

Community Fund of North Kootenay Lake Society

P106 Procedure for the Development of New Field of Interest and Designated Funds

Purpose: This procedure outlines the decision-making process for the development of new field of interest or designated funds and the steps required to set up those funds.

Scope: This procedure applies to all potential new field of interest or designated funds that are proposed for development.

Procedure:

1. Any member(s) of the CFNKLS Board of Directors or Fund Development Committee is welcome to suggest the development of a new field of interest or designated fund.
2. The proponents shall prepare a justification for the need for the new field of interest or designated fund and any supporting background information. Ideally, the proposal for a new fund will first be discussed in the Fund Development Committee and the Committee will make a recommendation to the Board.
3. The Board shall discuss and make a decision on whether to proceed with the establishment of a new field of interest or designated fund at its next regularly scheduled Board meeting.
4. The criteria to be included in the justification and that the Board shall use to make its decision may include any of the following: • \$5000 minimum donation to launch fund, or a short-term plan to reach \$5000 trigger • a description of the fund and its scope; • how well the fund fits with the goals of CFNKLS and how well it complements existing designated funds; • the extent to which it reflects a real community need and priority; • whether there is a recommendation from the Fund Development Committee; • the amount and range of donations pledged to the new fund; • a 'fund development plan' or strategy to reach a minimum target of \$10,000 within five years; and • a commitment by the proponent to assist in growing the fund to \$10,000.
5. If the Board decides that the new fund should be established, it shall be with the proviso that it will not start to deliver grants until it has reached a minimum \$10,000 in confirmed donations. Until such time, the registered donations shall be included in the general CFNKLS fund, with any returns contributing to general fund grants. Any prospective donors to this new fund shall be informed of this procedure.
6. The Fund Development Committee shall be informed of the decision to establish a new fund and shall be asked to amend the Endowment Direction Form and other promotional material as required. They shall also be required to develop criteria for the fund, with input from the proponent if requested.
7. Should the goal of \$10,000 not be achieved within five years of establishment of the new fund, the Board shall review the value of the fund and shall decide either to continue fundraising for the fund or to disband the fund and transfer any balance to the general CFNKLS fund.

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