



## Challenge Grant Guidelines for Community Savings Accounts

The South Dakota Community Foundation (SDCF) considers the Community Savings Account (CSA) partnerships as the flagship program for the statewide organization. This program has enabled communities of all sizes across South Dakota to discover the impact a sustainable, philanthropic effort can have on their futures. The following document provides a guide for partnerships between the SDCF and local CSAs.

1. **New CSAs:** Challenge grant funds may be offered to communities on a 1:4 ratio if it is their first challenge grant request. Maximum of \$50,000 is available in matching funds from SDCF. This means the local community must raise \$200,000 to receive a \$50,000 matching grant from the SDCF.
2. **Wait Period:** A CSA that has successfully completed a SDCF challenge grant may apply to be considered for an additional challenge for a match ratio of 1:8 after two (2) years post challenge completion date.
3. **Existing CSAs:** Challenge grant funds may be offered to communities on a 1:8 ratio when it follows a first challenge grant being met. Maximum of \$50,000 is available in matching funds on a development drive. This means the local community must raise \$400,000 to receive a \$50,000 matching grant from the SDCF.
4. **Challenge timeframes:** Customary timeframe of a challenge grant is three years.
5. **Priority:** New CSAs are given priority over established CSAs. No CSA is guaranteed to receive a challenge grant. Challenge grant funds are limited to dollars available.
6. **Unrestricted funds:** Only funds raised for unrestricted purposes, with the distribution authority granted to the local CSA advisory council shall count toward the matching funds. Any funds that do not give full, unrestricted grant making authority to the local advisory council shall not count toward the match. This may include, but not be limited to, scholarship funds, designated funds, donor recommended funds, and field-of-interest funds.
7. **Subfunds:** Communities may set up sub-funds specifically named for the donor at a certain level of giving (minimum of \$10,000; minimum of \$25,000 for scholarship) for such funds to count toward the challenge, they must remain unrestricted. Each sub-fund must have a separate fund agreement or memorandum of agreement with the SDCF.
8. Challenges may be adjusted to accommodate community needs or initiatives.