

Unrestricted and Field of Interest Funds Q & A

CFHZ's Unrestricted and Field of Interest Funds are combined to make up our Community's Endowment. Once established, these funds no longer require donor involvement, but we keep donors updated about the use of their funds.

What are the benefits of an Unrestricted or Field of Interest Fund?

Unrestricted and Field of Interest Funds allow your resources to be pooled with other donors' resources for greater impact. Individually you might not have been able to make a \$50,000 investment in a new program or initiative, but by having an Unrestricted or Field of Interest Fund at CFHZ your resources are combined with others to make these larger grants possible. In addition, Unrestricted and Field of Interest Funds allow you to take advantage of CFHZ's knowledge of local nonprofit programs. CFHZ will often hear about new ideas that individual donors might never become aware of but may be excited to support. CFHZ has close connections with almost all of the nonprofit organizations in the Holland/Zeeland area, so you can be assured that your fund supports good programs.

What type of individual might these types of funds be right for?

These two types of funds are perfect for individuals or companies who want to be generous and want to give back to the community but don't have the time or the desire to research the best organizations around town. There are so many nonprofit organizations in our community that it can be overwhelming to try and figure the best way to give away your money to achieve the greatest impact. Donors most likely to consider these two funds are those who are willing to give up control and trust that CFHZ will make good decisions about how to distribute resources in the community. Also, individuals who are looking to set up a charitable fund through their estate plan are highly likely to consider these two types of funds because control of the distributions is not a priority or a possibility. They are truly giving for the future, giving for beyond their lifetime. They may have given to specific organizations during their lifetime but instead of including all of the various charities in their estate plan they choose to start an Unrestricted or Field of Interest Fund knowing that CFHZ will continue to support many of their favorite charities for them.

What is the difference between Unrestricted Funds and Field of Interest Funds?

A Field of Interest Fund will award grants to projects or programs within a special interest area identified by the donor. Unrestricted Funds award grants across all community issue areas. The options for special interest areas are endless, but often donors will choose a broad category such as arts and culture, community and economic development, environment, education, health, human services, housing, seniors, or youth. Grant decisions are made through our competitive grantmaking process using the expertise of CFHZ, staff and board. Field of Interest Funds provide a more specific focus to where the grants go.

What is the minimum size required to start an Unrestricted or Field of Interest Fund?

CFHZ requires a minimum of \$10,000 to start an Unrestricted or Field of Interest Fund. This will allow you to have your own named fund. This fund minimum may be built with a multi-year pledge.

May I recommend who should receive grants from my Unrestricted or Field of Interest Fund?

No. CFHZ's Distribution Committee is responsible for making grant decisions on distributions from Unrestricted and Field of Interest Funds. They bring a diverse set of community knowledge to the decision making process and are guided by informed staff. If you would like to be involved in a hands-on way, we would encourage you to start a Donor Advised Fund. Once a fund is established as an Unrestricted or Field of Interest Fund it cannot be converted into a "more restricted" type of fund (i.e. a Donor Advised Fund, Scholarship Fund, or Designated Agency Fund).

Will I receive any information from CFHZ about my fund after it is established?

Yes. If you establish a Field of Interest Fund, you will receive information regarding the specific grants that were given from your fund each year as well as annual fund statements indicating the current balance of the fund. If you establish an Unrestricted Fund, you will receive details regarding all of the competitive grants that your fund helps make possible each year in addition to an annual fund statement indicating the current balance of the fund. All of our grant amounts are public information and can be seen in our Annual Report. If you ever have any questions about grants that CFHZ has given, please feel free to give us a call, and we will be happy to hear your thoughts.

What types of projects and programs do Unrestricted and Field of Interest Funds grant to?

All of our competitive grants stay in the Holland/Zeeland area. Within our geographic service area, we support nonprofit organizations involved in **Arts and Culture, Economic Development, Education, Environmental Preservation, Health, Housing, Human Services, Seniors, and Youth.**

Since we fund all issue areas, we aren't able to provide funding to individual organizations every year. Rather, we work with our nonprofit partners in seasons of growth or change where an extra infusion of resources from CFHZ can accelerate their impact.

We look to fund proposals that:

- a. Are core to the organization's mission
- b. Have the potential to create a lasting impact on either the constituents being served or the organization's ability to do its work effectively
- c. Represent a turning or pivot point for the organization
- d. Demonstrate the organization has the capacity needed to successfully implement the proposed project or program as measured by financial stability, leadership capacity, and past record of success