

Revised National Standards

1. Meeting the Definition of a Community Foundation

A community foundation is a tax-exempt, nonprofit, autonomous, nonsectarian philanthropic institution supported by the public with the long-term goals of:

- Building permanent, component funds established by many separate donors to carry out their charitable interests;
- Supporting the broad-based charitable interests and benefitting the residents of a defined geographic area, typically no larger than a state; and
- Serving in leadership roles on important community issues.

2. An Independent Board that Reflects the Community

A community foundation has an independent governing body that ensures that the community foundation reflects and serves the breadth and diversity of the community.

3. Foundation Control over Component Funds

A community foundation's governing body retains variance power by which it may modify any restriction or condition on the distribution of assets, if circumstances warrant. Further, with respect to assets held in trust, the governing body must have the power to replace any participating trustee for breach of fiduciary duty.

4. Advance the Foundation's Mission, Strategy, and Policies

A community foundation's governing body is responsible for the mission, strategic direction, and policies of a foundation.

5. A Board and Staff that is Responsible for Operational Health

A community foundation's governing body ensures the financial health and sustainability of the foundation by:

- a. Ensuring adequate human and financial resources that are used solely in furtherance of the foundation's mission,
- b. Approving the foundation's budget and monitoring performance related to the budget,
- c. Ensuring sound oversight and transparency of investment and spending policies and practices, and

- d. Holding the foundation's chief executive officer (or equivalent in the case of all-volunteer foundations) accountable for the operations of the foundation.

6. A Board that Approves and Monitors Policies and Grants

A community foundation's governing body approves and monitors policies regulating the ethical operations of the community foundation, ensures that the community foundation meets all legal requirements, and approves all grants.

7. A Board that is Independent

A community foundation's governing body is not controlled by any other nonprofit foundation; by any single family, business, or governmental entity; or by any narrow group within the community it serves.

8. Board and CEO Compensation

A community foundation's governing body oversees a clearly articulated process for board governance and serves without compensation (exclusive of the chief executive officer).

9. A Board with Oversight and Control of Geographic Affiliates

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

10. A Board and Staff Actively Developing Broad Support

A community foundation has, or is actively working to develop, broad support in the form of contributions from many separate, unrelated donors with diverse charitable interests and accepts and administers diverse gift and fund types to meet the varied philanthropic objectives of donors and the needs of the community it serves.

11. The Board Secures Discretionary Resources

A community foundation has a long-term goal of securing discretionary resources to address the changing needs of the community it serves.

12. The Board Demonstrates Legal and Fiduciary Control

A community foundation's governing body has legal and fiduciary control over all contributions received, adopts appropriate gift and fund acceptance policies, and makes these policies available upon request.

13. A Board Oversees Fund Management and Financial Records

A community foundation is a steward of charitable funds, which invests and prudently manages funds and maintains accurate financial records.

14. The Board is Accountable and Transparent about Programs and Finances

A community foundation is accountable to the community it serves and demonstrates this accountability by regularly disseminating information on its programs, finances, investment, and spending policies.

15. The Foundation Maintains Fund Records

A community foundation maintains a written record of the terms and conditions of each component fund and all applicable records must reference the variance power.

16. Board and Staff Honors Donor Intent and the Law

A community foundation honors the charitable intentions of its donors, consistent with community needs, and maintains a balance between donor involvement and governing board control, in accordance with all applicable laws and regulations.

17. The Board Has and Makes Public the Annual Audit

A community foundation has an annual audit (or financial review, when assets total less than \$5 million) that is performed by an independent public accountant, reviewed and accepted by the governing body, and made available to the public upon request.

18. The Board Oversees Diverse Grantmaking

A community foundation operates a broad grants program to multiple grantees that is not limited by mission to a single focus or cause or exclusively to the interests of a particular constituency, and widely disseminates grant guidelines to ensure the fullest possible participation from the community it serves.

19. The Board's Discretionary Grants Respond to Community Needs

A community foundation awards some grants from its discretionary resources through open, competitive processes that address the changing needs of the community.

20. The Community Foundation Oversees Grantmaking Due Diligence

A community foundation performs due diligence to ensure that grants will be used for charitable purposes and assesses the impact of its grantmaking.

21. The Board Oversees Donor Education and Engagement

A community foundation educates and engages donors in identifying and addressing community issues and grantmaking opportunities.

22. Foundation Provides Gift Acknowledgement and Fund Statement for Donors

A community foundation promptly and accurately acknowledges gifts and provides fund statements, at least annually, to those donors who wish to receive them.

23. Privacy and Confidentiality

A community foundation keeps all private information obtained with respect to donors and prospects confidential to the fullest extent possible. If a community foundation uses an online giving portal, it must ensure that it protects donor data, honors donor intent, and discloses any transaction fees.

24. The Board Displays Community Leadership

A community foundation identifies and addresses community issues and opportunities. It strives to serve in leadership roles, including convening, and to assess the impact of its community leadership.

25. The Board Oversees Social Media and Communications

A community foundation communicates openly and transparently on a regular basis. If social media is used by employees or in foundation communications, the community foundation develops a social media policy.

26. The Board Oversees Advocacy and Lobbying Activities

When involved in advocacy or lobbying activities, a community foundation ensures it is in compliance with applicable federal and state regulations.