

Carman Area Foundation

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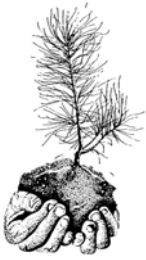
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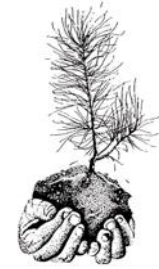
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Today's Needs
Tomorrow's Dreams

The Carman Area Foundation Inc.	
Policy	
Chapter:	1 Governance
Section:	1.01
Item:	Governance & Governance Assessment
Date Approved:	February 4, 2014
Approved by:	Board



Today's Needs
Tomorrow's Dreams

Governance is defined as “the act of governing – providing leadership, direction, and ensuring sound management.” (CFC – Governance and Management for Canadian Community Foundations Resource Manual).

1. Board responsibilities and due diligence

Board members are expected to carry out their general responsibilities, and to exercise due diligence in doing so. Responsibility for due diligence includes the following:

- a) Ensuring that practices and decisions of the Foundation are without suspicion and influence, while avoiding any appearance of impropriety which may raise concerns within the organization or external to the organization (see Conflict of Interest Policy 1.04)
- b) Being informed of corporation articles, legislation, bylaws, mission, code of conduct and policies.
- c) Being informed of Board activities and community and general trends in philanthropy.
- d) Attending Board meetings, serving on a committee(s) and contributing to the work of the Board.
- e) Exercising care, diligence and skill that a prudent person would show in similar circumstances.
- f) Ensuring that the financial affairs of the corporation are conducted in a responsible and transparent manner with due regard for their fiduciary responsibilities and public trusteeship.
- g) Establishing the Foundation’s overall direction through the development, approval, implementation and monitoring of a strategic plan
- h) Voicing clearly, respectfully and explicitly at a time a decision is being taken, any opposition to a decision being considered by the Board.
- i) Publicly demonstrating acceptance, respect and support for decisions legitimately taken in the transaction of the Board’s and/or Foundation’s business,
- j) Asking the directors to review a decision where the Board acted without full information.
- k) Working with staff, where appropriate, on committees and respecting the roles of Board and staff.
- l) Serving the overall best interest of the corporation rather than any particular constituency.

(Revised and Approved by Board February 2014)

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Implementation

- a) Board members will be provided with a Board manual containing current copies of by-laws and policies and a contact list of directors and staff. Updates to this manual will be provided by the Executive Director as needed.
- b) The first Board meeting following an election will include an orientation session as an agenda item for new and returning Board members to review Board responsibilities.

2. Strategic Planning

It is the policy of the Carman Area Foundation to engage in a regular strategic planning process that is relevant to how we govern ourselves as an organization. The purpose of the strategic plan is:

- a) To establish our vision, mission, values and direction and to confirm, upon regular review, that they remain valid and responsive to our communities' needs.
- b) Create an implementation strategy that aligns our actions with our overall strategic focus, ensuring that our finances, communications, granting processes, renewal efforts, governance and all other policies support our strategic plan.

Implementation

- a) It is the responsibility of the Chair to ensure that the activities of the Foundation Board are consistent with the strategic plan.
- b) The strategic plan will be reviewed every three years to ensure that the vision and mission are still valid, and remain relevant to the community.
- c) The Board will review the implementation strategy annually to confirm that our actions are serving our strategic plan.

3. Governance

The Board uses a collective model in which board and staff work together, sharing responsibility for policy, management and operational functions. Pursuant to clause 8.01 of the CAF By-laws, the Board is authorized to create committees to fulfill its governance responsibilities. Committees have the authority to make minor operational decisions as governed by standing policy in order to facilitate the activities of the organization. Decisions of a significant nature, i.e. policy, investment strategy, major expenditures, and any other actions with the potential to have a major impact on the integrity of the organization, must be referred to the Board for decision.

Implementation

This model of governance will be communicated regularly to the Board of Directors and to the public at large as the opportunities arise.

4. Governance Assessment

The board will assess its effectiveness through a strategic planning process to be conducted at least once every three years.

Implementation

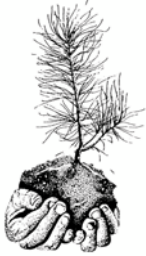
It is the responsibility of the Board Chair to ensure that the organization's chosen governance model is being followed.

5. Monitoring

This policy will be reviewed at a policy review meeting of the Board of Directors to be conducted at least once every three years.

(Revised and Approved by Board February 2014)

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Today's Needs
Tomorrow's Dreams

The Carman Area Foundation Inc.	
Policy	
Chapter:	1 Governance
Section:	1.02
Item:	Officers of the Board
Date Approved:	February 4, 2014
Approved by:	Board of Directors



Today's Needs
Tomorrow's Dreams

1. **Executive Committee**

The Executive Committee of the Board of the Carman Area Foundation is comprised of the Chair, the Vice-Chair and the Treasurer. The Executive-Director will function as an Ex Officio member of the committee, without voting privileges. A minimum of two voting members of the Executive Committee will constitute a quorum. The mandate of the Executive Committee is to:

- Exercise all the powers of the directors in accordance with the by-laws and policies of the Carman Area Foundation.
- Ensure the integrity of the Foundation in its association with stakeholders and the public at large.

2. **Board Chair**

The role of the Chair of the Carman Area Foundation Board of Directors is to:

- Ensure the integrity of the Board's processes.
- Speak on behalf of the Board, unless that duty is specifically delegated to another Board member or staff person.
- Preside as the 'manager' of the Board's activities, ensuring that the Board follows its own rules and those legitimately imposed on it by statute or regulation.
- Ensure that the work of the Board is conducted efficiently and effectively.
- Make decisions on behalf of the Board within the bylaws or parameters of policies created by resolution of the Board.
- Ensure that the Board is properly informed about the operations of the Foundation, and has the information and opportunity necessary to come to decisions on matters within its purview.
- Act as primary liaison with the Executive-Director.
- Work with the Executive-Director to determine the means, organizational structure and management processes necessary to achieve the Foundation's objectives.
- Work with the Executive-Director to plan the timing, conduct and agenda for Board meetings.

3. **Board Vice-Chair**

The role of the Vice-Chair of the Board is to:

- Assume the duties of the Chair during his/her absence.

4. **Board Secretary**

The duties of Secretary of the Board are to be undertaken by the Executive-Director.

(Revised and Approved by Board February 2014)

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5. **Board Treasurer**

The role of the Treasurer of the Board is to:

- Record and manage the income and expenditures of the Carman Area Foundation.
- Ensure the integrity of the CAF accounting system.
- Manage the investments of the CAF in accordance with the advice of the Finance Committee and the direction of the Board.
- Report to the Board in a timely manner regarding the finances of the Foundation.
- Act a primary liaison with the auditor.
- Participate as a key member of the Finance Committee.

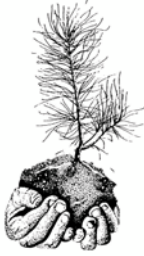
The Board may assign particular duties of the Board Treasurer to the Executive-Director.

6. **Signing Authority**

All members of the Executive Committee will have signing authority, with two of four signatures required for cheques.

7. **Meetings**

Meetings of the Executive Committee shall be held at the call of the Chair or a majority of the committee.



Today's Needs
Tomorrow's Dreams

The Carman Area Foundation Inc.	
Policy	
Chapter:	1 Governance
Section:	1.03
Item:	Finance Committee
Date Approved:	January 9, 2008
Approved by:	Board of Directors
Reviewed and reaffirmed by Board on February 4, 2014	



Today's Needs
Tomorrow's Dreams

1. **Mandate**

The role of the Finance Committee is to:

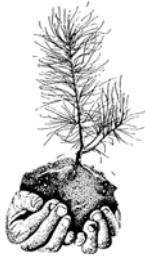
- Ensure the proper administration and disbursements of all funds as directed by the Board of Directors of the Carman Area Foundation
- Develop and implement an investment policy with the approval of the Board of Directors.
- Support the Treasurer in his/her liaison with the auditor.

2. **Committee Structure**

The Committee will be made up of the Treasurer of the Carman Area Foundation and two additional elected directors as appointed by the Board. The Executive-Director will participate as an ex-officio, non-voting resource to the Committee.

Reviewed and reaffirmed by Board on February 4, 2014

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Today's Needs
Tomorrow's Dreams

The Carman Area Foundation Inc.	
Policy	
Chapter:	1 Governance
Section:	1.04
Item:	Conflict of Interest
Date Approved:	March 9, 2009
Approved by:	Board of Directors
Reviewed and reaffirmed by Board on February 4, 2014	



Today's Needs
Tomorrow's Dreams

1. Purpose

It is important that our practices and decisions are without suspicion or influence and avoid any appearance of impropriety, which may raise concerns within or outside the organization. This policy is designed to ensure the Carman Area Foundation's reputation for integrity of decisions. As such, this policy addresses conflicts of interest, real or perceived. This policy is intended to supplement but not replace any applicable provincial or federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

2. Identifying Potential Conflicts of Interest

Most potential conflicts of interest arise as a result of affiliation with:

a) **An organization which has, or is negotiating, a business relationship.**

A conflict of interest arises in a situation in which

- a. the foundation has business or financial dealings with a Board member, volunteer (as defined in Article III) or staff member individually or with a corporation, partnership or other business enterprise of which the Board member, volunteer or staff member, or a member of his/her family (as defined in Article III), is an officer, director, partner or substantial stockholder;
- b. the primary purpose of a grant from the foundation to a qualified grantee is made to support a transaction with such a business enterprise.

b) **An organization seeking funding or other support.**

A conflict of interest arises in a situation in which the foundation is considering or makes a grant to a qualified donee of which the Carman Area Foundation Board member, volunteer or staff member, or a member of his/her family, is an officer, director, trustee or employee of the applicant organization. This also includes situations where Board members, volunteers or staff members have an unofficial role with the applicant organization as a significant donor, volunteer, advocate or advisor.

c) **Compensation**

A conflict of interest arises in a situation in which a voting member is in a position to influence the governing Board or any committee of the Board in decisions of compensation to that member, either directly or indirectly, for services to the Foundation.

3. Definitions

a) **Volunteer**

A volunteer includes any person serving voluntarily on a committee with Board-delegated powers or in any other capacity that might give rise to a conflict of interest.

Reviewed and reaffirmed by Board on February 4, 2014

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b) Family

Family includes spouse or partner, children, grandchildren, parents or grandparents, siblings (and their immediate families), as well as any member of the extended family living under the same roof.

4. Procedures

a) Duty to Disclose

In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the interest and be given the opportunity to disclose all material facts to the Board of Directors and members of committees with governing board-delegated powers considering the proposed transaction or arrangement.

b) Determining Whether a Conflict of Interest Exists

After disclosure of the interest and all material facts, and after any discussion with the interested person, any member of the Board has the option of asking the person with the potential conflict to leave the meeting while the determination of a conflict of interest is discussed and voted upon.

c) Procedures for Addressing the Conflict of Interest

Subject to clause 4b), the Board will determine the appropriate course of action regarding the involvement of the director with the potential conflict in the discussion and the vote on the decision at hand.

d) Violations of the Conflict of Interest Policy

1. If the governing board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
2. If after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

5. Records of Proceedings

The minutes of the governing board and all committees with board delegated powers shall contain:

- a. The names of the persons who disclosed or otherwise were found to have a possible conflict of interest,
- b. The governing board's or committee's decision as to whether a conflict of interest in fact existed.
- c. The subsequent actions of the director with the conflict of interest.

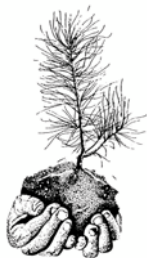
6. Conflict of Interest Statements

Each director, principal officer and member of a committee with governing board delegated powers shall sign a statement which affirms such person:

- a. Has received a copy of the conflict of interest policy.
- b. Has read and understands the policy.
- c. Has agreed to comply with the policy.

Reviewed and reaffirmed by Board on February 4, 2014

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Today's Needs
Tomorrow's Dreams

The Carman Area Foundation Inc.	
Policy	
Chapter:	1 Governance
Section:	1.04a
Item:	Conflict of Interest Statement
Date Approved:	March 9, 2009
Approved by:	Board of Directors
Reviewed and reaffirmed by Board on February 4, 2014	



Today's Needs
Tomorrow's Dreams

Name: _____ **Position:** _____

I hereby declare that:

1. I have received a copy of the Carman Area Foundation conflict of interest policy.
2. I have read and understood said policy.
3. I agree to comply with said policy.

Signed: _____

Date: _____

Reviewed and reaffirmed by Board on February 4, 2014

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Today's Needs
Tomorrow's Dreams

The Carman Area Foundation Inc.	
Policy	
Chapter:	1 Governance
Section:	1.05
Item:	Confidentiality
Date Approved:	January 14, 2009
Approved by:	Board
Reviewed and reaffirmed by Board on March 4, 2014	



Today's Needs
Tomorrow's Dreams

1. Donor Confidentiality

- Carman Area Foundation Board members, volunteers and staff members are at all times required to respect the anonymity of a donor's name, level of gift and personal circumstances that might identify a donor, if asked to do so by the donor or by a motion of the Board.
- Where anonymity has not been specifically requested, personal and identifying circumstances of a donor shall nonetheless remain confidential.

2. Meetings of the Board of Directors

- Board members, volunteers and staff members will hold in confidence all matters, including those relating to personnel and property, dealt with by the Board during Board meetings and in-camera meetings.

3. Grant Distribution

- Board members, volunteers and staff members will hold in confidence all information pertaining to:
 - a. grant applications and applicants;
 - b. discussion and debate undertaken during the grant decision process;
 - c. granting decisions, until such time as the grant distributions are made public by the Board.

4. Confidentiality in Perpetuity

- Requirement for confidentiality of Carman Area Foundation as detailed above will continue to apply when an individual is no longer a director of the Board or in any way part of Board activities.

5. Personal Gain

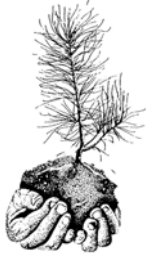
- No director, principal officer, member of a committee or volunteer may use privileged information gained in their role with the Carman Area Foundation for personal or professional gain.

6. Confidentiality Statement

- Each director, principal officer, member of a committee and volunteer shall sign a statement which affirms such person:
 - a. Has received a copy of the confidentiality policy.
 - b. Has read and understands the policy.
 - c. Has agreed to comply with the policy.

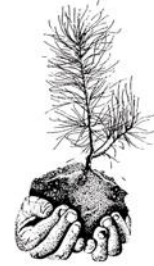
Reviewed and reaffirmed by Board on March 4, 2014

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Today's Needs
Tomorrow's Dreams

The Carman Area Foundation Inc.	
Policy	
Chapter:	1 Governance
Section:	1.05a
Item:	Statement of Confidentiality
Date Approved:	January 14, 2009
Approved by:	Board
Reviewed and reaffirmed by Board on March 4, 2014	



Today's Needs
Tomorrow's Dreams

Name: _____ **Position:** _____

I hereby declare that:

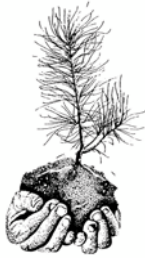
1. I have received a copy of the Carman Area Foundation confidentiality policy.
2. I have read and understood said policy.
3. I agree to comply with said policy.

Signed: _____

Date: _____

Reviewed and reaffirmed by Board on March 4, 2014

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Today's Needs
Tomorrow's Dreams

The Carman Area Foundation Inc.	
Policy	
Chapter:	1 Governance
Section:	1.06
Item:	Director Code of Conduct
Date Approved:	December 8, 2009
Approved by:	Board of Directors
Reviewed and reaffirmed by Board on March 4, 2014	



Today's Needs
Tomorrow's Dreams

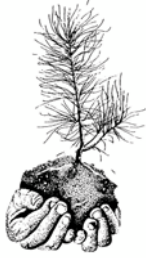
When acting in the capacity of director of the Carman Area Foundation, an individual is responsible for:

1. Exercising the powers of office and fulfilling his/her responsibility in good faith and in the best interests of the Foundation.
2. Exercising these responsibilities with due diligence, care and skill in a prudent manner.
3. Bringing credibility and good will to the Foundation.
4. Respecting the principles of fair play and due process.
5. Demonstrating respect for individuals in all areas relating to diversity of culture, ethnicity, language and life circumstances.
6. Respecting and supporting the objectives of the organization, the corporation's by-laws, policies, and decisions of the Board and membership.
7. Subordinating personal interests and those of particular constituencies to the best interests of the Foundation.
8. Demonstrating due diligence and dedication in preparing for and attending Board meetings, special events and other activities, serving on committees as needed, and contributing to the work of the Board.
9. Ensuring to the best of his/her ability that the financial affairs of the Foundation are conducted in a responsible and transparent manner with due regard for fiduciary responsibility and public trusteeship.
10. Offering personal perspectives on issues and giving respect and fair consideration to opposing views.
11. Voicing clearly and explicitly at the time a decision is being taken, any opposition to a decision being considered by the Board.
12. Asking directors to review a decision where the Board acted without full information.
13. Publicly demonstrating acceptance, respect and support for collective decisions of the Board legitimately taken in transaction of the Foundation's business.

Depending on the level of his or her exposure to the business of the Foundation, a volunteer may be asked to conform to the Foundation's policy on Director Code of Conduct.

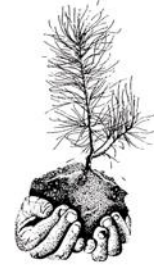
Reviewed and reaffirmed by Board on March 4, 2014

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Today's Needs
Tomorrow's Dreams

The Carman Area Foundation Inc.	
Policy	
Chapter:	1 Governance
Section:	1.06a
Item:	Code of Conduct Statement
Date Approved:	January 9, 2008
Approved by:	Board of Directors
Reviewed and reaffirmed by Board on March 4, 2014	



Today's Needs
Tomorrow's Dreams

Name: _____ **Position:** _____

I hereby declare that:

1. I have received a copy of the Carman Area Foundation code of conduct policy.
2. I have read and understood said policy.
3. I agree to comply with said policy.

Signed: _____

Date: _____

Reviewed and reaffirmed by Board on March 4, 2014

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Today's Needs
Tomorrow's Dreams

The Carman Area Foundation Inc.	
Policy	
Chapter:	1 Governance
Section:	1.07
Item:	Financial Accountability
Date Approved:	October 27, 2011
Approved by:	Board of Directors
Reviewed and reaffirmed by Board on March 4, 2014	



Today's Needs
Tomorrow's Dreams

The purpose of this policy is to provide guidelines for the Carman Area Foundation's financial accountability to its members, donors, volunteers, staff and the community as a whole.

1. The Foundation's affairs will be conducted in a responsible manner, consistent with the ethical obligations of stewardship and the legal requirements of provincial and federal regulators.
2. All donations will be used to support the Foundation's objectives as registered with the Canada Revenue Agency (CRA).
3. **Unless otherwise noted by the donor or specific fund agreement, or otherwise specifically designated by the Board of Directors, all donations are endowed and will be held in perpetuity.**
4. All restricted or designated funds governed by written agreements will be used for the purposes for which they are given.
5. If an alternate use for a restricted fund governed by a written agreement is necessary due to program or organizational changes, the changes will be discussed with the donor or the donor's legal designate. If the donor is deceased and the Foundation is unable to contact a legal designate, the donation will be used in a manner that is as consistent as possible with the donor's original intent.
6. Annual financial reports will be factual and accurate in all material respects. The annual report will be prepared using generally accepted accounting principles and standards established by the Canadian Institute of Chartered Accountants in all material respects.
7. The annual report will disclose:
 - a) the total amount of donations and expenses including salaries and overhead.
 - b) the total amount of donations that are receipted for income tax purposes (excluding bequests, endowed donations that cannot be expended for at least 10 years and gifts from other charities).
 - c) the total amount of expenditures on charitable activities. Expenditures on charitable activities will be governed by the Foundation's granting guidelines.
 - d) identification of government grants and contributions separately from donations.
8. The Foundation will comply with the Canada Revenue Agency's requirements for disbursement of funds.

Monitoring

This policy will be reviewed at least once every three years.

Reviewed and reaffirmed by Board on March 4, 2014

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*Today's Needs
Tomorrow's Dreams*

The Carman Area Foundation Inc.
Policy
Chapter: 2 Financial Management Policies
Section: 2.01
Item: Investment Policy
Date Approved: April 1, 2014
Approved by: Board of Directors

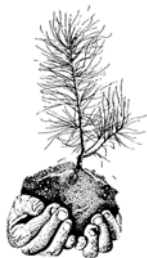


*Today's Needs
Tomorrow's Dreams*

On April 1, 2014 The Board of Directors of the Carman Area Foundation formally entered into an agreement with the Winnipeg Foundation to manage the Carman Area Foundation assets in accordance with the stated Asset Management & Statement of Investment Policies & Guidelines of the Winnipeg Foundation.

Amended and approved by Board on April 1, 2014

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Today's Needs
Tomorrow's Dreams

The Carman Area Foundation Inc.	
Policy	
Chapter:	2 Financial Management
Section:	2.03
Item:	Funds, Fund Types & Criteria for Naming
Date Approved:	December 8, 2009
Approved by:	Board of Directors
<i>Reviewed and reaffirmed by Board on March 4, 2014</i>	



Today's Needs
Tomorrow's Dreams

1. Preamble

The foundation gives individual donors, family foundations, businesses and charitable organizations a number of ways to fulfill their philanthropic objectives while supporting the well-being of our community.

We believe that by strengthening the gifts, assets and capacity of individuals and groups, we strengthen our community. The foundation specializes in building endowment funds, where the capital is not encroached, and uses the funds' earnings to support the ever-changing needs and opportunities of our community.

The foundation has a number of types of funds available for donors. Many of them are open funds where gifts may be made by any interested contributor thereby allowing even modest contributions to be joined with others' gifts for maximum charitable benefit.

Donors may name the fund that they endow – for themselves, a family member, a company or a valued friend. Some funds have names that convey specific goals or purposes, or hold special meaning to the donor. The criteria for naming and establishing funds are identified below in each fund definition.

2. Funds – General Guidelines

Unless prohibited by the fund agreement, all funds are open funds, meaning that any donor can make a gift at any time once the fund is opened, provided that the donor agrees with the terms of the fund agreement.

Where appropriate, founders of designated and advised funds may be provided with an annual fund statement, reflecting additions to the funds, administrative and investment fees charged against the funds, grants from the fund and the determination of annual distributable earnings for the subsequent year.

Annual distributions from the fund will be identified on the CAF website as having come from the fund, unless the donor wishes the distribution to remain anonymous. Attribution will be highlighted in other ways as the opportunities arise.

Fund agreements will be required to establish all funds. The Board will provide guidelines for fund agreements. The Board will pass a resolution confirming the terms of each fund agreement.

Fund agreements can be amended during the lifetime of the donor.

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3. The Carman Area Foundation has agreed to make available to donors the following fund categories:

a) Undesignated Funds

The primary fund in this fund category is the Community Endowment Fund. This fund accepts donations, large and small, from a variety of sources – individuals, corporations and foundations. Donations to this fund give the foundation the greatest flexibility to respond to current community needs through the provision of grants to charities. The minimum donation to become an acknowledged patron within the Community Fund or any other undesignated fund is \$5,000. The minimum donation to establish a named undesignated fund is \$10,000.

b) Field of Interest Funds

Donors to this category of funds identify an area of interest toward which they would like to target their support (e.g. heritage, children and youth, relief of poverty, education, etc.). The donor empowers the foundation's Board of Directors to select worthwhile projects to support. The minimum donation to establish a Field of Interest Fund is \$10,000. A donor may become an acknowledged patron of an existing Field of Interest category with a \$5,000 donation. A sub-category of the Field of Interest Funds is entitled "Specified Community Funds". Funds set up to support activities in specified communities (e.g. Sperling Community Fund) belong to this sub-category.

c) General Designated Funds

Funds in this category are designated to a specific purpose, but do not have a donor name attached. Funds in this category may be established by the Carman Area Foundation itself to fill an identified need, or by a donor not wishing to have his/her name specifically attached to the fund. By establishing a general designated fund, donors who do not wish to have their names attached to a fund have the opportunity to specify which particular charity or charities they would like to support in perpetuity. If the beneficiary organization ceases to exist, the donor has not named a successor beneficiary and the donor is deceased, the foundation will redirect the funds in a manner that is as consistent as possible with the donor's original intent. Donors are able to establish a designated fund with a minimum donation per beneficiary of \$10,000. The CAF Board has the discretion to authorize the establishment of a General Designated Fund with a donation of less than \$10,000. A donor may become an acknowledged patron of an existing general designated fund with a \$5,000 donation.

d) Named Designated Funds

Funds in this category are designated to a specific purpose identified by the donor, and have the donor's name attached as a part of the name of the fund. If the beneficiary organization ceases to exist, the donor has not named a successor beneficiary and the donor is deceased, the foundation will redirect the funds in a manner that is as consistent as possible with the donor's original intent. Donors are able to establish a designated fund with a minimum donation per beneficiary of \$10,000. The criteria for acceptance of patron or other donors will be established at the time the fund agreements are made with founding donors.

e) Donor Advised Funds

Donor advised funds enable a donor to have ongoing participation in the selection of charities that will benefit from their gift. Donors can choose this type of fund instead of creating a family trust or private foundation. Existing foundations are able to transfer their assets to the foundation to achieve higher returns or reduce administrative costs

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while still remaining involved in allocating grants. A minimum donation of \$10,000 is required to open a donor advised fund. The criteria for acceptance of patron or other donors will be established at the time the fund agreements are made with founding donors.

4. The Carman Area Foundation reserves the right to establish any of the following fund categories upon approval by the Board of Directors:

a) Charitable Organization Endowment Funds

These funds can be created on behalf of registered charities. The fund allows the charity freedom from investment responsibility and gives donors the confidence of knowing that a permanent foundation is in place to professionally administer the charity's endowment. Once established, the charity will encourage their donors to contribute to their endowment fund. The minimum donation to establish this type of fund is \$10,000.

b) Emerging Funds

By establishing an Emerging Fund, donors are able to open a fund in any of the above categories with an initial donation and a pledge to meet one of the minimum donation levels as described above within five years of the initial gift. Until such time as the pledge is fulfilled, no distribution will be made from the Emerging Fund, provided that the foundation is still able to fulfill its disbursement quota as determined in its annual T3010.

c) Operating Endowment Fund

The purpose of this fund is to offset the costs of operating the foundation. Donors are able to establish a Named Fund within this fund with a minimum donation of \$5,000.

d) Flow Through Funds

These are non-endowed fund whereby the funds are received by the foundation and then provided to a designated charitable organization on behalf of the donor(s) circumstances in accordance with regulations provided by the Canada Revenue Agency. An administrative fee will be charged on these funds. The Board will consider opportunities to create flow through funds on a case-by-case basis where there is a demonstrated advantage to the long-term growth of the foundation.

5. Monitoring: This policy will be reviewed at least once every three years.

6. Board Acceptance: This policy was approved/reaffirmed at the December 8, 2009 Board meeting and amended at the December 8, 2010 Board meeting.

Reviewed and reaffirmed by Board on March 4, 2014

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Today's Needs
Tomorrow's Dreams

The Carman Area Foundation Inc.	
Policy	
Chapter:	2 Financial Management
Section:	2.04
Item:	Administration Fee
Date Amended & Approved:	April 1, 2004
Approved by:	Board of Directors



Today's Needs
Tomorrow's Dreams

1.0 Administration Fee for Endowment Funds

In keeping with the charitable purposes of all Carman Area Foundation funds, the Carman Area Foundation's objective is to keep fees moderate by holding operational costs at the lowest level possible while still ensuring high quality service for all donors and donees. The administration fee charged by the Carman Area Foundation is used to assist the Foundation in meeting operating costs and service fees charged to the funds under its care.

- 2.0 An administration fee will be charged on all endowed and flow-through funds.
- 3.0 The administration fee percentage will be determined by the Finance Committee and presented to the Board for approval prior to October 1st.
- 4.0 The provision of administration fees will be included in all fund agreements. Donors establishing donor-advised, designated and flow-through funds will be informed of the administration fee.
- 6.0 Any extraordinary costs associated with creating a fund will be borne by the donor, unless previously agreed to differently by the Board.

Monitoring: This policy will be reviewed every three years.

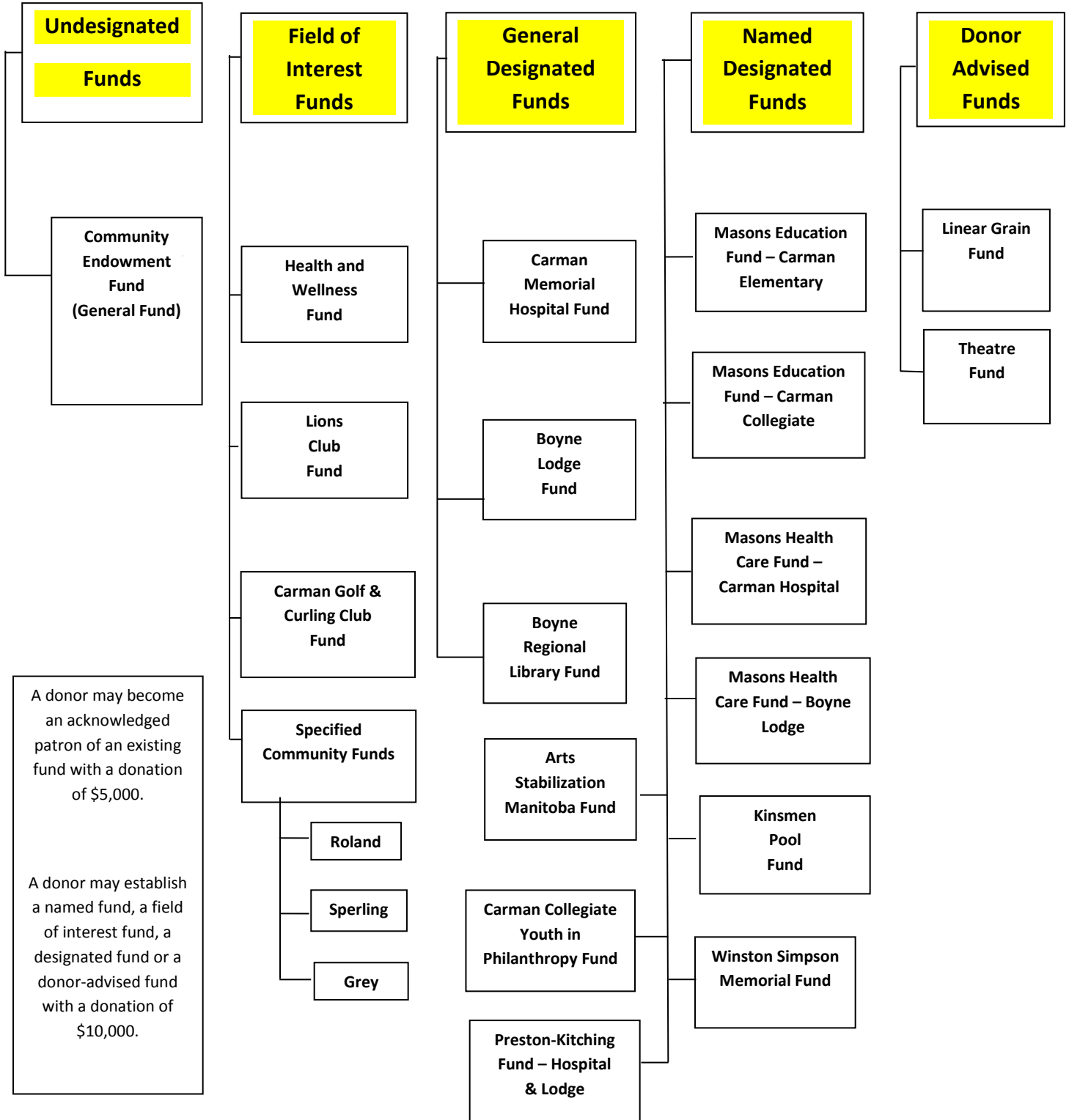
Board Acceptance: This policy was approved/reaffirmed at the December 8, 2010 Board meeting.

(Revised and Approved by Board April 1, 2014)

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Carman Area Foundation Policy 2.05 Chart of Funds and Fund Categories

(Revised & Approved by Board July 6, 2014)



Carman Area Foundation
Policy 2.05(a) - Description of Funds

Approved by Board July 6, 2014

1. **Undesignated** – This is our major endowment fund. This Fund allows our Board the most discretion in selecting projects every year that address current and emerging needs in our communities.
2. **Mason’s Health Care Fund – Boyne Lodge** – proceeds to projects benefiting the Boyne Lodge.
3. **Mason’s Health Care Fund – Carman Memorial Hospital** – proceeds to projects benefiting the Carman Memorial Hospital.
4. **Mason’s Education Fund – Carman Collegiate** – proceeds to projects benefiting the Carman Collegiate.
5. **Mason’s Education Fund – Carman Elementary School** – proceeds to projects benefiting the Carman Elementary School.
6. **Carman Kinsmen Pool Fund** – proceeds to projects benefiting the Carman Aquatic Centre.
7. **Sperling Community Fund** – proceeds to projects benefiting the Sperling Community.
8. **Linear Grain Fund** – donor advised – proceeds to projects benefiting underprivileged children.
9. **Theatre Fund** – proceeds to projects benefiting theatre activities.
10. **Roland Community Fund** – proceeds to projects benefiting community activities in the R.M. of Roland.
11. **Health and Wellness Fund** – proceeds to projects supporting a broad definition of community health and wellness.
12. **Boyne Regional Library Fund** – proceeds to support the Boyne Regional Library.
13. **Preston-Kitching Fund** – proceeds split between projects benefiting the Carman Memorial Hospital and the Boyne Lodge. Percentage of split on any given year at the discretion of the Board.
14. **R.M. of Grey Fund** – proceeds to projects benefiting community activities in the R.M. of Grey.
15. **Carman Lions Club Fund** – proceeds to projects supporting a broad definition of community health and wellness.
16. **Boyne Lodge Fund** – proceeds to projects benefiting the Boyne Lodge
17. **Carman Memorial Hospital Fund** – proceeds to projects benefiting the Carman Memorial Hospital
18. **Arts Stabilization Manitoba Fund** – proceeds to support the stability and sustainability of the Golden Prairie Arts Council
19. **Winston Simpson Memorial Fund** – proceeds to support improvement and maintenance of the Carman and District Hall.
20. **Carman Golf and Curling Club Fund** – proceeds to support the promotion, education and development of golf and curling for the benefit of the community.
21. **Carman Collegiate Youth in Philanthropy Fund** – proceeds to support initiatives benefiting the area served by the Carman Area Foundation, decided upon by the Youth in Philanthropy Committee in consultation with the Board of Directors.



Today's Needs
Tomorrow's Dreams

The Carman Area Foundation Inc.	
Policy	
Chapter:	4 Grant Management Policies
Section:	4.01
Item:	Granting Criteria
Date Approved:	January 9, 2008
Approved by:	Board of Directors
Reviewed and reaffirmed by Board on April 1, 2014	



Today's Needs
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- Grants are made annually.
- Grants are made to qualified donees as defined by Revenue Canada (See CRA Summary Policy CSP-Q01). Nonprofit organizations that are not registered charities are eligible to receive funds only when working in collaboration with a qualified donee, and a statement attesting to the nature of the collaboration may be requested by the Carman Area Foundation. In these instances, the qualified donee is the applicant.
- Recipient organizations must demonstrate a strong and committed board, fiscal responsibility and effective management.
- Grant recipients will be required to complete a grant report showing accountability for the use of the funds within one year. Failure to complete this report may result in denial of future fund applications.
- Projects must benefit primarily the people of the "Community" (defined as R.M.s of Grey, Roland, Dufferin, Town of Carman and the community of Sperling).
- Applicants must establish that there is a need for their project.
- Grants are awarded for definite purposes and for projects covering a specific period of time. Grants for ongoing operational funding are not preferred, but may be considered at the discretion of the Board.
- Applicants requesting funding for capital projects must demonstrate ongoing ability to operate and maintain the asset.
- Matching or challenge grants may be made in appropriate circumstances.
- Frequency of grants to any one organization may be limited in order to assure equitable access to support for all organizations.
- Grants to organizations that serve a broader community than that served by Carman Area Foundation may be considered if the proposed project is deemed to benefit the people in Carman Area Foundation communities.
- When approving grants, the Board may consider:
 - The likelihood of the project to meet CAF donor wishes and interests.
 - The ability of the applicant organization to fund its own activities.
 - The vulnerability/need of the constituency that the application serves (e.g. children, seniors, persons with disabilities).
 - The likelihood of the project proceeding without CAF funding.
 - The question of whether CAF funding is crucial to the organization's ability to leverage other support.
 - The number of people who might potentially benefit.
 - The influence the project may have on the future of the community.
 - Geographic distribution of projects being adjudicated.

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Preference is given to projects which:

- Benefit the whole community.
- Encourage more efficient use of community resources.
- Demonstrate new approaches and techniques in the solution of community problems.
- Promote cooperation and sharing among organizations, eliminating duplication of services.
- Effectively utilize volunteer participation.
- Strengthen an organization's capacity to be sustainable.

Grants are not made to/for:

- Individuals
- Political activities
- Establish or add to endowment funds
- Annual fund drives
- Direct religious activities
- Mortgages or deficit reduction
- Specific medical or scientific research projects
- Scholarships or bursaries
- Projects completed before the grant decision takes place.

Reviewed and reaffirmed by Board on April 1, 2014

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Today's Needs
Tomorrow's Dreams

The Carman Area Foundation Inc.	
Policy	
Chapter:	4 - Grant Management
Section:	4.02
Item:	Disbursement of Funds
Date Approved:	Approved May 6, 2014
Approved by:	Board of Directors



Today's Needs
Tomorrow's Dreams

Preamble

This policy is designed to allow an outflow for grants while protecting original principal and ensuring fund growth to sustain purchasing power with the rate of inflation. This policy determines the amount of the annual distribution from the permanent endowment funds in accordance with the regulations and guidelines of CRA. The distributions are for charitable grants and administrative fees.

As a general rule, foundations are required by the Canada Revenue Agency to disburse a set percentage of the average value of assets held during the previous 24 months.

By October 1st of each year, the Board will determine the disbursement percentage for the upcoming granting process and notify the Winnipeg Foundation. The Board may request the Finance Committee to provide further study and recommendation

Monitoring: This policy will be reviewed every three years, when regulations change or when there is a significant change in the return on the foundation's investments.

(Revised and approved by Board on May 6, 2014)

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