

Foundation vs association model when converting to a Charitable Incorporated Organisation

This factsheet aims to explain the differences between the foundation and association structures of a Charitable Incorporated Organisation (CIO) and briefly describes the key considerations involved when choosing which model is right for your organisation.

Foundation model – This structure is for charities who's only voting members will be the charity trustees.

In practice a CIO using the 'foundation' model will be like an incorporated charitable trust, run by a small group of people (the charity trustees) who make all key decisions. Charity trustees may be appointed for an unlimited time and they will probably appoint new charity trustees.

Association model - This structure is for charities that will have a wider membership, including voting members other than the charity trustees. The wider voting membership must make certain decisions (such as amending the constitution), will usually appoint some or all of the charity trustees (who will serve for fixed terms), and may be involved in the work of the CIO.



It is worth noting that there are not two different forms of CIO; a CIO with the 'foundation' model could change its constitution to the 'association' model if it wanted a wider voting membership later down the line (this could also happen the other way around, however it may be more complicated as members who were not trustees would have to agree to give up their membership).

You will notice that for CIOs, there are 'association' or 'foundation' constitutions so you will need to choose the right constitution for your structure. You will need to select which CIO governing document you are using when you attach it to your online application. The Charity Commission has produced modelling documents for the two different CIO models, (see step 5 of this guide for further details).

Please refer to the Charity Commission's [how to choose a structure](#) for further information.