**Foundations**

1. The definition of foundation may vary according to national laws. UNDP uses the following definition:
2. Foundations include non-for-profit institutions with the stated purpose and delineated source of income that provide grants or run programs. Sources of foundations’ assets include endowments, earned income, combination of public and private fundraising, trusts, family donations, community donations, and religious, corporate and other emerging sources like crowdsourcing. Other avenues for philanthropic giving include: donor-advised funds, direct giving, high-net-worth individuals, giving circles and others.
3. Recognizing the growing role of foundations in development, UNDP approaches its relationships with foundations beyond resource mobilization and focuses on developing partnerships. Generally, four types of collaborations can be outlined as the following:
4. Establishing and cultivating a network of contacts within the foundations community to share knowledge and expertise as well as to conduct joint advocacy efforts. In such instances, UNDP recognizes that foundations often offer a wealth of information in specific areas such as governance, environment or HIV/AIDS. Consequently, UNDP works with them to utilize their expertise and knowledge capacities. Such partnerships have significant potential to enhance the quality and scope of UNDP programmes.
5. A “donor-grantee” relationship, whereby foundations award grants to UNDP in support of specific UNDP projects that fit shared priorities.
6. Co-defining interventions and parallel funding.  A foundation and UNDP co-define common goals and agree on parallel funding of activities. This is a rare type where a foundation is interested in leveraging its own knowledge/networks as well as financing for agreed and shared priority/ies. This modality has a potential for the SDGs provided that foundations align themselves with national and subnational development agendas, use the SDG framework for planning and monitoring, and there are established accountability mechanisms tracking the contribution of partners to the joint outcomes.
7. Supporting capacity development of community based foundations. Refer to relevant [CSOs engagement procedures from POPP](http://content.undp.org/go/userguide/partnerships/formalizing/cso/?lang=en#top).
8. There are two categories of foundations with which UNDP mainly forges partnerships: private foundations and public foundations.
9. **Private Foundations** are non-governmental, non-profit grant-making organizations that receive funds/endowments from one source, generally an individual, a family or a corporation. Such foundations do not actively engage in fundraising or seek public financial support. They can award grants across many fields or limit support to just one or two. They can also operate locally, nationally, or internationally. There are two distinct types of private foundations: independent and corporate foundations:
10. Independent foundations are grant-making organizations established to aid specific charitable activities. Examples of such foundations are the [Bill & Melinda Gates Foundation](http://www.gatesfoundation.org/Pages/home.aspx), the [Ford Foundation](http://www.fordfoundation.org/) and the [Rockefeller Brothers Fund](http://www.rbf.org/).
11. Corporate foundations are independent grant-making organizations that have close ties to the corporation providing funds. Some companies have corporate direct giving programmes instead of foundations; some have both. Examples of such foundations are the [Coc​a-Cola Foundation​](http://www.thecoca-colacompany.com/citizenship/foundation_coke.html) and the [Nike Fo​undation​](http://www.nikefoundation.org/index.html).
12. **Public Foundations** often make grants to other nonprofit groups. Rather than being supported by a single source (individual, family, corporation), public foundations raise funds from many sources to support their grant-making activities. Examples of such foundations are the [UN Foundation](http://www.unfoundation.org/) and the [Charities Aid Foundation](http://www.cafonline.org/).
13. Community based foundationsare a subgroup of grant-making public charities and they usually serve a specific geographic area. Their assets come from funds set up by multiple donors and operationally they are similar to private foundations. Examples of such foundations are the [Kenya Community Development Foundation](http://kcdf.or.ke/) and the [Osaka Community Foundation](http://www.osaka-community.or.jp/).​

**Assessing and formalizing foundations**

1. Details on assessing and formalizing partnerships with foundations can be obtained in the procedures tables.

**Monitoring partnerships with foundations**

1. Most foundations require both narrative and financial reports on grants and contributions they award. Specific reporting requirements are stipulated in the grant letter/agreement, including the required information and deadlines by the donor. Successful reporting occurs when these provisions are adequately met; it also fosters a trusted and prolonged relationship with foundation for future collaborations.
2. The reporting process is thus one of the most crucial milestones in the life of a project for it reflects how funding was spent and demonstrates the competencies of the UNDP as an organization and a partner. It is very important, therefore, to ensure that the provisions under the agreement with the foundation are fully accounted for and reporting is done in a comprehensive, clear, accurate and timely manner.

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Page Content

Structure Element - Description