



Fund Advisory Committee

Establishing a Fund Advisory Committee

Component funds shall have local fund advisory committees to assist and advise the NMF Board on the use of earnings and/or assets of the component fund in a manner consistent with the mission and purpose of the component fund.

The role of the Advisory Committee shall be advisory. *The final responsibility for the administration and distribution from the fund shall remain with NMF Board of Directors.*

Fund Advisory Committee Member's Responsibilities

The Fund Advisory Committee has three core responsibilities:

1. Promote the component fund
 - a. To be alert to opportunities that could benefit the component fund for public relations, financial commitments, potential donors, and in other ways.
2. Secure resources/assets for the component fund
 - a. To develop and implement all fundraising activities of the fund.
 - b. To review and submit recommendations for NMF Board of Director action on any and all designated or restricted funds or gifts.
 - c. To acknowledge and recognize all gifts.
 - d. To commit to build within the near future (3 to 5 years), a permanent endowment of a substantial amount of unrestricted assets to guarantee the proper functioning of a component fund.
3. Recommend distributions from the component fund
 - a. To establish funding priorities, principles, and spending policies.
 - b. To solicit and review grant proposals and recommend grant funding to NMF Board of Directors.



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Fund Advisory Committee Makeup and Size

The size of the Fund Advisory Committee may be determined by the person(s) establishing the fund. The size of the committee shall be sufficient to best serve the interests of the community while conducting the committee in an efficient and effective manner. A membership of 5 to 9 is recommended.

The Fund Advisory Committee should be staffed with a representation of those living in your community. It is vital to involve broad diversity in your members, representing the variety of racial, age, gender, socio-economic, religious, and other demographics found in your community. Members shall serve without compensation.

The Fund Advisory Committee should possess the following skills and characteristics:

- Affluence or Influence (contacts) - personal wealth or access to wealth
 - Civic leaders - corporate, volunteer, *not* political
 - Entrepreneurs and business leaders
 - People who know the community
- Wisdom
 - Knowledgeable about the community, who will work for it, willing to reach the affluent, and representative of the different constituencies within the community.
- Ability and willingness to work
- Commitment to the idea of the component fund
 - Willing and able to speak and act on the best interests of the community fund.
- Willingness to raise money
 - Committed to the development of resources and the capacity of the component fund.
- High community visibility and personal ethics
 - Representing broad interests of the public rather than the personal or private interests of a limited number of donors.
- Willingness to give money relative to their personal circumstances

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Fund Advisory Committee Member Tenure

The initial Fund Advisory Committee members shall be appointed by NMF to serve a three- to five-year term equal to the initial fundraising campaign establishing the component fund.

The subsequent Fund Advisory Committee members shall be elected by the current fund Advisory Committee at the annual meeting in the fiscal year.

NMF recommends that their terms be either two, three, or four years, staggered for a continuum of service. Future committee member terms would be three years, with two or three members' terms expiring each year. NMF recommends that no committee member serve more than three consecutive four-year terms.

The term of a member filling a vacancy expires at the end of the unexpired term that the member is filling

After an absence of one year, a former member is eligible for re-election.

Removal and Resignation

Removal

Each member is expected to attend all regularly scheduled and special meetings.

Anyone who misses three consecutive meetings without good cause, as identified by and approved by a majority vote of the Fund Advisory Committee, may be removed from the committee.

The Fund Advisory Committee may remove by majority vote one or more members for good reason other than non-attendance, but only at a meeting called for the purpose of removing the member(s). The meeting notice must state that the purpose, or one of the purposes, of the meeting is the removal of the member. For cause, in the judgment of a majority of the Fund Advisory Committee, includes but is not limited by these actions:

- Anyone who places the component fund or NMF in legal or professional jeopardy.
- Anyone who fails to complete his or her accepted responsibility.

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Resignation

A member may resign at any time by delivering written notice to the Fund Advisory Committee, its chair, or its NMF representative. A resignation is effective when the notice is received unless the notice specifies a later effective date. If a resignation is made effective at a later date, the Fund Advisory Committee may fill the pending vacancy before the effective date if the Fund Advisory Committee provides that the successor does not take office until the effective date.

Fund Advisory Committee Officers

The Fund Advisory Committee shall annually elect from its membership a Chair, Vice Chair and Secretary.

The Chair shall conduct the meeting of the Fund Advisory Committee and shall generally oversee the activities of the committee, including:

- Execution of the fund development plan
- Appointment of committee members
- Keeping NMF informed about the activities of the component fund
- Serving as the spokesperson for the component fund
- Submitting fund distribution (grant) recommendations to NMF

The Vice Chair shall assist the Chair in the general oversight of the fund and in the absence of the Chair shall assume all of the duties and responsibilities accordingly. The Vice Chair shall oversee all promotional activities for the component fund in coordination with NMF Communications Director.

The Secretary/Treasurer shall record all minutes of the meeting and submit them for approval to the Fund Advisory Committee. The secretary shall also submit copies to the NMF representative. The Secretary shall oversee the recognition of gifts to donors from the Fund Advisory Committee in coordination with NMF's tax receipting of gifts.

Other officers, committees, and/or additions may be named by the Advisory Committee as the need arises.

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Meeting Schedule

It is strongly advised that component funds meet no less than three times per year. One of those meetings must be an **annual meeting** where officers are elected and new members are invited to serve. At this meeting it is also necessary to sign and return to NMF the signed Code of Conduct.

The second and third meetings should focus on **fundraising** and **grant-making**. The role of the committee is to raise and distribute grants to meet the purpose of the committee. This is of utmost priority as your committee is charged with meeting this purpose.

Keys to Successful Advisory Committee Engagement

- It is highly recommended that the committee meet more than three times per year.
- Committee members attend all meetings and actively participate in decision-making.
- Committee members make an initial gift “within their means” to the component fund.
- Endorse fundraising plans and actively solicit financial support for the fund’s projects and endowment
- Be a spokesperson for the fund.

“Family of Funds” Fund Advisory Committees

The advisory committees of any funds agreeing to be included in the community fund family of funds shall retain their independent role including access to financial information for their fund and grant-making recommendations.

While remaining independent, these funds may also participate in the community fund by:

- Having representation on the Community Fund Advisory Committee
- Participating in joint promotional and fund development activities of the fund
- Submitting their grant distribution recommendations through the community fund to NMF for greater coordination of efforts in public relations and promoting philanthropy.

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