



Challenge Grant Guide

As alternatives to *Outright* Grants, there are four kinds of *Challenge* Grants often made by this Foundation:

- X *Dollar for Dollar*
One dollar of Foundation funds for each one dollar (or some specified variation of "\$1 for \$2" or "\$1 for \$3") of funds raised by the grantee up to the amount of the grant as stated in the Grant Award letter. Incremental amounts to certify matching funds are stated in the Grant Award letter or as discussed in the Grantee Conference.

- X *Part Challenge*
Outright portion of the grant usually paid immediately, with the matching portion payable upon the Foundation's receipt of your matching funds certification.

- X *Installment Challenge*
Payable over several of the Foundation's fiscal years with various certification deadlines.

- X *All or Nothing*
Foundation funds are payable only if the total amount of the grant is matched by the deadline date as stated in the Grant Award letter.

Common to each type of Challenge Grant is that funds raised by the Grantee must be *new* or *increased* cash contributions or pledges. *New* is defined as funds or pledges payable within one year, from contributors who have never given, or have not given to your organization in the past 14 months. *Increased* means funds contributed or pledged to be paid within one year, which are over and above amounts given by the donor or donor's family within the past 14 months. Contributions in-kind do not count toward a certification, unless special permission

is received at the time the grant is made. If the Foundation approves in advance, pledges may be counted longer than one year. An instance when this might occur would be for a building fund drive up to 5 years. Fundraising events do not count toward a certification.

The following are examples of donor contributions eligible for the match.

Mr. Jones donated \$10,000 last year and another \$15,000 after the grant was awarded. He increased his latest contribution by \$5,000 over the first contribution. The \$5,000 **increased** amount will be matched.

The Meyer family contributed \$500 one year ago and another \$500 six months ago for a total of \$1,000 in the past one year. They contributed \$1,500 after the grant was awarded which was \$500 more than their total contributions in the past year. The \$500 **increased** amount will be matched.

Ms. Stephano made a \$1,000 donation after the grant was awarded. This is the first time Ms. Stephano has ever contributed. Her **new** \$1,000 contribution will be matched.

You must certify the match to the Foundation as specified in the Grant Award letter, usually on or before August 1st. Each certification must be at least equal to the incremental amount (if applicable) stated in the Grant Award letter or as discussed in the Grantee Conference. The Foundation pays the incremental amount as each proper certification is received.

The certification letter should include enough information for the Foundation to verify the certification and should state that the organization “hereby certifies that \$_____ qualifies as new or increased match funds raised for (the purpose of) the grant”.