

Education Session 1: Corporate Structure FSJ Community Foundation

May 25, 2020

Mandate

The creation of a community foundation was included in the 2018-2023 Strategic Plan adopted by Council. An important driver of the initiative is a desire to effectively invest and distribute non-tax revenue to provide long-term support for community challenges.



1.2.3 – Develop a Community Foundation



Overview

Purpose: Review the corporate structure of the new Community Foundation proposed to meet the needs and goals of our community.

- 1) Context
- 2) Guiding principles
- 3) Corporate structure
- 4) Question
 - a. Initial number of members/directors
 - b. Length of terms

1. Context: Community Foundations of Canada



Shifting power

We have a responsibility to shift power to those who best know the needs of our communities, as well as ensure diverse voices are at the table where important decisions about our future are being made.



Strengthening community

Resilient communities are strong communities. Investing and supporting all facets of community and civic life is at the core of who we are.



Taking the long view

We have the opportunity of taking the long view. The capacity to work nimbly and collaboratively toward systemic change.

2. Guiding Principles

1. Planned
2. Transparent
3. Community-driven and community-lead
4. Protective of funding and assets
5. Adaptable

Principle 1: Planned

The City will establish a Community Foundation with both short- and long-term positive impacts for the community.

Alignment:

- Working to balance long term investment with shorter term impact.
- Investing Site C funds through the Community Foundation.
- Provides capacity to work nimbly and collaboratively toward systemic change.

Principle 2: Transparent

The City will ensure transparency in the establishment and operations of the Community Foundation through development of an accountable and inclusive framework for information sharing.

Alignment:

- Ongoing dialogue and engagement with public and stakeholders.
- Commitment to accountability with a robust reporting framework that identifies full service delivery costs as well as annual targets and outcomes.

Principle 3: Community-driven and Community-lead

The City will undertake the creation of the Community Foundation and ensure appropriate structures are in place to safeguard assets, while moving decision-making to the community through the Community Foundation structure.

Alignment:

- Governance and policy includes robust audit and accountability measures.
- Resilient communities are strong communities. Investing and supporting all facets of community and civic life is at the core of who we are.
- The City's role is as a founder and major donor. Grants from the City will occur through gift agreements between the City and the Community Foundation

Principle 4: Protective of Funding and Assets

Ensure ongoing investment in the community non-profit sector by leveraging non-tax-base revenue for long-term sustainability and strength of our community.

Alignment:

- Safeguard financial assets to enhance funding stability for the future with a robust business plan, vigorous fiscal planning, and strong policies and procedures.
- Maintain interim support for our charitable sector during the transition period as the Foundation builds a sustainable and diversified revenue independent of the municipal tax revenue structure.

Principle 5: Adaptable

The CF will be empowered and enabled to adapt to community needs over time.

Alignment:

- Bylaws, structure built to enable adaptability over time.
- Community Foundation makes data-driven decisions.
- Community Vital Signs informs granting.

Initial Purposes of the Community Foundation

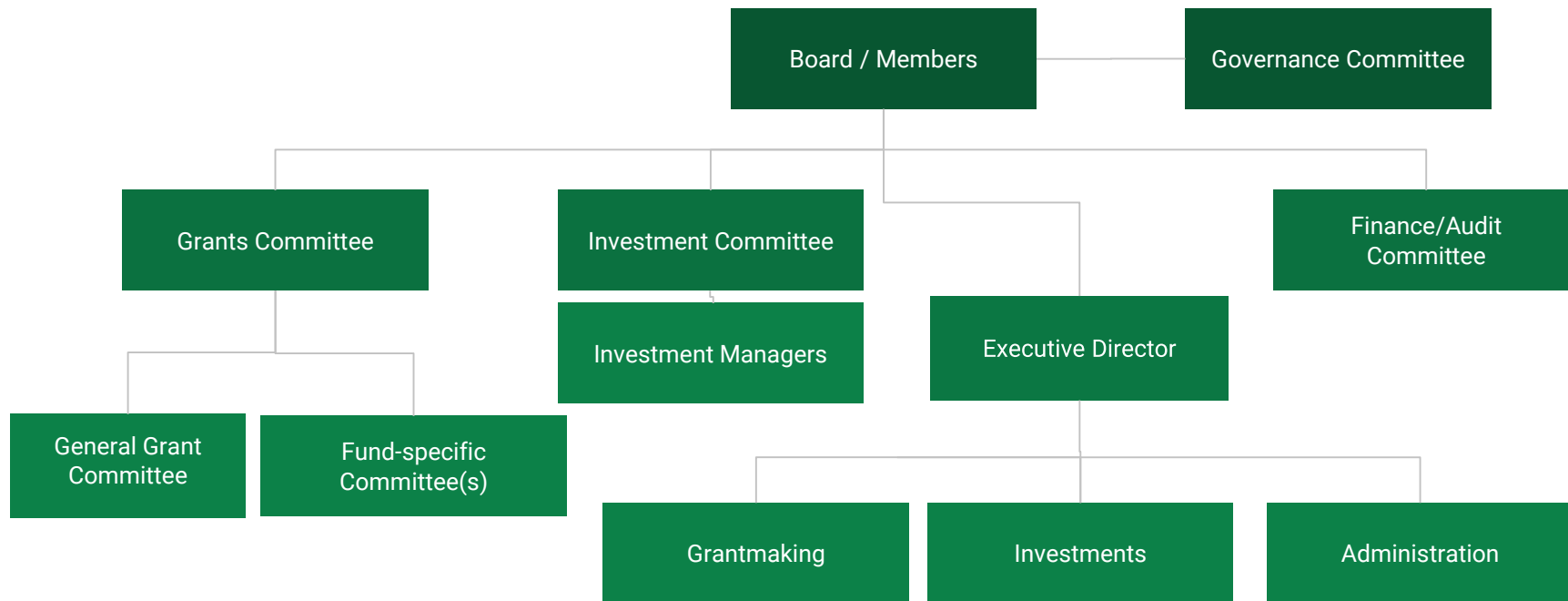
Societies Act / Constitution

- to receive gifts, bequests, funds and property, and to hold, invest, administer and distribute funds and property to such other organizations as are “qualified donees” under the provisions of the *Income Tax Act* (Canada); and
- to do all such other things as are incidental and ancillary to the attainment of the foregoing purposes and the exercise of the powers of the Society.

Principles:

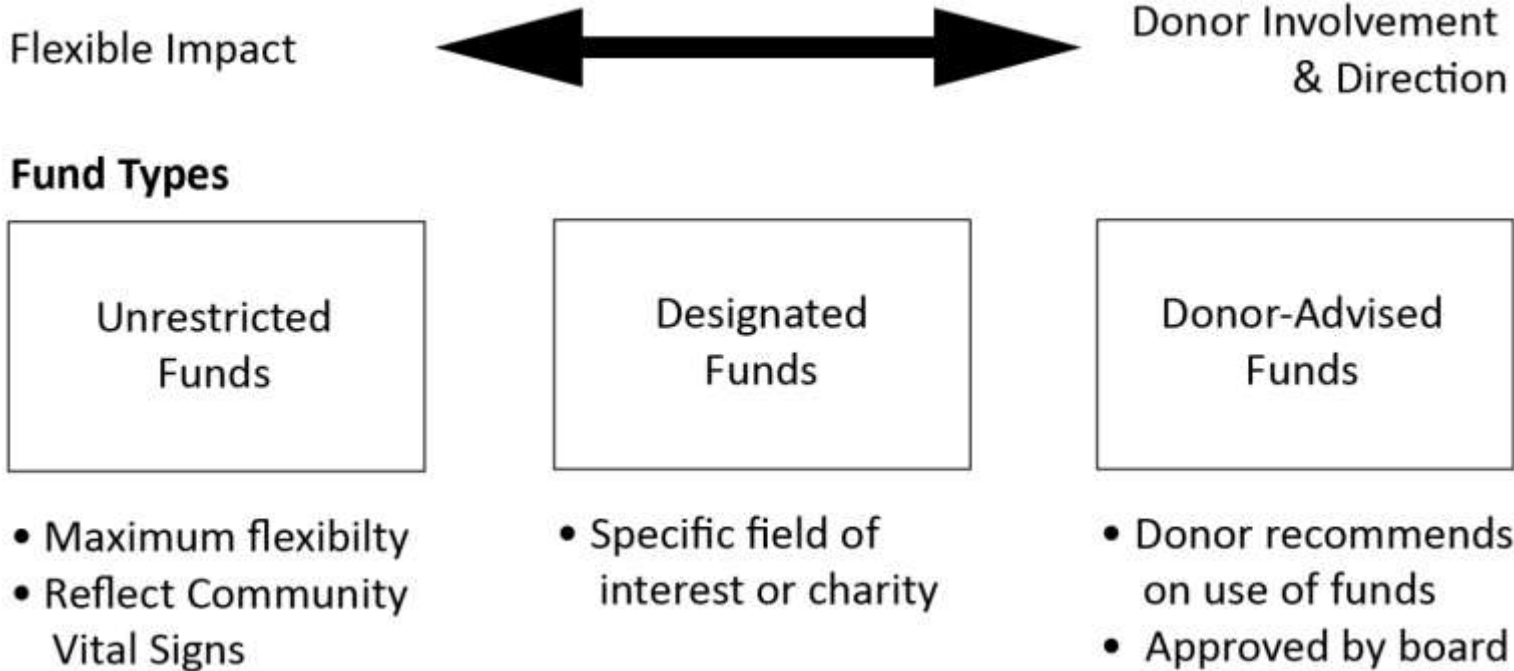
Planned, Transparent, community-driven and community-lead, protective of funding and assets, adaptable.

Structure



Principle: Community-driven and community-lead

Funds Within the Foundation



Members/Directors

- A two or a three year term
- May be renewed to maximum of six consecutive years (eg. two three-year terms or three two-year terms)
- Following six years, a minimum of one year before a member may re-apply
- No distribution of income to members
- Board members are individuals acting in a volunteer capacity
- Members are the directors
- Recommendation: Two-year term (or three-year term)

Originating Members Must Be Identified

- A minimum of three originating members must be identified to establish the foundation
- Members will form the board
- Recommend no more than twelve (12) members/directors.

Best Practices:

- Odd number of members/directors
- Five to seven originating members/directors

Recommendation: That **five originating members** be identified, who will also serve as the originating board of the new foundation.

Input Requested

Initial number of members/directors (five or seven?)

Length of term (two years or three years; maximum of two consecutive terms?)

Education Sessions

1. Corporate structure (Complete)
2. Gift agreement - Site C funds (June 8)
3. Financial modelling (June 22)
4. Governance (July 13)
5. Community foundation naming (July 27)