage the affiliate’s account(s) online. The dashboard can be used to access the fund’s information and recommend grants. User accounts are simple to request and set up. The donor portal is a secure, 24-hour site.

Due Diligence

In grantmaking, this speaks to the practices one applies to reviewing grant requests prior to giving them approval. It generally includes establishing the charitable status of the grantee, the charitable purpose of the grant, and the financial and organizational capacity of the organization to undertake the proposed activities. Due diligence may also include reporting from grantees, site visits to grantees, and other methods to ensure funds are used appropriately and for the intended charitable purpose.

Endowment

A fund in which the principle is kept intact and only certain amount of earnings are available for other purposes, such as granting. Endowments at MCF are permanent and the principal is intended to remain intact in perpetuity.

In Montana, endowments are defined under Montana law. According to Montana law in the Uniform Prudent Management of Institutional Funds Act (MCA 72-30-101) and in the Qualified Endowment Tax Credit (MCA 15-30-165). These definitions are not strictly identical. MCF uses donors’ intention as the determining factor in defining “endowment.”

- **Unrestricted Endowment** – donors have not restricted the charitable benefit of the endowment to a specific organization or purpose.
- **Restricted Endowment** – donors have restricted the charitable benefit to a specific organization or purpose (e.g. arts, youth programs, community health).
<table>
<thead>
<tr>
<th><strong>Fair Market Value (FMV)</strong></th>
<th>The amount at which a good or service would change hands between a willing buyer and seller. This is an important concept in determining the charitable value of non-cash donations.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Fees</strong></td>
<td>MCF offers a carefully designed fee structure that is both cost effective and competitive, and supports and sustains MCF’s ability to meet our mission of “Creating a culture of giving so Montana communities can flourish”. Key MCF service factors are financial and investment management expertise, local community foundation expertise and gift planning expertise, and brand recognition. Administrative fees are set by the Board of Directors and reviewed annually. Please refer to mtcf.org/about/finanicals-investment-performance for MCF’s current administrative fee schedule.</td>
</tr>
<tr>
<td><strong>Fiscal Sponsorship</strong></td>
<td>Not a term found in the Internal Revenue Code, but is used to describe a tool offered by community foundations and other public charities to provide a functional framework for charitable projects that cannot, or choose not, to function as a stand-alone charitable organization. Fiscal sponsors provide fiduciary oversight, financial management, and other administrative services to help build the capacity of charitable projects. MCF is the fiscal sponsor for affiliates. Affiliates cannot assume the responsibilities of fiscal sponsorships and only in very rare circumstances will MCF act as a fiscal sponsor.</td>
</tr>
<tr>
<td><strong>Fund</strong></td>
<td>An account at MCF that has a specific charitable purpose.</td>
</tr>
<tr>
<td><strong>Fund Representative</strong></td>
<td>A person designated by the affiliate advisory committee as the primary contact and liaison with MCF. The Fund Representative receives and sends official correspondence from and to MCF and signs grant recommendation forms. The Fund Representative is also designated as the fund’s donor portal user.</td>
</tr>
<tr>
<td><strong>National Standards for U.S. Community Foundations</strong></td>
<td>Approved in September 2000, the National Standards are the baseline requirements for the governance, structure, and the activities of community foundations. The standards are peer-driven, voluntary, and self-regulatory. Adoption of these standards throughout the field provides a level of consistency that helps the field build capacity, distinguish itself, and market nationally and regionally. National Standards can be found at cfstandards.org. MCF is accredited through National Standards and therefore, affiliates of MCF are also accredited.</td>
</tr>
</tbody>
</table>
Payout Policy

The policy of MCF that determines the amount from each endowment fund available for distribution. In compliance with the Uniform Prudent Management of Institutional Funds Act (UPMIFA), MCF’s board of directors determines the percentage rate to calculate distributable earnings on an annual basis.

Qualified Endowment

Managed according to Uniform Prudent Management of Institutional Funds Act (UPMIFA) – 47 states have adopted this as the standard for qualified endowments: UPMIFA Section 4. Appropriation for Expenditure or Accumulation of Endowment Fund, Rules of Construction.

The seven factors that dictate how an institute operates within UPMIFA – subject to the intent of the donor – are: (1) the duration and preservation of the endowment fund; (2) the purposes of the institution and the endowment fund; (3) general economic conditions; (4) the possible effect of inflation or deflation; (5) the expected total return from income and the appreciation of investments; (6) other resources of the institution; and (7) the investment policy of the institution.

Affiliate Administrative Responsibilities

Advisory Committee Responsibilities

Duty of Care and Loyalty
As volunteers of MCF, representing MCF and taking actions under MCF’s nonprofit status, advisory committee members will exercise care in the administration of their duties to their affiliate and MCF. This is known as the Duty of Care. In addition, advisory committee members must act in the best interest of the affiliate and MCF, putting personal benefit aside. This is known as the Duty of Loyalty. Advisory committee members will disclose any possible conflict of interest in the administration of the affiliate’s affairs to ensure members do not breach the Duties of Care and Loyalty. The conflict of interest disclosure form can be found both online on the MCF website and in the Document Appendix of this manual.

Designate a Fund Representative
The advisory committee will designate an individual as its Fund Representative to be responsible for all official communication between MCF and the affiliate.

Define Rules of Governance
These are similar to bylaws, but less formal. The rules of governance provide guidance about the following:

- Name, location and purpose of the affiliate
- Responsibilities of advisory committee members, including attendance, giving and residency requirements, if any. This is typically referred to as a committee member job description.
- Meetings, including frequency and quorum requirements
- Conflict of interest disclosure requirements

Typically, an affiliate can create two documents; a committee charter and a member job description. Examples of each can be found online on the MCF website.

**Annually Complete Compliance Documents**

All advisory committee members are required to read MCF’s conflict of interest policy once a year and complete the conflict of interest disclosure. Affiliates keep the signed copies for five (5) years, and provide copies to MCF annually.

**Maintain Affiliate Records**

Affiliates will keep records for five (5) years, including:
- Meeting minutes*
- Conflict of interest disclosures
- Grant recommendation minutes
- Governing documents*

*These are permanent documents and MCF will hold permanently.

**Open and Maintain a Post Office Box for Affiliate Business**

Opening and maintaining a PO Box specifically for the affiliate is necessary to maintain a professional reputation, continuity for donors, and accuracy of marketing materials. It also provides a secure address to receive affiliate business materials (i.e. bills, donations, etc.) that should not be sent to a Fund Representative’s personal address.

**FUND REPRESENTATIVE RESPONSIBILITIES**

**Be Point of Contact for Donor Portal**

The Fund Representative ensures quarterly endowment statements have been viewed on the portal and is responsible for sharing the statements with the full advisory committee. The Fund Representative will alert MCF about any possible discrepancies. Additionally, the Fund Representative is the liaison for grant requests from the Advisory Committee. All grant requests must be submitted through the donor portal.

**Receive All Correspondence from MCF**

The Fund Representative receives all communication, both electronic and paper, from MCF and is responsible for promptly sharing the correspondence with the full advisory committee.

**Submit Grant Recommendations**

The Fund Representative is the liaison for grant requests from the Advisory Committee. MCF will process grant recommendations only if they are submitted through the donor portal and the request is accompanied by the meeting minutes where the distribution(s) was decided. Please utilize the provided template for grant recommendation minutes. Emails with attached meeting minutes can be sent to MCF’s Director of Operations & Grants.

**Compliance Documents the Fund Representative is required to send to MCF include:**

1. Affiliate Policy and Procedure Manual agreement form
2. Conflict of Interest forms for each member of the committee
3. Roster of affiliate advisory committee members
• Roster must include each member’s email address, telephone number, and physical address
4. Governing documents, including job descriptions and committee charter.
5. Minutes of each advisory committee meeting, submitted by email to MCF’s Program Officer for Local Community Foundations.

Marketing
Fund Representatives will monitor the affiliate’s web presence on www.mtcf.org/About/Local-Community-Foundations and ensure MCF has correct and updated information. Additionally, the Fund Representative will send at least one story annually highlighting the work of the affiliate for MCF to publish in its publications and/or news releases. Both updated information for the website, and stories, can be emailed to MCF’s Director of Marketing & Communications.

Fund Representative Transition
The Fund Representative will alert MCF when that position has transitioned to another committee member so MCF may keep information accurate and current. When Fund Representative transitions occur, affiliates must create a new log-in to MCF’s portal. Please notify MCF within 30 days of the transition.

Limitations on Operations

Business Relationships
An affiliate’s legal identify is not separate from that of MCF’s, therefore, affiliates cannot enter into business transactions without the authorization of MCF. This includes:
• Hiring employees*
• Serving as a fiscal sponsor
• Purchasing Assets
• Entering into contracts, rental or lease agreements**
• Maintain bank accounts, either savings or checking
• Directly accepting major donations of non-cash assets (land or other tangible assets)***

*In limited circumstances, MCF will sign contracts to hire independent contractors to assist the affiliate with administrative tasks or perform consulting services, such as strategic planning.
** These are services and contracts MCF may enter into on the Affiliate’s behalf. Please contact MCF should these services become necessary.
*** Major donations of non-cash assets can be accepted by MCF when in compliance with MCF’s gift acceptance policy, or stewarded by MOGR.

IRS Filings
Affiliates’ IRS filings and audits are done as entities under MCF’s legal 501(c)(3) status, therefore independent filings and audits are not necessary.

Because affiliates operate under the legal status of MCF, affiliates are not to file Articles of Incorporation for Domestic Nonprofit Corporation 35-2-213 MCA with the Montana Secretary of State.
DONOR PORTAL

Montana Community Foundation provides access to an online portal to all Fund Representatives. The online portal is the access point to receive statements, request and recommend grants, and access the fund’s current balance.

To access the portal, go to www.mtcf.org. Click on the “My-Fund” link located at the top-right of each page. Entering the username and password, as Fund Representative, will allow you to view all records available to the Fund Representative (many affiliates and/or Fund Representatives have multiple endowment funds at MCF).

Registering for the portal is simple. When a Fund Representative is selected by an affiliate, contact MCF’s Director of Donor Services. They will add the new fund representative to the portal, and send an email invitation to register, which simply requires choosing a username and password.

Once access is granted, Fund Representatives can download statements, check the current fund balance, see a history of contributions and grants, and recommend grants. MCF no longer mails paper statements. Fund Representatives will receive an automated email when a new quarterly statement is available.

The portal is simple to use and most users don’t require instructions. However, should you need more detailed information, download a user guide from the portal home page (an orange link titled “Donor Portal User Orientation Guide”) or request one from the Director of Donor Services.

FINANCE

FUND TYPES

An affiliate maintains the following fund types at MCF:

Affiliate Endowment
A qualified, permanent endowment is held at MCF for the benefit of the affiliate’s community. Endowments at MCF are permanent and cannot be withdrawn. The endowment’s distribution is placed in the Affiliate’s grantable fund.

Affiliate Administrative Fund
The administrative fund is a non-permanent fund affiliates use to pay for operational expenses. This account is restricted only to the scope of operations of the affiliate. Funds can be raised, and therefore designated, for administrative funds.

Fund totals, both administrative funds and endowments, can be viewed 24-hours a day on the donor portal at www.mtcf.org. Grantable dollars are found under the Affiliate’s endowment fund as “grantable balance.”
Affiliate Administrative Funds - Payments and Reimbursements

Operational Payment and Approval
The affiliate’s administrative fund is used to reimburse advisory committee members for the purchase of goods or services necessary for affiliate operations (e.g. stamps, training expenses, refreshments for donor development, etc.). The administrative fund can also be used to pay invoices (e.g. post office box rental). MCF must approve the reimbursement or payment of expenses and ensure the expense conforms to the charitable purpose of MCF and the affiliate. Reimbursements will be approved within five (5) business days of receipt and paid within ten (10) business days after approval. An Expense Reimbursement Form can be found in the Document Appendix.

Unpaid Vendor Invoices and Requests for Reimbursements
The Fund Representative must approve vendor invoices via email authorization or signature on the Expense Reimbursement Form. Please scan and email unpaid invoices at least two weeks before the due date and no later than 15 days after month end. Provide a brief description of the purpose of the expense in the space provided on the Expense and Reimbursement Form.

For committee member reimbursements, submit the Expense and Reimbursement Form with scanned receipts no later than 15 days after month end. Provide a brief description of each expense in the area provided.

All Affiliate Expense Forms, with supporting documentation, must be submitted electronically. Please scan supporting documentation (invoices, receipts, etc.) and send as one document. If the Affiliate is unable to electronically submit forms, contact the Program Officer for Local Community Foundations. Expense Reimbursement Form is a fillable PDF and can be submitted with an electronic signature.

After the fiscal year ends on June 30th, the Affiliate Expense Reimbursement Form will correspond to receipts must be submitted within 30 days. MCF will not pay requests for reimbursement for expenses incurred in prior fiscal years after 30 days have expired unless special permission is granted.

Donations
Overall, donors can make donations to either the Affiliate fund types. One of the primary responsibilities of the affiliate is to ensure the donor’s gift is reported in accordance with their intended purpose. If the donor restricts the donation to a specific fund or purpose, the gift will be added to the requested fund and restricted to the specific purpose.

An Affiliate can accept cash donations, non-cash donations and in-kind donations. All donations should be submitted as soon as possible and not more than 1 week after receipt. All donations must be submitted in accordance with MCF gift acceptance policies.

Cash Donations
Currency – Accepting currency is discouraged unless the affiliate provides the donor with a receipt. However, currency donations will be made and should be accommodated. The MCF LCF Program Officer should be alerted within 24-hours, via email, of any currency gifts received by the affiliate.
Checks – Donors should make checks payable to the Montana Community Foundation with the affiliate’s name in the memo section of the check. To protect donor privacy and banking information, affiliates should not make copies of checks. MCF maintains electronic images of donors’ checks with a secure bank service. In the event there are questions regarding donations to the affiliate, please direct them to MCF staff.

Non-Cash or In-Kind Donations
All donations of non-cash gifts (stock, real estate, agricultural commodities) MUST HAVE pre-approval with Montana Community Foundation staff to ensure they are within the gift acceptance policies.

In-Kind Donations
In-kind donations can be in the form of goods or services. Goods an/or services purchased in connection with the business operation of the affiliate can be an in-kind contribution if the purchaser forgoes reimbursement or payment for services. MCF allows in-kind donations to administrative funds only. In-kind donations cannot be converted to an investable asset. Accounting rules require that an “in-kind donation” be recorded for the amount donated, but that it must be offset by an “in-kind expense” in the same amount to recognize the expense that was incurred. Thus no net value is provided to the administrative fund when an in-kind donations is given. Donors providing in-kind donations to the will receive a donation acknowledgement letter recognizing the in-kind donation to the administrative fund.

If the in-kind donor wishes to make a cash donation to the affiliate’s endowment fund rather than provide in-kind services, MCF will reimburse the donor for the expense from the affiliate’s administrative fund. Cash donations should be collected and explained previously.

Donations received from special events, auctions, or other fundraising campaigns have special procedures. Please see the Special Event Fundraising Manual.

Procedures for Donation Remittance

Donations Directly to MCF
Donors should make checks payable to the Montana Community Foundation with the affiliate’s name written in the memo line.
Donors can mail checks to the Montana Community Foundation at:
PO Box 1145
Helena, MT 59624

Donations Forwarded to MCF by the affiliate
Affiliates must use the Donation Remittance Form to submit donations to MCF. MCF will follow the instructions on the Donation Remittance Form to determine which fund will receive the donation. MCF will verify that the instructions on the form agree with any instructions placed on the donors’ checks.

Remit donation checks with the Donation Remittance Form to MCF within one week of receipt. This allows MCF to acknowledge donors promptly as required by the IRS. Any check that arrives to MCF and is 60 days past the date written will be held until the affiliate is able to contact the donor and confirm the donor still intend to honor the check.
PROCEDURES FOR YEAR-END DONATIONS
Affiliates need to follow special guidelines to help donors claim a charitable deduction for donations made at the end of the calendar year.

Cash Donations
While cash donations should be avoided, any cash donations received should have a receipt noting the date of receipt. Mail a copy of the receipt to MCF with the check and the Donation Remittance Form as soon as possible. Do not wait until the end of the week to send donations at the end of the calendar year.

Postmarked Donations
Ultimately, it is the donor’s responsibility to correctly report the date of charitable donations, for their tax purposes. Whenever possible please send all postmarked envelopes with the affiliate donation remittance form.

FUNDRAISING

FUNDRAISING ACTIVITIES
When conducting fundraising activities, it is important for affiliates to remember for tax and liability purposes, the IRS and State of Montana consider affiliate fundraising to be fundraising on behalf of MCF. MCF must work closely with the affiliate and oversee planning activities of any and all fundraising activities. In doing so, MCF will ensure the following:

- Those donating to the benefit of the affiliate are entitled to the appropriate tax deduction
- The affiliate and donor are protected from unintended tax consequences
- MCF is not exposed to penalties for failing to make proper solicitation disclosures
- The affiliate and MCF are protected from unintended risks and potential liabilities
- The activity is conducted in accordance with all applicable laws and regulations

To ensure legal obligations and best practices are followed, all fundraising events and activities must be approved by MCF. The Affiliate Special Event Application can be found in the Document Appendix. Please contact the LCF Program Officer for guidance about other types of solicitation. MCF appreciates your cooperation in fulfilling the requirements for fundraising activities. Our goal is protect donors, affiliates, and MCF. Special events require approval. Approval for special events must be obtained at least 10 weeks prior to the event.

GIFT PLANNING SERVICES
MCF offers its affiliates gift planning support through the Montana Office of Gift Planning (MOGP). Staff is available to educate, present and/or work with donors in establishing planned gifts.

MCF will accept donations of any size for an existing endowment. Donors wishing to create new endowments for affiliates must meet a $25,000 minimum fund balance within five (5) years. MCF will accept planned gifts for existing endowments for a minimum of $5,000 ($2,500 if the gift is in the form of a deferred gift annuity and the endowment balance is equal to or more than $25,000).
Notification of Planned Gifts
After a donor establishes a planned gift that benefits the affiliate, MCF will notify the affiliate. Planned gifts must mature before the affiliate’s fund will benefit from the gift. A planned gift matures upon the relinquishment of the annuity (which is possible after a minimum of five (5) years) or the death of the donor.

MCF staff will send a letter to planned gift donors offering them an opportunity to terminate the gift as current law allows. If the donor terminates his or her right to future income, MCF will notify the affiliate and transfer the asset (original planned gift amount plus any investment earning that have accrued) to the endowment benefiting the affiliate.

If a planned giving donor elects to take payments from an annuity or trust, those payments will reduce the final benefit the affiliate’s endowment receives. However, MCF incurs the liability of that planned gift not the affiliate, if payments exceed the original amount.

MARKETING
MCF understands the goal of local community foundations is to be a resource for their communities. An important aspect of this goal is ensuring community members know what the community foundation is, what it does, and how it makes that happen through specific initiatives. Marketing and community engagement are critical in achieving this goal by promoting the work and increasing the visibility of the community foundation and ultimately, supporting fund development for the betterment of the community.

COMMUNITY ENGAGEMENT AND MARKETING PLAN
Each affiliate should create a community engagement and marketing plan that is deeply integrated with a fund development plan. Should an affiliate need guidance or help on creating a plan, they should contact MCF’s LCF Program Officer. Advisory committee members should actively engage in carrying out the community engagement and marketing plan. At minimum, the plan should include:

- Methods for the affiliate to uniquely identify and promote itself
- Ensure materials are updated and current for community and foundation needs
- A calendar of community engagement and marketing initiatives that align with strategic initiatives of the community foundation
- The established grantmaking calendar/schedule
- A web presence that includes a website and/or social media
- An identified budget for carrying out the community engagement and marketing plan

When drafted, community engagement and marketing plans should be submitted with other materials required to remain in good standing as an affiliate of MCF.

PRINTED MATERIALS AND MATERIALS INTENDED FOR PUBLIC CONSUMPTION
Each affiliate is responsible for ensuring drafts of marketing materials (brochures, annual reports, press releases, newsletters, etc.) are given to MCF at least fifteen (15) business days before the desired publication date. Because each affiliate is operating under MCF’s legal nonprofit status, it is important
MCF ensure consistency in messaging, include proper disclosures, and also allow MCF to provide help and guidance if requested. MCF has technical and professional expertise available for any affiliate wanting to expand their existing community engagement and marketing initiatives. Please contact the Marketing & Communications Director for help.

**Grantmaking**

**Due Diligence**
MCF conducts due diligence to ensure recommended grants will be used for charitable purposes and to demonstrate respect for the charitable intent of donors. However, we do ask affiliates to verify grantee organizations meet the recipient criteria and all contact information is up to date.

**Recipients**
MCF will only approve grant recommendations for organizations that meet the criteria in I.R.C. §501(c)(3) and §509(a)(1),(2), or (3), or are churches, schools, hospitals, medical research organizations, or government units. These are public charities. MCF is prohibited from making grants to private charitable foundations. If you are unsure about the status of an organization, please contact the LCF Program Office or MCF’s Grants Department.

**Grant Recommendations**

**Processing Time**
MCF is required to independently verify each recommended grant recipient is a qualified organization according to IRS rules. Once MCF receives all required information, recommended grants will be processed within ten (10) business days (two weeks).

**Grant Amounts**
Grant recommendations must be made online, through the donor portal. Grant recommendations for $500 or more will be processed. If an affiliate would like to make a grant for less than $500, please contact the LCF Program Officer and/or MCF’s Grants Department.

**Grantmaking Schedule/Cycles**
To ensure grant recommendations are able to be processed in a timely fashion, MCF highly recommends avoiding the giving season (November – December).

MCF shares your goal in building lasting relationships with nonprofits. Most nonprofits appreciate grantmaking that does not occur during their busy fundraising times. By providing a 1-2 month period for grant seekers to apply, the affiliate encourages equitable, diverse, and inclusive partnerships with nonprofits in the community. Grantmaking schedules/cycles should be publicly promoted and part of the affiliate Community Engagement and Marketing plan. MCF would be delighted to share your granting opportunities in our newsletter, *Infinity*.

**Grantmaking Procedures**
For timely and accurate processing of recommended grants, please ensure the following:
- Each grant recommendation must be submitted through the online donor portal. Include details regarding the purpose of the grant and any special instructions.
2. Scan and email the following documents to the Grants Department:
   - Copies of all grant applications received for that grant cycle (including those not recommended for funding).
   - 501(c)(3) determination letters for new grantees or support for the grantee meeting charitable guidelines. If grantees are awarded grants in multiple years, MCF will have this documentation on file.
   - Grant Recommendation Minutes Template is filled completely and notes which advisory committee members were present, their affirmative or negative votes, which members abstained due to conflicts of interests, and conflicts of interest conversations were noted. MCF staff will only approve grants that have conflict of interest documentation addressed in the Grant Recommendation Minutes.

3. Special instructions, as needed, regarding delivery of grant checks. Unless specified, checks will be mailed directly to grantees. If requested by the affiliate, checks can be mailed to the affiliate for a presentation event. MCF requires that checks reach grantees within 30 days.
   
   In cases where affiliates do not receive grant applications (a noncompetitive grant cycle), there is no need to submit grant applications. However, there should be a proposal from the grantee and all other materials mentioned above should be scanned and sent to MCF’s Grants Department.

   Affiliate Fund Representatives can view the progress of the grant recommendations on the online portal.

GRANT REPORTING
As part of the agreement for funding, MCF requires grantee organizations to submit a written report that summarizes the project and identifies progress in achieving the purpose of the grant. Reports are required to have detailed accounting of the use and expenditure of grant funds. Additional requirements of granted dollars can be found in the Grant Awardee Letter, in the Document Appendix section of this manual.

It is the responsibility of the affiliate to work with the grantee and MCF to obtain the report. In some circumstances, the affiliate may wish to change reporting requirements for specific grants. If changes are needed, please contact MCF’s Grants Department for further discussion.

ORGANIZATION TRANSITIONS

DORMANT AFFILIATES
If an Affiliate is dormant, MCF will ensure grantmaking continues. MCF will first send a notice to the Fund Representative to determine if the affiliate can be reorganized. If the advisory committee is not reactivated and making grant recommendations within 12 months, MCF will assume responsibility for grantmaking. An Affiliate that has failed to make grants in a continuous 24 month period is one indicator MCF uses to determine dormant status.

BECOMING A 501(c)(3)
Affiliates who choose to obtain 501(c)(3) status should notify MCF and send a copy of the Form 1023 (application for charitable status), and a copy of the IRS determination letter when received. MCF will
close the administrative fund and send the administrative and distributable fund balances to the affiliate. Please allow four (4) weeks for MCF to send these payments.

Only the IRS can determine nonprofit status. Filing Articles of Incorporation with the Montana Secretary of State only recognizes the organization as a corporation and will not change the affiliate’s status with MCF. Unless affiliates desire to obtain an IRS 501(c)(3) status, Articles of Incorporation should not be filed.
STAFF CONTACT INFORMATION

PRESIDENT & CEO:
Mary Rutherford
maryr@mtcf.org

DIRECTOR, MOGP:
Amy Sullivan
amy@mtcf.org
ext: 200

MARKETING AND COMMUNICATIONS DIRECTOR:
Riley Meredith
riley@mtcf.org
ext: 106

PLANNED GIVING OFFICER:
Nick Dietzen
nick@mtcf.org
ext: 112

DIRECTOR, DONOR SERVICES:
Cathy Cooney
ccooney@mtcf.org
ext: 108

DATABASE MANAGER:
Caleb Stumberg
caleb@mtcf.org
ext: 105

EXECUTIVE ASSISTANT:
Daphne Kurtz
daphne@mtcf.org
ext: 100

PROGRAM OFFICER –
LOCAL COMMUNITY FOUNDATIONS:
Jen Gursky
jeniferg@mtcf.org
ext: 111

DIRECTOR OF OPERATIONS AND GRANTS:
Jessica Stewart-Kuntz
jessica@mtcf.org
ext: 104

SCHOLARSHIPS MANAGER:
Jenny Stark
jstark@mtcf.org
ext: 109

DEVELOPMENT COORDINATOR:
Joanne MacIsaac
joanne@mtcf.org
ext: 201

CONTROLLER:
Kacie Tollefson
Kacie@mtcf.org
ext: 113

SENIOR ACCOUNTANT:
Kay Gray
kay@mtcf.org
ext: 101

STAFF ACCOUNTANT:
Kayluh Menager
kayluh@mtcf.org
ext: 102