



Getting to Know The CBF Foundation: A Q&A with Foundation President Shauw Chin Capps

What is the CBF Foundation?

The simplest way to describe the CBF Foundation is that it is like a community foundation. We exist to serve the CBF community. Back in 1994, the Coordinating Council of CBF founded the Foundation with the vision that we would have an entity that would focus on the sustainability of CBF's mission and ministries. While closely connected to CBF, CBF Foundation is an independent nonprofit foundation with its own Board of Trustees who are active participants in CBF life. Our mission is to work alongside individuals, churches and organizations to cultivate, receive, invest and steward long-term sustaining assets and legacy gifts to support CBF mission and ministry causes. Ultimately our vision is to perpetually fund the work of the Great Commission and the Greatest Commandment through CBF.



Shauw Chin Capps

Specifically related to churches, what can CBF Foundation do to support churches?

The CBF Foundation can specifically support churches in becoming financially healthy so that they can focus on ministry. Our expertise is around helping churches plan for long-term funds such as endowments. Whether you have a permanent endowment, scholarship fund, cemetery fund, building fund, or a short-term operating reserve, your primary interest is the work and ministries that the fund makes possible.

While CBF Foundation can't fulfill your mission for you, we can simplify the mechanics of fund management. We provide CBF partner churches and organizations with access to the best money managers available and competitive investment products regardless of the size of your fund/s. While many investment managers have minimum account requirements, the CBF Foundation's portfolio is valued at more than \$60 million. So we're able to leverage our portfolio to provide churches access to utilize the exclusive services of top-level investment managers when you invest with our portfolio even if your accounts fall below those minimums. We offer a full range of investment options specifically designed for churches or ministry organizations. Whether you intend to use all of your funds in less than a year or keep the principal invested permanently, we have a fund or combination of funds that will meet your needs.

Does the Foundation actually invest the funds or is there a fund manager that the Foundation uses?

Like most foundations, the CBF Foundation has its own fund manager who does the investing of all our funds. HighGround Advisors is our fund manager and has been since 1996. Through this partnership we offer a flexible investment model designed specifically for churches by leveraging the expertise of over 30 world-class, institutional investment firms and a dedicated team of 9 internal investment professionals. HighGround Advisors is a nonprofit investment and charitable giving firm with over \$2.3 billion in assets and over 90 years of investment experience.

Specifically related to churches, is there a minimum amount that can be invested with the Foundation?

No, there is no minimum amount. As a non-profit foundation that exists to serve the CBF community, we want churches of all sizes and means to have access to investing funds for their future. Your funds may be small but the CBF Foundation can leverage our total portfolio to give you access to quality investment products that would otherwise not be accessible.

Are there fees associated with investing through the Foundation?

Yes, there are fees associated with having the CBF Foundation manage your church's funds. Depending on the investment platform used to invest your funds, there are varying investment fees related to the investment work that HighGround Advisors does. The CBF Foundation charges a management fee of 0.5% for the first \$2M in assets. That fee goes down to 0.35% for the next \$1M and 0.15% for any amount beyond \$3M. It is important to note that the fees the CBF Foundation charges goes back to supporting the ministries and mission of CBF. We are not an Edward Jones or a Merrill Lynch. As a nonprofit foundation, it is our mission that drives us.

Beyond investing and managing long term funds, what other resources does the Foundation offer to churches?

The CBF Foundation can help your church in endowment promotions. Actually, investment management is the easy part of what we do. The most important part of our relationship with you is working together to promote your endowment. Investment growth alone will not address the future needs of your church or organization. As the resources required to accomplish your mission increase, only the kind of growth provided by new gifts will meet those needs. At your invitation, we will assist you in attracting permanent long-term support. We can also provide support in raising legacy gifts for your church by providing you with resources to promote and strengthen legacy giving. We can also work with individual members of your church who wish to establish an endowment to benefit the church by assisting in the gift planning process and the actual setup of the endowment. Our partnership with HighGround also means that churches have access to expert investment consultation, assistance with developing spending policies for their funds and legal counsel around charitable gift planning. More recently CBF Foundation launched an online will writing platform that allows CBF partner churches and organizations to utilize at no cost. This tool provides the opportunity for church members to develop a will as an act of care for their loved ones and the opportunity to leave a gift in their will to their church and other CBF related causes. We have also recently launched online tools for churches to be able to receive stock and IRA gifts.

Many churches have reserve funds sitting in a bank. Are there investment options that the CBF Foundation can offer that will have a higher yield?

Yes, we do indeed! Because of current low interest rates, the CBF Foundation's Board of Trustees actually voted to suspend our management fees for funds that are invested in the Enhanced Cash Fund platform. This specific investment platform is designed for shorter term funds with a 3-5 years time horizon which is a great fit for reserve funds. It's current yield is at approximately 0.52% net of all investment fees. While this may not sound like a high yield, it is better than the rates most banks can offer.

Who should I contact for more information or if I have more questions?

You can contact me, Shauw Chin Capps, directly at scapps@cbf.net or call me at 770-220-1622.