The purpose of The Richard West Freeman Endowment Challenges (The Challenges) is to create endowment funds or board-restricted cash reserves for nonprofit organizations serving the Greater New Orleans thirteen-parish region. The Challenges are designed to assist nonprofit organizations in (1) establishing and/or building endowments or board-restricted cash reserves and (2) educating the nonprofit sector and the donor community on the importance of building financial independence to ensure long-term financial stability.

**Endowment Definition**
A fund that is made up of donations to a nonprofit organization that are subject to a requirement that the principal be maintained intact in perpetuity and invested to create a permanent source of income for the organization. Organizations cannot access the principal, but can access the accrued income from the endowment dividends for its charitable purpose.

The Endowment Challenge will match one dollar for every two dollars raised by nonprofits. A requirement of the grant is that the endowment is held at the Greater New Orleans Foundation. Nonprofits will have the opportunity to select a preference for one of the three matching categories:

- The nonprofit raises $50,000. The Challenge matches $25,000
- The nonprofit raises $100,000. The Challenge matches $50,000
- The nonprofit raises $150,000. The Challenge matches $75,000

**Board-restricted Cash Reserve Definition**
A fund balance set aside for use under the guidance and approval of the organization’s Board of Directors to stabilize a nonprofit’s finances and provide a cushion against unexpected events including large unbudgeted expenses and losses of income. The Board of Directors is responsible for approving a policy on the purpose and process for accessing and replenishing the reserve.

The Board-restricted Cash Reserve will match one dollar for every two dollars raised by nonprofits. The Board Restricted Cash Reserve is a one-time only grant opportunity. A policy on accessing and replenishing the reserve approved by the Board of Directors is required with the proposal. The board-restricted reserve may be held at the financial institution of the nonprofits choosing. Nonprofits will have the opportunity to select a preference for one of the three matching categories:

- The nonprofit raises $10,000. The Challenge matches $5,000
- The nonprofit raises $20,000. The Challenge matches $10,000
- The nonprofit raises $30,000. The Challenge matches $15,000

Organizations will have 12 months to meet The Challenge. Only those organizations that meet their challenge goal will receive the grant award.
To be eligible for the Challenge nonprofit organizations must meet the following requirements

1. Have 501(c)(3) public charity status in good standing with the IRS.
2. Have been in operation for a minimum of five years at the time of application.
3. Be headquartered in one of the parishes served by the Greater New Orleans Foundation: Assumption, Jefferson, Lafourche, Orleans, Plaquemines, St. Bernard, St. Charles, St. James, St. John, St. Tammany, Tangipahoa, Terrebonne or Washington.
4. Does not have an endowment with a market value that exceeds $1,000,000.00.
5. Exhibit criteria of readiness for an endowment campaign or fundraising for a board-restricted cash reserve.
6. Have board approval to take part in the Challenges.
8. Organizations cannot apply for the same Challenge two cycles in a row; they must wait out one cycle before applying again for the same Challenge. However, organizations may apply for a different Challenge for consecutive cycles.