

**Covering Rural Territory: Affiliate & Alternative Structures for RDP**  
*January 22, 2002 – Washington, DC*

# **Roles & Rules:**

## **Montana Community Foundation Affiliate Operating Guidelines and Principles**

**Presented by:**

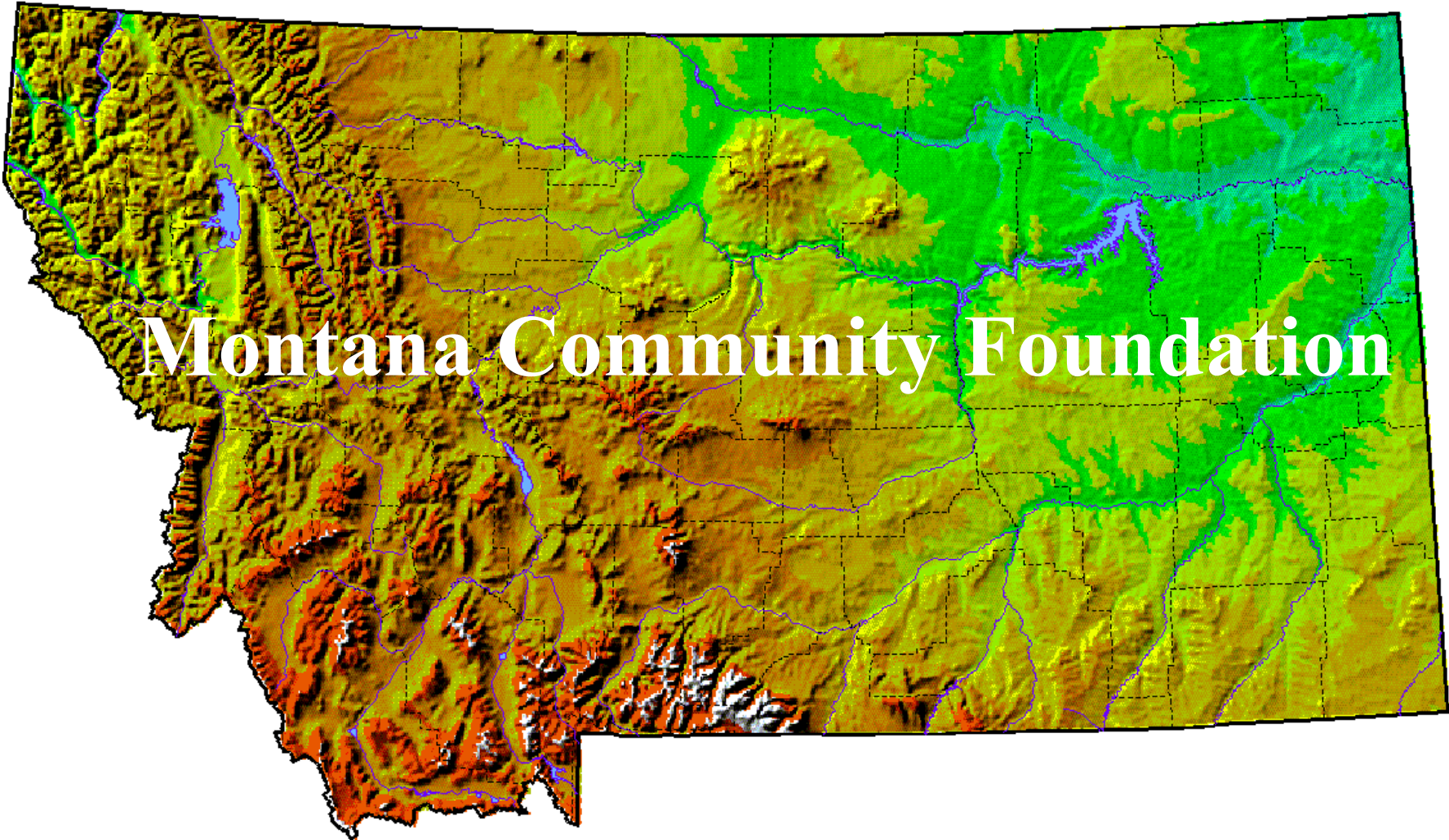


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# Montana Community Foundation

## Montana Facts

- Size – 140,000 sq. miles – 4<sup>th</sup> largest state
- Population – 904,433
- Average Income – 50<sup>th</sup> – Changing Economy
- Two jobs – Highest in U.S.- 60% above avg
- Per Capita Giving – 47<sup>th</sup> (not all giving)
- Foundations – 46<sup>th</sup> - **Philanthropic divide**
- Grants Made – 48<sup>th</sup>

# What We Have Going For Us?

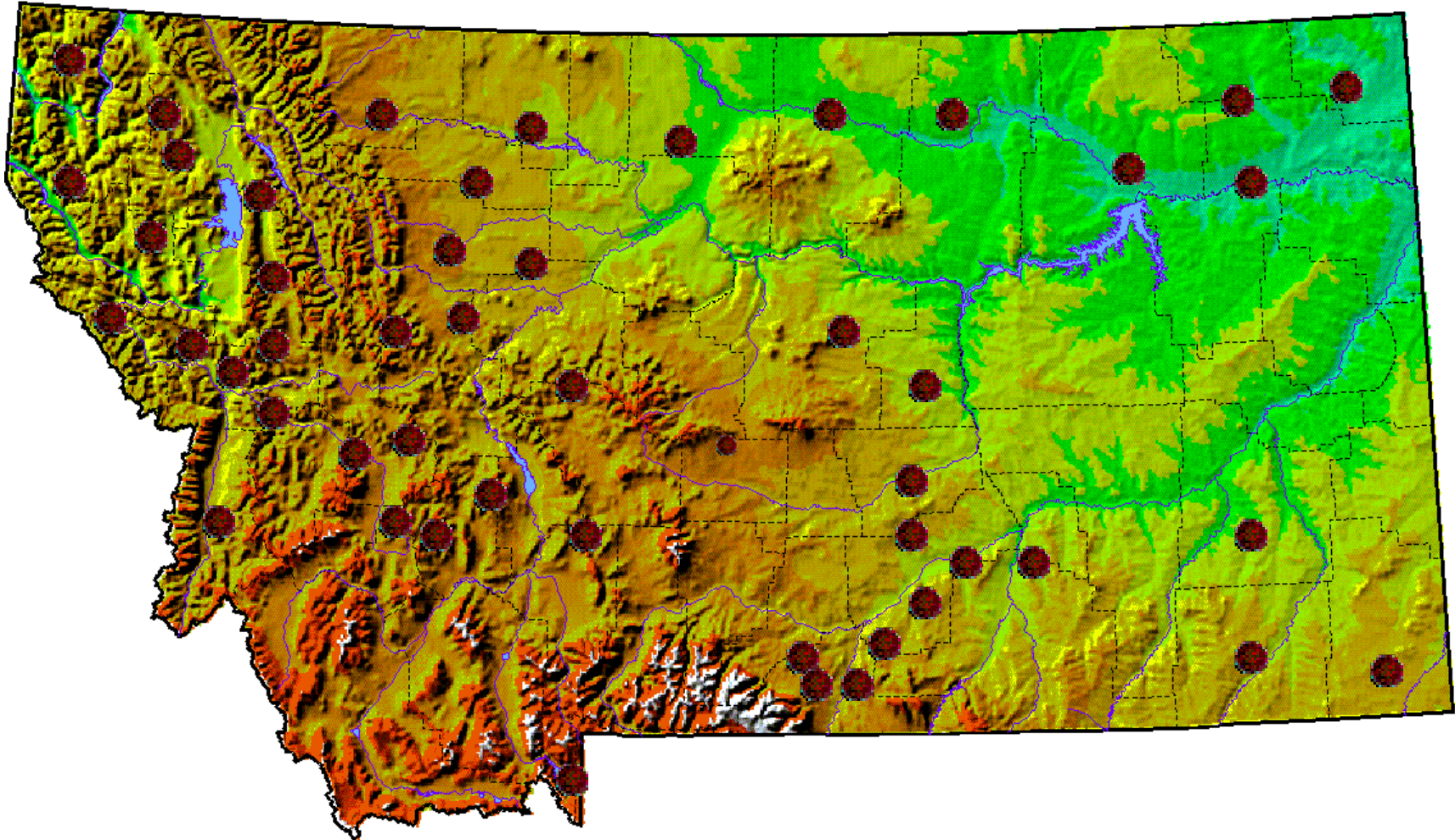
- **Critical philanthropic need**
- **Self-reliance, friends & neighbors**
- **Social Capital** – 2<sup>nd</sup> highest (Harvard Benchmark Survey)
- **Montana Endowment Tax Credit** –
  - est. \$250 million by 2007
- **MCF representatives** carry the word
- **Positive affiliate experience**

# Montana Community Foundation

## Affiliate Structure

- 9 Regions cover state - 5 have endowments
- **49 City or County Funds**
  - 9% of all MCF endowments
  - \$1.6 million in assets
    - 4% of MCF assets

# Affiliate Distribution

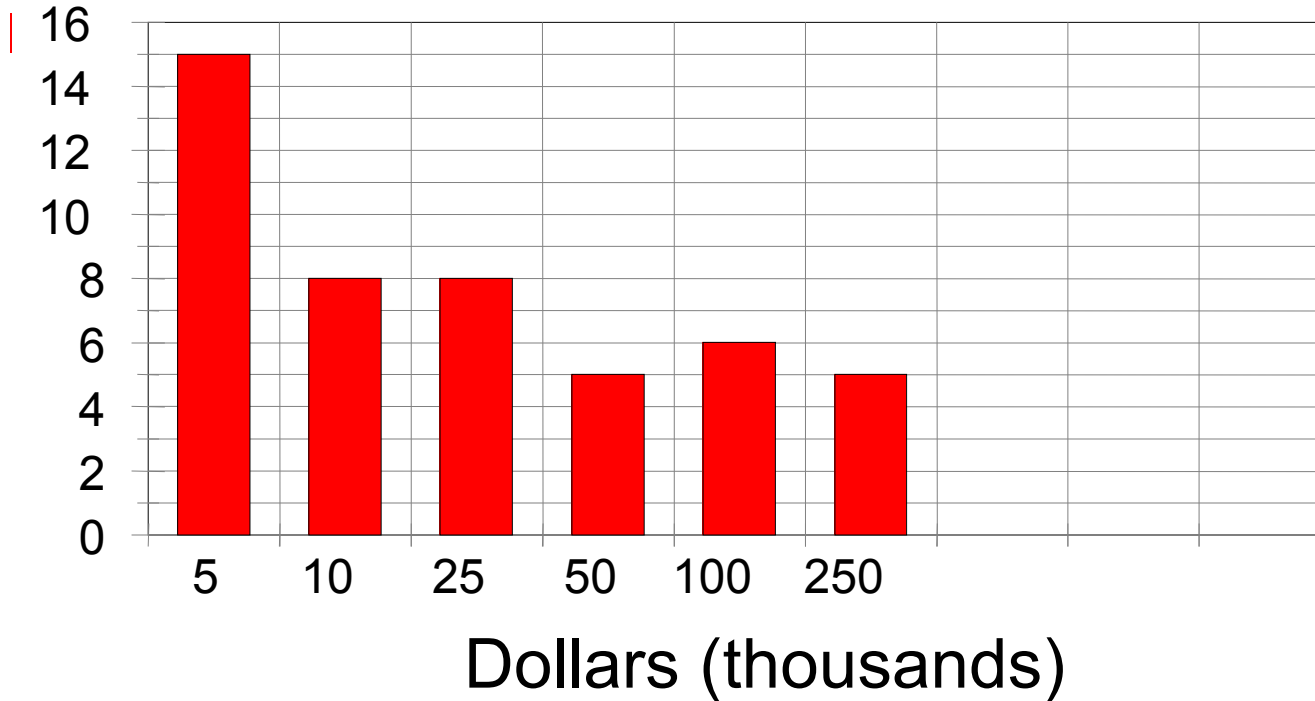


## MCF -Affiliate Structure

- 10 (20%) with their own 501(c)(3) status
- Endowments range from \$237 to \$196,000
- 3 have endowments outside of MCF
- Volunteer staffing – 4 have part-time staff

# Montana Community Foundation

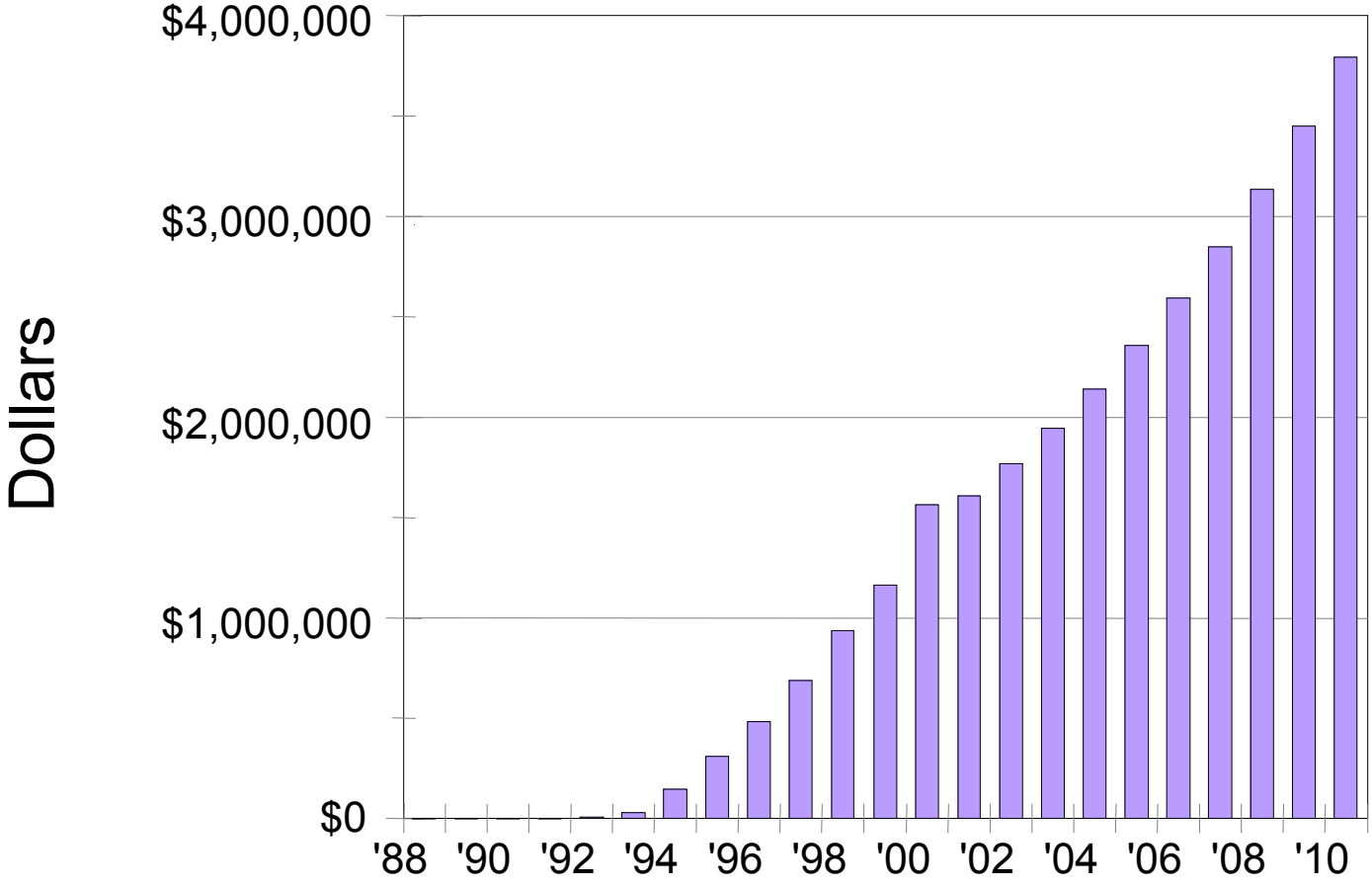
## LCF Asset Distribution as of June 2001



**Median - \$11,614; Mean - \$34,215**

# Montana Community Foundation

## Projected Growth of LCF Assets



# Affiliate Guidelines

- Established with:
  - Short easy-to-complete **endowment agreement**
  - \$5,000 minimum **contribution** - may include planned gift
  - Evidence of community **advisory committee**

# Affiliate Responsibilities:

- **Internal:**
  - **Learn** how CFs concentrate assets to benefit community, etc.
  - **Gather leadership** around concept & action
  - **Conduct conversations** on CFs & endowments

# Affiliate Responsibilities:

- **Promote**
- **Fundraise**
- **Recommend grants**
- External:
  - **Network** with other affiliates
  - **Participate** in regional/statewide activity

# Guidelines - MCF Provides:

- **Endowment management & investment**
- **Consultation** with donors and advisors
- **Planned giving services/ Tax Credit**
- **Receipt/acknowledgement** of contributions
- **Administration** of grants made
- Fund **publicized** in annual report & on Web  
– link to Affiliate site

# Guidelines

- **Technical assistance** on organizational and program development and fundraising
- Monthly **electronic newsletter** strengthens affiliate network
- Training **materials** and promotion of philanthropy publications
- **Conferences and workshops**
- **Staff visits**

# Guidelines

- **Grants**
  - **Challenge** & development - maximum of 5 grants - \$50,000/year total
  - **Renaissance** – improve econ. security of rural families – 8 communities
  - Leadership & project
- **\$200,000 - \$250,000** from MCF budget

# Guidelines: Development

- Organizing Affiliates
  - Basic **education**
  - Community **C**onversations on Endowed Philanthropy
  - **C**onnecting with other affiliates
  - **S**ample letters and publications
  - **S**tory telling, **h**and holding & **c**heerleading

# Guidelines: Development

- Mature Affiliates
  - **Mentors** for Newbies
  - **Updates** for Net Notes
  - In-depth **planning for fundraising**
  - **Formalize grantmaking** process
  - **Community projects/forums/resources**
  - **Regional/statewide** program & policy
  - **Staff**

# The Principles

- **Development/benefits focus** not regulatory
  - Guide & model behavior; examples & connection
- Rely on:
  - **volunteer leadership & experience**
  - **local knowledge & control**
- Strategy - **resource limitation & territory**
- Empower **MCF board and volunteers**

# The Process

- **Organic** process of discovery
- MCF staff as **connective/communicative tissue – identify issues**
- Development of **core program**
- **Evolutionary** maturation of system
- Resource driven **timetable**
- Proposed Affiliate **Advisory Committee** to guide MCF

# Tough Lessons

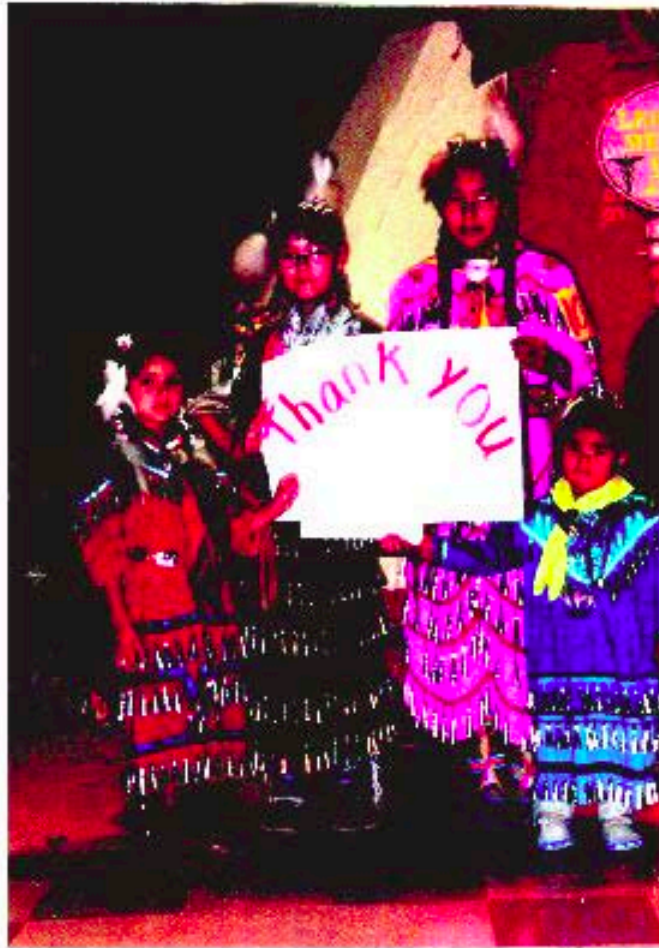
- Statewide approach, but each affiliate is a **special case**
- **Leadership & thinking is key**; money secondary
- **Fragile nature** of leadership & volunteerism
- Impact of **natural environment**

## Best Things

- **Vibrant & growing affiliate network & assets; one key to MCF growth**
- **New hope** for stressed rural communities – “Make Do to Can Do”
- Drawing **Regional and Board members** from affiliates

## Advice

- **Engage community leadership,** learning & discussion before affiliation – Social Compact
- **Challenge Grants** build endowments
- **Operational support** speeds process



***Visit Big Sky Country this  
Summer!***

