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## **Repurpose the Foundation**

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Many associations maintain a subsidiary or related foundation. The majority are educational with the mission reading: "Supporting professional development, scholarship and research."

Some of these foundations are dormant or underperforming. Does the pandemic open the door to repurpose your foundation?

An advantage of a 501c3 foundation is fund raising. Contributions are recorded by donors as charitable deductions, encouraging corporations and members to contribute to a cause and receive a tax benefit.

**Expand the mission  
to include  
pandemic recovery.**

Foundations may have built sizable funds. For instance, having \$250,000 in assets, the organization could divide initiatives between education and pandemic recovery.

Ask a CPA if the Congressional emergency packages include opportunities for nonprofits to administer grants and programs for recovery.

### **Expand the Mission**

Changing a foundation mission is not difficult. The biggest stumbling block may be the founders who were motivated by a narrowly focused cause. Prior donors may fear funds will be used for unintended purposes. (Those funds can be moved to a restricted line item.)

The foundation board is probably authorized by the bylaws and articles of incorporation to amend the purpose clause. They should meet to discuss an expanded mission and how it will be carried out.

In the current environment, the mission might be expanded to read "administration, development and delivery of programs for pandemic recovery." The original mission of education can remain.

If the foundation still meets the IRS criteria for a nonprofit organization, the board should vote and approve the mission. The next step is to make amendments to the bylaws

and articles, keeping government authorities informed (Form 990). Be sure to comply with federal and state guidelines.

When changing the mission, be ready to answer to the IRS how it will be carried out. What are the proposed activities that further the foundation purpose? The activities become the basis for a strategic plan and creation of volunteer work groups.

## Programs and Awareness

Stakeholders, especially association members, should be informed of the change. They are likely to become the program recipients or potential donors.

Create a work plan. At least three goals will support the revised mission: 1) AWARENESS, 2) FUNDING, and 3) PROGRAMS.

Under the three goals add strategies, timelines and assignments. The board can create the plan. Appoint task forces to carry out the work.

Contact related organizations that may want to join in the recovery efforts of your foundation.

Areas the foundation might undertake, based on member needs, include:

- ✓ Health and Wellness of Members
- ✓ Educational Seminars on Recovery
- ✓ Waivers for Tuition and Dues
- ✓ Funding Experts to Develop White Papers, Seminars and Conferences
- ✓ Grants for Equipment Supporting Remote Work
- ✓ Micro-Loans
- ✓ Platforms for Community Connectivity

Recovery 2020-2021	<b>Revised Sample Mission:</b> Administration, development and delivery of programs for pandemic recovery, as well as education, scholarship and research.		
<b>AWARENESS</b>	<b>FUNDING</b>	<b>PROGRAMS</b>	
Improve awareness of Foundation's initiatives for pandemic recovery.  1.  2.  3.  4.  5.	Generate gifts, grants and funding sources.  1.  2.  3.  4.  5.	Respond to member needs by developing initiatives that support recovery.  1.  2.  3.  4.  5.	
<b><i>Planning Template</i></b>			

Be sure there is no personal or private benefit to individuals associated with leadership of the foundation.

Getting the foundation up and running with a new purpose will require determination and strategy by the leadership. Start by restating the purpose, improving awareness, deploying funds and creating programs. Be sure to rely on legal and accounting counsel.

Finally, providing recovery support is not limited to a 501c3 foundation. Similar efforts, without the benefit of donor deductibility, can be undertaken by the association.

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**Note:** Bob Harris, CAE, provides free governance tips and templates at [www.nonprofitcenter.com](http://www.nonprofitcenter.com).