



**ASSOCIATION OF
FOUNDATIONS**

MEMBERSHIP GUIDELINES

The AF Board Committee on Membership is responsible for the screening of new applicants for membership, monitoring of the performance of member foundations, and supervision of membership related activities. For this purpose, it develops membership policies and procedures which are subsequently approved by the General Assembly.

By upgrading its membership requirements, the Association of Foundations assists its members in fulfilling their commitment to their donors, partners and clients, and the general public as a whole. AF improves the capacities of its members to deliver innovative, quality programs for Philippine development, consistent with the highest professional and ethical standards. Therefore, all members of the Association of Foundations must subscribe and abide by the following:

- a. The AF Statement of Principles
- b. The Code of Ethics for Social Development Organizations (CODE-NGO) as revised in November 2001 and its Implementing Rules and Regulations as approved November 2003
- c. Preferably PCNC-Certified

[Please see file "AF V-M-Principles-Code-of-Ethics" for the Statement of Principles and the Code of Ethics.]

Requirements for Membership

1. Membership is open only to private, non-stock, non-profit organizations where no part of its income is distributable as dividends to its members, trustees, or officer and is duly registered with the Securities and Exchange Commission (SEC). A substantial portion of their income must be devoted to social services and development, scientific, educational, charitable, and/or activities serving the common welfare.
2. The organization must be created NOT for the financial benefit of its Founders or its members.
3. The percentage of administrative/overhead cost in relation to the total revenue/income of the fiscal year should in no way exceed 30% in compliance with government requirements.
4. The organization must have a physical office space where business is conducted. A grantmaking foundation must have at least one responsible operating representative. An operating organization must have an appropriate professional staff.
5. The Board should be an independent, volunteer body. It is responsible for policy setting, governance, fiscal guidance and should regularly review the organization's policy, programs and operations.
6. The organization must have been in operation for at least one full year, to prove that its projects are geared towards fulfilling its stated mission and goals.

7. Membership in AF is of two kinds:

- a. ASSOCIATE – open to all foundations that have been in active operation for at least one year but less than 3 years. Associate members may also be members who have passed the minimum requirements of the AF application process but whose programs and activities are more inward-directed than serving an external community or the general public. They shall be entitled to all privileges except that their representatives are not eligible to participate in the election of the AF Board of Trustees.

Associate members may request for regular status by submitting a formal letter of request to the Membership Committee. The Committee will review the Associate Member’s compliance based on the Member Report Card and endorse for approval to the Board of Trustees.

- b. REGULAR – open to all foundations that have been in active operation for at least three years and can satisfy all other membership requirements. Representatives of regular members shall be entitled to all membership privileges and their official representatives are eligible to participate in the election of the members of the AF Board of Trustees (e.g., nomination, voting and election into office) subject to other eligibility requirements.

8. An Associate Member may be upgraded to Regular status upon submission of a formal letter of intent and an assessment of their eligibility for Regular Membership by the Membership Committee. The assessment will include, among others, compliance to the following:

- Regular payment of annual dues.
- Regular submission of audited financial statements duly filed with BIR and SEC.
- Regular submission of the General Information Sheet (GIS) duly filed with the SEC.
- Submission of data for the AF Network Aggregate Report.
- Attendance to ALL General Assemblies.

Annual Membership Fees / Dues

Aside from a one-time processing fee of P1,000 for applicants, all members shall be charged annual dues. AF has adopted a system of socialized dues based on the organization’s assets using the scheme below:

<u>NET WORTH (Assets in PhP)</u>	<u>Dues (PhP)</u>
P1 M or less	2,000
Over 1 M to 5 M	4,000
Over 5 M to 10 M	6,000
Over 10 M to 25 M	8,000
Over 25 M to 50 M	10,000
Over 50 M to 100 M	12,000
Over 100 M to 250 M	15,000
Over 250 M to 500 M	18,000
Over 500 M to 1 B	21,000
Over 1 B	25,000

Assessment of membership dues is on an annual basis and conducted in reference to the latest audited financial statements submitted by members.

Membership Policy

A member to be considered in good standing should abide by the following:

1. prompt payment of its annual dues
2. annual submission of data for the AF Network Aggregate Report
3. annual submission of audited financial statements with proof of submission to and/or receipt of the Bureau of Internal Revenue (BIR) and the Securities and Exchange Commission (SEC)
4. annual submission of the annual General Information Sheet (GIS) with proof of submission to and/or receipt of the Securities and Exchange Commission (SEC)
5. regular attendance in AF General Assemblies



HOW TO BE A MEMBER OF THE ASSOCIATION OF FOUNDATIONS

PROCESS FLOW

