



HOW ARE DONATIONS CERTIFIED AND MATCHED?

At least twice annually, the Trust will accept applications to certify donations to the endowments of qualified organizations. Once certified, the State, subject to appropriation, will match the donation by depositing an equal amount of State funding into the Trust Fund. At that time, any 20% large donation matches (or available portions thereof) are distributed. All qualified arts, history, and humanities organizations are encouraged to seek to have their endowment donations, no matter how large or small, certified. Notification of deadlines and application guidelines and criteria will be broadly distributed and may be obtained from the Cultural Trust office by calling 609-984-6767 or through the website at njculturaltrust.org.



The New Jersey Cultural Trust, a national model, does much to ensure that the State will preserve and nourish New Jersey's invaluable cultural resources well into the future.

WHO CAN PARTICIPATE AND HOW?

1. New Jersey based non-profit arts, history or humanities organizations are eligible. Apply to be qualified to be eligible to participate fully, including applying for grants.
2. Qualified organizations with an endowment or building one should seek to have every contribution certified. They build the Cultural Trust Fund faster, bolster interest earnings and increase grantsmaking impact.
3. Individuals, Corporations, Businesses, Foundations, Municipal and County Governments who care about the health and vitality of New Jersey and the future of its cultural community support the Cultural Trust and its goals. Gifts given directly to the Cultural Trust Fund leverage a 100% State match to grow the Trust Fund. Gifts directed to the endowments of qualified organizations also leverage an equal State match into the Trust Fund, and when that gift is \$100,000 or more, the recipient receives an additional 20% from the State match.
4. Board members of non-profit cultural organizations should encourage their organizations to become qualified so that donors who contribute to endowments leverage matching dollars directly into the Trust Fund. Strategize about how to fully stabilize your organizations and pursue appropriate future opportunities for Cultural Trust support.

MISSION STATEMENT:

By its establishment in law in July 2000 the mission of the Cultural Trust is to ensure a stable and healthy cultural industry in New Jersey that is sustainable under fluctuating economic conditions. The Trust Fund is a permanent, interest-generating fund that serves as an additional source of revenue to New Jersey nonprofit arts, history and humanities organizations for specific purposes that are crucial to ensuring fiscal and operational health, stability and durability.

FOR MORE INFORMATION:

The New Jersey Cultural Trust's web site, www.njculturaltrust.org, offers complete information about the Trust's programs including the most recent annual report; application guidelines and criteria; a complete list of organizations that have received designation as "qualified"; a listing of organizations with certified donations; and links to other agencies and resources.

PLEASE CONTACT:

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**Ensuring
 NEW JERSEY'S
 CULTURAL LEGACY**

The New Jersey Cultural Trust

Frequently Asked Questions

WHY WAS THE CULTURAL TRUST CREATED?

New Jersey has an extraordinary cultural landscape. Orchestras, theaters, artists, scholars, historical landmarks, museums and so much more enhance our quality of life, revitalize our cities, enrich our children's education, boost tourism, celebrate our achievements, commemorate our lives and make us proud.

Talented people and successful companies gravitate to places where culture thrives. As study after study has shown, the nonprofit arts and history organizations contribute over \$1.5 billion annually to our economic activity and to our economic health. The arts and humanities are part of what makes New Jersey great.

These important nonprofit organizations are often woefully undercapitalized and particularly vulnerable to economic fluctuations. In a previous economic downturn, when the arts and history communities lost precious state funding, too many were forced to close their doors and valuable cultural resources in our State were lost forever. Research reveals a need for more than \$1 billion in new and focused funding to ensure that our cultural organizations can fight off bad economies and realize their full potential.

Since the mid-1990's, people in New Jersey have been talking seriously about how to establish an additional source of funding to help stabilize the arts, history and humanities. The way to do this,

they agreed, was through a permanent endowment that would grow and provide income year after year, but for specific new purposes.

In the year 2000, the State created a unique and innovative way to ensure that the New Jersey's rich cultural heritage thrives well into the future.

Without a single dissenting vote in either legislative house, The New Jersey Cultural Trust as a state agency governed by a 15 member board was created to receive and invest funds and protect and nurture the State's cultural legacy for generations to come.

WHAT IS THE PURPOSE OF THE FUND?

The New Jersey Cultural Trust Fund is a permanent investment fund whose earnings will be given in grants to support three specific purposes:

- 1) Build the endowments of non-profit arts, history and humanities organizations
- 2) Finance important capital projects, and
- 3) Improve the organizational and financial management of cultural organizations.



HOW IS THE FUND BUILT?

The Cultural Trust is a public/private partnership that seeks to amass through equal contributions from state and outside sources at least \$200,000,000 that can be invested. The State of New Jersey is called upon to annually appropriate \$10 million for 10 years to match outside donations made directly to the Fund or to the endowments of qualified organizations.

The Geraldine R. Dodge Foundation made a lead gift of \$1 million to the Fund the day the legislation was signed into law, and that was matched by the State.

Certified donations to the endowments of qualified organizations, no matter how large or small, also leverage an equal amount from the State into the Cultural Trust Fund. All funding is permanently held in the Trust Fund or in the endowments of qualified cultural organizations to provide for the long-term stability of our cultural industry

In the initial rounds of certification, State and private contributions to the Fund or the endowments of qualified organizations reached \$63.4 million toward the initial goal of \$200 million.

As further incentive for large gift donations to endowments of qualified groups, when one receives a single endowment gift of over \$100,000, 20% of the State's match goes to that organization. The other 80% is deposited in the Trust Fund. This is a powerful way for cultural groups to encourage the private sector to make larger gifts.

In its first rounds alone, the Cultural Trust certified over \$40.4 million in contributions. It has received over \$23 million in State appropriated funds and distributed \$4.4 million as large donation matches for endowment. The plan is working and the Fund is growing!

WHAT IS THE PROCESS FOR BECOMING "QUALIFIED"?

Any private, non-profit, tax-exempt, arts, humanities, or history organization that is incorporated in New Jersey and has been operating for at least four years, is eligible to be designated a "qualified" organization. Applications are accepted on an on-going basis; forms may be obtained by calling 609-984-6767 or from the website: njculturaltrust.org. All cultural organizations are encouraged to apply to be eligible to certify donations to their endowments and be eligible for subsequent grants to be awarded from the interest earned by the Trust Fund.

WHEN WILL GRANTS FROM THE INTEREST EARNINGS BE AVAILABLE?

When the Fund reaches \$20 million from contributions, the interest earned can be distributed as grants to qualified organizations for endowment building, financial stabilization, and capital projects. Grants will be based on recommendations from the programs administered by the New Jersey Council on the Arts, the New Jersey Historical Commission, and the New Jersey Historic Trust to The New Jersey Cultural Trust Board.