WHO WAS CARROLL H. STARR?

- Partial owner of Rockford’s first Ford Motor Car dealership; banker; manager of local investment firm
- Leading advocate for families; served on the Family Welfare Service Board for 30 years
- Head of the WWII United War Fund, the balance of which launched the Rockford Community Trust
- One of nine founding members of the National Committee on Community Foundations
- Founder and first “permanent chairman” of the Rockford Community Trust, until his death in 1963
WHO WAS CARROLL H. STARR?

“Mr. Starr...also stated that the financial policy should be liberal enough to allow for investment of securities to bring a reasonable return and at the same time have a prudent administration of funds. In other words, he visualized the trust as a dynamic working organization both in the handling of funds and in their allocation to civic betterment projects. The others agreed that it would be possible to have a progressive investment policy and at the same time provide proper safeguards.”

- Minutes of the Foundation Committee Meeting at Hotel Faust on December 4, 1951
HOW ENDOWMENT WORKS

• Principal of endowed funds are invested
• CFNIL invests for long-term growth
• CFNIL makes distributions according to our spending policy
AGENCY ENDOWMENT

• Established by a nonprofit agency
• CFNIL makes distributions to the agency, while preserving and growing the principal
• Agency Endowments are irrevocable transfers, meaning that the funds stay at CFNIL
• However, Agency Endowments remain an asset on your balance sheet
AGENCY ENDOWMENT

• Support long-term planning
• Make a surplus last a lifetime
• Inspire donors
• Create a perpetual reservoir of funding
• Give donors new ways to support your organization, including through bequests or estate gifts
CHS ENDOWMENT CHALLENGE DETAILS

• Opportunity for nonprofits to build an endowment with help from CFNIL

• CFNIL has offered the Challenge nine times since 2001

• This is a competitive process
Since 2001, CFNIL has contributed more than $1,000,000 to CHS Endowment Challenge grantees. Collectively, these funds are now worth more than $4,500,000.
CHS ENDOWMENT CHALLENGE DETAILS

- Nonprofits set their own fundraising goal between $15,000 and $90,000
- Nonprofits have 17 months to complete the Challenge
- If your organization is selected and reaches its fundraising goal, CFNIL will match $1 for every $3 raised
## CHS Endowment Challenge Details

<table>
<thead>
<tr>
<th>Fundraising Goal</th>
<th>CFNIL Match</th>
<th>Endowment Total</th>
<th>Minimum/Maximum</th>
</tr>
</thead>
<tbody>
<tr>
<td>$15,000</td>
<td>+ $5,000</td>
<td>= $20,000</td>
<td>minimum</td>
</tr>
<tr>
<td>$60,000</td>
<td>+ $20,000</td>
<td>= $80,000</td>
<td></td>
</tr>
<tr>
<td>$90,000</td>
<td>+ $30,000</td>
<td>= $120,000</td>
<td>maximum</td>
</tr>
</tbody>
</table>

CARROLL H. STARR ENDOWMENT CHALLENGE X – MAY 23, 2022
### CHS ENDOWMENT CHALLENGE DETAILS

<table>
<thead>
<tr>
<th>ENDOWMENT TOTAL</th>
<th>SPENDING POLICY</th>
<th>ANNUAL DISTRIBUTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>$20,000</td>
<td>X</td>
<td>4%</td>
</tr>
<tr>
<td>$80,000</td>
<td>X</td>
<td>4%</td>
</tr>
<tr>
<td>$120,000</td>
<td>X</td>
<td>4%</td>
</tr>
</tbody>
</table>

CFNIL’s spending policy = 4% of the rolling average of 12 quarter-end balances for the fund

Calculated on March 31 each year.*
HOW THE CHALLENGE WORKS

• The **nonprofit**:  
  • Raises funds to meet the CHS goal  
  • Acknowledges donations  
  • Accumulates and transfers funds to the account  

• The **Community Foundation** deposits the match ($1 for every $3) into the endowment upon successful completion of the Challenge
HOW THE CHALLENGE WORKS

• Once an endowment is established, the nonprofits will receive:

  Quarterly financial statements
  Annual distribution letter
  Access to online Fund Advisor Portal

• Nonprofits can decide to receive annual distributions or leave them in the pool, growing the endowment
Past applicants may reapply. Past recipients may reapply.

New applicants and organizations which have not participated in past challenges will be given preference.
THE APPLICATION

Organizational Information
Organization Finances
Service Population
Endowment Status, Strategy, and Vision
CHS Endowment Challenge Agreement
**To provide more details about the program and answer questions, CFNIL Staff will host an informational webinar on Monday, May 23, at noon. The webinar will be presented via Zoom and the recording posted to this page following the meeting. RSVP for the Webinar.**

The Carroll H. Starr Endowment Challenge is an opportunity for nonprofits in Boone, Ogle, Stephenson, and Winnebago counties to build a permanent endowment at the Community Foundation of Northern Illinois.

Participants select an amount they will raise, between $15,000 and $90,000, and have 17 months to meet their goal. If participating organizations reach their goal by the deadline, CFNIL will grant $1 for every $3 that the nonprofit contributes to an agency endowment. For example, if a participant raises $60,000, CFNIL will contribute $20,000 to the endowment established at the Community Foundation of Northern Illinois.
Welcome to the Community Foundation of Northern Illinois's Online Grants Application Portal.

Grant Reviewers: Do not create a new account. Use the email from which you receive CFNIL notices and the password provided by the Grant Administrator. If you have questions, please contact our Grant Administrator at edelang@cfnil.org.

New Applicants: Please click on "Create New Account" to complete the registration process and create your login credentials. Only one user per organization should create an initial account. That initial user will be able to add additional users once they have started an account.
THE APPLICATION

Applicant Dashboard

If your organization information does not appear correct, please contact the funder. Thank you.
THE APPLICATION

CARROLL H. STARR ENDOWMENT CHALLENGE X – MAY 23, 2022
The Application

Carroll H. Starr Endowment Challenge X – May 23, 2022
ENDOWMENT VISION

Estimate the percentage of your organization’s goal to come from:
- Program Service Revenue
- Bequest or estate gift (anticipated)
- Bequest or estate gift (realized)
- Existing endowment
- New fundraising campaign specifically for CHS Endowment Challenge
- Surplus from prior year
- Donations from the Board of Directors
- Other sources
COMMITTEE SCORING

Organizational Finances

Service Population

Endowment Vision

New applicant or organization which has not previously participated
TIMELINE

May 16 – June 30, 2022
Application is open

July 2022
Committee reviews applications

August 1, 2022
Notification

August 2022
Sign fund and grant agreement – Challenge begins!

December 31, 2023
Fundraising period ends
Questions?