

**GRANTS, LOANS, OR OTHER DISTRIBUTIONS
TO
ORGANIZATION(S)**

1. Grants, Loans, or Other Distributions to Organization(s)

- a. IIT Roorkee Foundation, Inc. shall not provide loans to any organization or an individual or a group of individuals.
- b. IIT Roorkee Foundation, Inc. will make charitable grants/gifts or other distributions to other organizations, such as Indian Institute of Technology Roorkee, Roorkee, Uttarakhand, India, or other educational institutions, and research and development establishments, for the purposes delineated within Articles of Incorporation and Bylaws.

2. How Grants or Other Distributions Further Our Exempt Purposes

- a. Grants or other distributions shall be made for the specified exempt purposes only.
- b. The proposals and the memorandum of understanding (MOUs) signed between the donor and IIT Roorkee Foundation, Inc.; and IIT Roorkee Foundation, Inc. and the recipient **organization** shall not permit use of grants or other distributions for the purposes other than the tax-exempt purposes.
- c. The recipient organization shall be required to furnish periodic or annual reports and associated supportive documentation to substantiate compliance to the specified tax-exempt purpose.

Commented [NP1]: Per my previous comments, the donor and recipient organization should not be party to the same agreements

3. Written Contracts with Recipient Organization(s)

- a. IIT Roorkee Foundation, Inc. does not have a generic written contract with any recipient organization.
- b. However, no grants or other distributions shall be made to any organization prior to signing a written contract, which shall be subject to approval by the Board of Directors, Executive Committee, or a committee with governing board delegated powers. Examples of such a written contract are included in Attachment 15.

4. Relationship between IIT Roorkee Foundation, Inc. and Recipient Organization(s)

- a. At present, the Indian Institute of Technology (IIT) Roorkee, Roorkee, Uttarakhand, India is an identified recipient organization. However; IIT Roorkee Foundation, Inc. may donate funds to other educational institutions, as permitted by the Articles of Incorporation.
- b. The IIT Roorkee Foundation, Inc. does not have “relationship” with any recipient organization, which includes any of the following situations:
 - i. Neither does IIT Roorkee Foundation, Inc. control any recipient organization nor does any recipient organization control IIT Roorkee Foundation, Inc. through common officers, directors, or trustees, or through authority to approve budgets or expenditures.
 - ii. IIT Roorkee Foundation, Inc. and no recipient organization were created at approximately the same time and by the same persons.
 - iii. IIT Roorkee Foundation, Inc. and no recipient organization operate in a coordinated manner with respect to facilities, programs, employees, or other activities.
 - iv. There is no person who exercises substantial influence over IIT Roorkee Foundation, Inc. and on any recipient organization.
- c. IIT Roorkee Foundation, Inc. is an independent organization, which is governed by its Board of Directors.

Commented [NP2]: Donors do not donate to the recipient organization, they donate to the Foundation; the Foundation donates to the recipient organization

5. Records of Grants or Other Distributions

As a minimum, the following records shall be prepared and maintained:

- Signed and approved and signed proposals, memorandums of understanding (MOU), letter agreements, letters requesting release of grant, and other communications between the Board of Directors and officers of IIT Roorkee Foundation, Inc. and others.
- Agendas, meeting minutes, and all correspondence of the Board of Directors, Executive Committee, or a committee with governing board delegated powers.
- All accounting records associated with donations received and the funds distributed to recipient organizations, as a minimum, including dates, amounts, donors, recipient organizations and their particulars.
- Donation receipts issued.
- Audit reports.
- Periodic or annual reports submitted by the recipient organization regarding use of grant(s).
- Tax returns.

6. Selection Process

- a. As part of the selection process, IIT Roorkee Foundation, Inc. does not currently have an application form. An application that satisfies the requirements delineated in b below is being considered.
- b. IIT Roorkee Foundation, Inc. requires a grant proposal or a memorandum of understanding, which, as a minimum, includes the following:
 - i. Responsibilities of the IIT Roorkee Foundation, Inc.
 - ii. Responsibilities of the recipient organization or the grantee.
 - iii. The purpose(s) for which the grant shall be used by the grantee.
 - iv. Annual or periodic written reports concerning the use of grant funds.
 - v. Final written report and an accounting of funds and how funds were used.

- vi. IIT Roorkee Foundation, Inc. reserves the authority to withhold and/or recover grant funds when funds appear to have been misused.

7. Oversight of Distributions

As discussed previously, agreements with the recipient organizations will require periodic and final reporting of outcomes against objectives of the grants. At least annually an examination will be conducted by the Board of Directors to assure that IIT Roorkee Foundation, Inc. resources were used for tax-exempt purposes delineated in Articles of Incorporation and Bylaws. It shall involve review and verification of periodic or annual reports submitted by grantee(s) on the use of grants. Oversight may also include site visits or hiring of third parties to monitor the use.

Commented [NP3]: A financial statement audit by an independent CPA does not address the items in this paragraph. It would be expensive to hire a CPA to issue a report on these items. See my suggested revised wording.