

Making friends

Over 15 new community foundations became members of Community Foundation Network during the 1990s and as they approach their fifth or sixth year of operation they may be reflecting on how they organise for the longer term. Having reached this stage Derbyshire Community Foundation commissioned a review of its governance with a special focus on the viability of a membership/friends scheme. As well as material specific to them, the report by consultant Nigel Siederer makes some general points about membership schemes.

Many foundations run various forms of membership and 'friends of' schemes, varying quite considerably in purpose and nature. The main points to consider include the following:

- Aim: is it a device to increase donor base, encouraging them to give regularly and enhancing the foundation's credibility *or* is it an approach to improve credibility and accountability to beneficiaries as well, helping the foundation become more finely attuned to local needs?
- Eligibility: is it specifically for donors (individuals/corporates/government)? Can voluntary organisations join?
- Purpose: do the funds raised go to core costs, grants or endowment – examples of all three models can be seen in Community Foundation Network
- Income: is it intended to raise a significant amount of income?
- Administration: what are subscription levels and how complex is the structure? (eg rates for different categories of membership)
- Membership benefits: events, newsletters, badges etc?
- Administration costs: database work, recruiting and nurturing membership
- Governance and constitutional issues: do members elect Board, for example
- Overall, what are the benefits of a membership scheme and are they worth the effort involved in implementing it?

Foundations considering a membership scheme need to be aware that they do take a few years to build up and the process needs to be paced sensibly. Nigel concludes, "Whether or not the members play a formal role in governance, a membership scheme seems to help broaden and consolidate a foundation's accountability and credibility in its area."