

## **FREQUENTLY ASKED QUESTIONS CONCERNING GAR FOUNDATION CHALLENGE GRANTS**

***Does our organization need to raise all the funds to be eligible to receive the challenge grant award?*** The answer to this question depends on the type of challenge grant awarded. If the grant condition states that your organization must raise the total by the date of grant expiration, then no portion of the challenge dollars will be awarded until and unless the total amount is raised. If the challenge grant is termed as “*up to*” a certain amount, then GAR will match any amount of funds raised by the expiration date, up to the total granted.

***What donations are eligible to be counted toward satisfying the challenge?*** The challenge can be met by donations from individuals, foundations, or corporations, unless otherwise specified in the grant award. All of the funds raised must be earmarked for the purpose(s) specified in the challenge grant. Only donations received after the date of the GAR meeting referenced in the grant award letter can be counted toward satisfaction of the challenge. If your grant award states that matching contributions must come from “new or increased gifts,” additional rules apply. Unless a different definition is set forth in your grant award letter, we generally define “new” gifts to be gifts from contributors who did not give anything to the organization in the most recent year. A gift from a donor who gave last year that is earmarked for a particular purpose that is different from last year’s gift is not a “new” gift under our policy. With “increased gifts”, only the increase (the incremental new funding over last year’s contribution) may be counted toward satisfaction of the challenge.

***What types of assets can be applied toward the required match?*** A variety of assets are acceptable: (1) cash; (2) pledges (as set forth below); and, (3) publicly traded securities at the published price on the date that they are received by your organization. Also, at GAR’s discretion, we will accept (1) non-publicly traded securities at their value as appraised by an appraiser acceptable to the Foundation; and (2) real estate at its value as appraised by a certified MAI appraiser acceptable to the Foundation. No in-kind contributions, other than real estate, will be considered.

***Do pledges count or only donations that our organization has actually received?*** Pledges are eligible in their face amount, provided that the period over which the pledge is to be paid does not exceed three years and that any pledge of \$10,000 or more is evidenced by a dated, written instrument executed by the donor. In cases of unpaid pledges that exceed \$25,000, GAR reserves the right to make proportional payments that correspond to installments or other periodic payments actually made by the donor.

***What does our organization need to provide to GAR as evidence that we have met our challenge?*** Please provide a letter from your president or CFO stating that the challenge has been met. In addition, you should provide a list of the names of the donors, the dollar amounts, pledge terms (if applicable), and date each was received by your organization.

Copies of grant award letters from foundations or corporations are helpful. In certain cases, we might require additional documentation, *e.g.*, copies of cancelled checks.

***How does our organization document anonymous donors or those requesting to remain anonymous?*** If you do not wish to disclose some or all of the names of donors whose gifts are being used to satisfy the challenge, you may submit a form in which your organization and its accounting firm attest to the receipt of eligible contributions. See the GAR website ([www.garfoundation.org](http://www.garfoundation.org)) for a link to the appropriate form to submit (“Written Assertion from Recipient of Challenge Grant”). You do not need to provide both a written list of donors and a written assertion form. This form is to be used only if you do not wish to disclose some or all the names of donors.

***Is it possible for our organization to get an extension if we have not satisfied the challenge by the expiration date?*** Typically, GAR Foundation does not grant extensions to challenge grant expiration dates. Occasionally, however, exceptions are made in special circumstances. We suggest that you contact the GAR program officer with whom you worked on the challenge grant, *well before the challenge expiration*, to discuss problems that your organization is encountering in satisfying the challenge.