

Council on Foundations Policy on Membership and Dues

Revised September 12, 2019

I. General Statement of Membership and Bylaws Provisions

1. The Council on Foundations (Council) is a membership organization. Members elect the governing board of directors at the Council's annual meeting. Voting members of the Council are foundations, corporations or philanthropic entities that primarily provide charitable support to qualified organizations or individuals on an annual basis and that support the greater good. The Council also provides an Associate Membership (non-voting) for individuals and organizations that work to support the philanthropic field and/or wish to support the work of the Council. The purpose for joining the Council is to advance philanthropy through learning and connecting with others involved in philanthropic activity.

2. The specific membership provisions in the Council's Bylaws include:

Voting Members: Foundations, corporations, and philanthropic entities whose primary function and activity is charitable grantmaking are eligible to become voting members of the Council. Private operating foundations are also included in this category. Voting members may be U.S. or non-U.S. organizations, and may include community foundations and other similar publicly-funded organizations, private foundations, and corporate giving programs.

Associate Members. Philanthropic support entities, businesses, consultants and individuals that are engaged in the professional business of serving foundations, corporations or other philanthropic entities are eligible to become non-voting associate members. Individuals who have previously served the Council as board members, volunteers, or in some other similar capacity and are not currently affiliated with any organization eligible for Council membership, but who wish to continue to support the mission of the Council may also be considered for associate membership. Associate members may be non-profit or for-profit entities.

II. Criteria for Membership: Voting Members

Foundations, corporations and other philanthropic entities, including limited liability companies (LLCs) are eligible for voting membership, provided each type of organization satisfies certain eligibility criteria as outlined below:

1. **Foundations organized as nonprofit corporations/private foundations** must maintain current tax-exemption under Section 501(c)(3) of the Internal Revenue Code, are governed by a board of directors or trustees and provide philanthropic support to one or more charitable organizations.

2. **Foundations organized as nonprofit corporations/public charities** must maintain current tax-exemption under Section 501(c)(3) of the Internal Revenue Code, are governed by a board of directors or trustees and provide philanthropic support to one or more charitable organizations.
3. **Foundations organized as charitable trusts** must maintain current tax-exemption under Section 501(c)(3) of the Internal Revenue Code, are governed by trustees and provide philanthropic support to one or more charitable organizations.
4. **Private operating foundations** must be recognized by the IRS as an operating foundation under Code Section 4942(j)(3), maintain current tax exemption under Section 501(c)(3) and are governed by a board of directors or trustees.
5. **Corporate giving programs** operating within the structure of a for-profit corporation must provide philanthropic support to one or more charitable organizations. The corporation must also be a legal entity in good standing with the IRS and the state of incorporation. In the case of a corporation that maintains a corporate giving program and a corporate foundation, the corporate giving program cannot join separately without the corporate foundation also joining. Assets of both may be aggregated for purposes of calculating membership dues.
6. **Limited liability companies** must be in good standing in the state of formation and engaged in philanthropic support to one or more charitable organizations either directly or through subsidiary charitable foundations or organizations.
7. **Non-U.S. grant-making organizations** must be recognized by their home government as a charitable organization and provide philanthropic support to one or more charitable organizations.
8. **U.S. foundations chartered by government action** must provide philanthropic support to one or more charitable organizations and are governed by a board of directors or trustees.
9. **Tribal grantmaking organizations and tribal giving programs** must provide philanthropic support for Native communities and organizations and are governed by a board of directors or trustees. Proof of tax exemption under Section 501(c)(3) may be provided when applicable.

For purposes of the above, “philanthropic support” is defined as grants, contributions, donations and investments in support of the charitable activities of one or more other organizations. Private operating foundations meet the “charitable support” requirement if the requirements in section 4942(j)(3) are met.

Membership dues vary based on organization type and other factors. Specific information and instructions for calculating dues can be found on the Council’s website at www.cof.org/membership.

III. Criteria for Membership: Associate Members

1. Non-profit and for-profit service and support organizations, philanthropy-serving organizations (PSOs), businesses and individuals that provide services and support to the philanthropic sector and/or have an active involvement in philanthropy and that do not qualify for voting membership may apply for associate membership in the Council. Examples include but are not limited to:
 - Financial and investment advisers, family offices, banks and trust companies that serve the philanthropic sector
 - Law firms and attorneys that advise individuals and organizations regarding philanthropic activity
 - Consulting firms and consultants who advise in the practice of philanthropy or who advise organizations that serve the field of philanthropy
 - Vendors to the philanthropic field (e.g., software providers, publishers)
 - Academic institutions and programs that support and serve the philanthropic sector
 - Philanthropy-serving organizations including affinity groups and regional associations
2. Additionally, individuals who have previously served the Council as board members, volunteers, or in some other capacity and are not currently affiliated with any organization eligible for Council membership, but who wish to continue to support the work of the Council may apply for associate membership.
3. Associate members are not entitled to vote at the annual meeting of the membership and may have limited access to some Council benefits.

IV. Membership Status for Subsidiaries, Affiliates, Supporting Organizations, Chapters, Divisions and Component Funds (Voting and Associate Members)

1. Applicants for voting membership or associate membership may list subsidiaries, affiliates, supporting organizations, offices, chapters and divisions on the membership application, and such subsidiaries, affiliates, supporting organizations, offices, chapters and divisions may receive Council benefits under the umbrella of the parent organization/applicant's membership provided however that all listed subsidiaries, affiliates, supporting organizations, offices, chapters and divisions are subject to the governance and control of the parent organization/applicant and the assets of all subsidiaries, affiliates, supporting organizations, offices, chapters and divisions are included in the membership dues calculations.
2. Subsidiary or affiliate organizations that are separate legal entities may join even if the parent organization chooses not to join, provided the subsidiary or affiliate can meet the requirements for voting or associate membership based on their own activities.
3. Notwithstanding the above, the Council reserves the right to limit member benefits to any voting or associate member if, in the sole discretion of the Council, service to a member's subsidiaries,

affiliates, supporting organizations, offices, chapters and divisions would overly burden the capacity of the Council and/or negatively impact the service to other Council members.

4. Individual donor-advised funds and other component funds are not separate legal entities and are only eligible for membership through a sponsoring organization's membership. The Council does not offer membership to individual funds.

V. Other Terms and Conditions of Membership

1. The membership application and any required supporting materials are subject to periodic review and amendment by the Council, and current criteria and application materials shall be posted on the Council's website. Dues calculations are generally based on self-reported information, but the Council reserves the right to verify information by reviewing IRS Form 990 or other sources.
2. Council staff shall promptly review all membership applications and apply the membership criteria objectively and in a non-discriminatory manner. Membership is valid for a 12-month period beginning on the date of application acceptance. Thereafter, membership will require renewal on the member's anniversary date.
3. With respect to newly formed organizations, i.e. organizations that have not commenced grantmaking operations and/or have not completed a tax year, the Council may, in its sole discretion, admit provisional voting members on a case-by-case basis. Membership dues may be based on projected grantmaking, or budgeted management expenses or assets.
4. Organizations that are eligible for voting membership under any of the categories described in Section II above may not join as Associate members. Associate members do not vote at the Council's annual member's meeting.
5. All members are subject to the Council's non-solicitation policy and may not solicit business, contributions or membership at Council events, or at any other times using Council resources.
6. The membership of any member whose contribution has not been paid no later than 60-days after the due date (including any approved extension) shall be terminated automatically.
7. The Council reserves the right to terminate membership for gross misconduct or violation of the Council's code of conduct and/or ethical standards, subject however to an applicant's right to appeal any such refusal or non-renewal to the Council on Foundations Board of Directors or to a committee delegated by the Board.
8. The Council may terminate membership for any member found to have omitted information during the application process that would have made the member ineligible for membership with the Council.



9. The Council on Foundations will contact a member in the event of an overpayment of membership dues. If no response is received from the overpaying member within 30 days after notice from the Council, the overpayment will be treated as an additional gift to the Council.
10. Membership dues are non-refundable and non-transferrable and may not be negotiated.
11. Information provided on membership applications or on renewal applications is confidential and for the internal use of the Council only.
12. The Council on Foundations is a 501(c)(3) organization, and, as such, members may pay all or a portion of their dues as a grant if they so choose. The Council will determine the fair market value for goods and services received annually and provide this information to members upon request. Upon request, the Council will also provide an annual report and audited financial statements to satisfy grant reporting requirements. To reduce administrative burden, no custom reports will be produced for members paying dues as grants.