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National Volunteer Firefighters Council  
April 24, 1987

## Presentation

### I. Introduction

A. In Wayne twp., Monihan and I spoke briefly about an NVFC foundation; then again in Dallas and again in Washington, with all of you.

B. We agreed to examine the possibilities. I have - no recommendation; truly are pros and cons.

### II. Foundation

A. In the fire service, there are many: NFPA Foundation, IAFC Foundation, now-defunct Foundation for Fire Safety, local and state groups, i.e. Illinois Chiefs.

B. Very unlikely that any are foundations because foundations are generally sources not recipients.

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There are, in fact, about 3,400 true foundations in the U.S. with assets of more than \$1,000,000; annual giving of more than \$100,000. Together they accounted for about \$40 billion or 90% of all of the assets of American grant-making organizations. Taxable: net investment income.

Most foundations are 501(c)(3) organizations (as is NVFC); as opposed to 501(c)(4) volunteer FD's.

C. Fire service "foundations" are more likely to be a "public charity" or a 509(a)(1) organization

1. receives at least one-third of its support from the public. (exceptions)
2. variety of sources
3. representative governing board
4. providing facilities or services for public use

not all income is tax exempt.

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D. Need legal counsel to structure.

E. Regardless, an NVFC Foundation might require:

- separate corporation
- separate Board of Directors, some new people
- by-laws
- special legal and accounting support
- new materials, i.e. pamphlets, prospectus, stationery
- additional meetings, travel, phone, mailing expense.
- real lucky, a large piggy-bank.

F. Pros.

- capacity to attract new funding (\$5,000 ea.)
- ability to attract new talented and influential people
- increased influence in fire service
- prestige

(4)

## G. Cons

- cost
- administrative burden
- competition for few dollars
- possible "officers and directors" liability problems.
- possible loss of control to public board members.
- appearance of "selling out"
- reality - "nothing for nothing."

## H. Special advantages

- TI - we're with you regardless.
- Ryoichi Sasakawa - (may be problem)
- Field ; Stream - (Edison) rabbits

## III. Discussion