



Endowment Challenge Grants 2008 - 2010 Fact Sheet

Program Objective

The board of directors of Community First Foundation approved **\$1.5 million** for **Endowment Challenge Grants 2008 - 2010** to help nonprofit organizations strengthen their long-term financial stability through endowment building. Nonprofit organizations, and the communities they serve, will be assured that the services they provide will continue by creating long-term sustainability through an endowment-building process.

Endowments Provide Long-Term Benefits

The purpose of an endowment is to provide long-term funding for a charitable cause. When a pool of funds is designated as endowed, only the earnings from that pool may be spent. The principal, or corpus, of an endowment is not spent and, instead, left to grow. Ideally, an endowment will allow a nonprofit organization to:

- Rely on a consistent stream of funds from endowment earnings that may be used to subsidize annual operations or specific projects, conceivably forever.
- Operate independently of the success of current or future fund-raising efforts, the current economic climate, or a specific funding source. This will increase organizational stability.
- Build institutional capacity by broadening and deepening their support base within the private sector, as well as encouraging volunteer involvement.
- Augment the organization's attractiveness to donors, especially in the area of planned giving.

Key Dates

Round 1: May 1, 2008 – April 30, 2010

- **Letter of Interest Deadline:** Friday, February 29, 2008
- **Application Deadline:** 3 p.m., Tuesday, April 1, 2008, at the Foundation's office
- **Grant Acceptance Notification:** No later than April 17, 2008
- **Endowment Challenge Grant Period:** May 1, 2008 – April 30, 2010. During this two-year timeframe, Community First Foundation will match funds contributed to the participating organization's permanent endowment fund established with the Foundation.
- **Match Allocation Begins:** May 1, 2008
- **Match Allocation Ends:** April 30, 2010

Round 2: October 1, 2008 – September 30, 2010

- **Letter of Interest Deadline:** Friday, August 1, 2008
- **Application Deadline:** 3 p.m., Monday, September 1, 2008, at the Foundation's office
- **Grant Acceptance Notification:** No later than September 17, 2008
- **Endowment Challenge Grant Period:** October 1, 2008 – September 30, 2010. During this two-year timeframe, Community First Foundation will match funds contributed to the participating organization's permanent endowment fund established with the Foundation.
- **Match Allocation Begins:** October 1, 2008
- **Match Allocation Ends:** September 30, 2010

What Organizations are Eligible to Participate?

The program is open to 501 (c)3 organizations that provide direct services within Adams, Arapahoe, Boulder, Broomfield, Denver, Douglas, and Jefferson Counties, and have not been the recipient of previous Community First Foundation Endowment Challenge Grants.

Ineligible organizations include:

- Nonprofit organizations that *do not* provide direct services within Adams, Arapahoe, Boulder, Broomfield, Denver, Douglas, and Jefferson Counties.
- Nonprofit organizations with budgets less than \$25,000 per year and/or do not file an IRS Form 990.

Other ineligible organizations include:

- Private and public schools, private and public universities
- Churches
- Foundations (private, community, corporate, etc.)
- Political organizations
- Membership organizations, associations, and civic groups, such as Rotary, Kiwanis, Sertoma and Optimists.

Key Program Elements

- The Endowment Challenge Grants 2008 - 2010 matches will apply to endowments created at, or transferred to, Community First Foundation. The endowments will be permanently administered and maintained by Community First Foundation for the benefit of each charitable organization.
- Nonprofits must establish a Maximum Matching Grant Amount (Endowment Challenge Grants Goal) and a fund-raising plan as detailed in the grant application.
- Community First Foundation will match \$.50 per \$1 for funds contributed to the participating organization's permanent endowment fund established with Community First Foundation during the two-year Endowment Challenge Grant Period.
- The minimum matching grant will be \$12,500, meaning that an organization must contribute a minimum of \$25,000 toward their endowment in order to participate in this program.
- The maximum matching grant will be \$100,000.
- Endowment challenge grant matches will be applied monthly.
- Community First Foundation will apply 5% annual rate earnings monthly during the two-year Endowment Challenge Grant Period.
- Community First Foundation will not assess administrative fees during the two-year Endowment Challenge Grant Period.
- Educational seminars to help with fund-raising techniques and special grantee events will be hosted by Community First Foundation for organizations participating in the Foundation's Endowment Challenge Grants programs.