

Closing A Fund for the Arts and Putting Its Assets to Work

RECOMMENDATION Close A Fund for the Arts and transfer its full balance of \$5,078.95, plus any subsequent earnings, to the Foundation's nonendowed Arts, Culture and Humanities Fund.

Why this is the best use of the fund

- **The original plan did not develop as hoped.** The Foundation created this as an 'acorn' fund with its own resources, anticipating that community gifts would grow it beyond \$10,000 and establish a permanent endowed fund for the arts.
- **The fund has been inactive for nine years.** Its most recent contribution was received in 2017, and the fund has never made a grant.
- **The balance is too small to have meaningful impact as an endowment.** At its current balance, the fund would generate only a modest annual distribution and would continue sitting unused unless significant new gifts were received.
- **A suitable fund already exists.** The nonendowed Arts, Culture and Humanities Fund can use these assets for grants now. Consolidating the funds eliminates duplication while preserving the original charitable intent.

Proposed board resolution

WHEREAS, A Fund for the Arts was established by the Community Foundation of Dunn County as an acorn fund intended to grow through additional contributions into a permanent endowed arts fund;

WHEREAS, the fund has a current balance of \$5,078.95, received its last contribution in 2017, has made no grants, and has not reached the level needed to fulfill its intended purpose effectively; and

WHEREAS, the Foundation maintains the nonendowed Arts, Culture and Humanities Fund, which advances the same general charitable purpose and can deploy the assets for community benefit;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors approves the termination of A Fund for the Arts and directs that its entire balance, together with any subsequent earnings or receipts, be transferred to the Arts, Culture and Humanities Fund. Foundation staff is authorized to complete the transfer, close the fund's records, and administer the transferred assets in accordance with the receiving fund's purpose and the Foundation's grantmaking policies.

SUGGESTED MOTION: Approve the resolution closing A Fund for the Arts and transferring all remaining assets to the Arts, Culture and Humanities Fund.