

APPENDIX B Grant Approvals and Notification— Sample Letters and Forms

3. Grant Contract

SAMPLE TERMS AND CONDITIONS FOR FOUNDATION GRANTS

ORGANIZATION: **ORGANIZATION, LEGAL NAME**

AMOUNT: **AMOUNT APPROVED** over a **DURATION**-year period

PURPOSE: **PROJECT TITLE**

DURATION: **DURATION** years, commencing **Month 00, 20__**, pending signing of this agreement by both institutions

1. Use of Grant Funds You may use the grant funds only for religious, charitable, scientific, literary, or educational purposes within the meaning of Section 170(c)(2)(B) of the Internal Revenue Code of 1954, as amended (the “Code”), and more specifically may use the grant funds only for the purpose outlined above.

You acknowledge that the Foundation has not earmarked the use of the grant funds or any portion thereof for any other organization or individual.

You further acknowledge that either the grant funds will be expended as specifically itemized line by line in the proposal budget or that any deviation from such line-by-line itemized budget will not exceed **AMOUNT**. Transfers within lines of the budget in excess of **AMOUNT** must be approved by the Foundation.

2. Payment of Grant Funds The grant funds will be paid by the Foundation in four installments. However, payments for the second year will be contingent upon satisfactory progress on the project and our receipt of documentary evidence of such progress.

3. Quality of Work Both the quality of the work done and your progress toward achieving the goals of the grant will be reviewed by the Foundation. Your progress may be monitored by on-site visits by representatives of the Foundation. In particular, the Foundation will be monitoring the continued commitment of personnel involved in the work of the grant. In addition, the Foundation will, throughout the term of the grant, consider whether continuation of the work of the grant is in the interest of the general public. If the Foundation is not satisfied with the quality of your work or the progress toward achieving the goals of the grant, if the Foundation is of the opinion that you are incapable of satisfactorily completing the work of the grant, or if the Foundation determines that continuation of the grant is not reasonably in the interest of the general public, the Foundation may, in its discretion, (i) withhold

payment of grant funds until in its opinion the situation has been corrected, or (ii) declare the grant terminated. The Foundation's determination as to the quality of work being performed, the progress being made toward the goals of the grant, your ability to satisfactorily complete the work of the grant, and whether continuation of the work of the grant is in the interest of the general public will be final and will be binding and conclusive upon you insofar as further grants payments are concerned.

4. Certification and Maintenance of Exempt Organization Status You certify that you have been determined by the Internal Revenue Service to be a tax-exempt organization under Section 501(c)(3) of the Code, and "not a private foundation," within the meaning of Code Section 509(a), or in the absence of such a determination, that you are a state or any political subdivision thereof within the meaning of Code Section 170(c)(1), or a state college or university within the meaning of Code Section 511(a)(2)(B) (referred to hereafter as a "Public Charity"). You will immediately inform the Foundation of any change in or challenge to your status as a Public Charity. Furthermore, you hereby affirm that this grant will not cause you to fail to qualify as a Public Charity. You will comply with the provisions of the Code and the regulations hereunder applicable to you as a Public Charity and will not violate any other statute or regulation applicable to you where such violation materially affects your ability to carry out the goals of the grant.

5. Annual Report You will submit a full and complete interim report to the Foundation on the use of the grant funds, compliance with the terms of the grant, and the progress made toward achieving the goals of the grant on or about **Month 00, 20__**.

6. Final Report On or before **Month 00, 20__**, you will make a final report with respect to all expenditures made from such grant funds (including salaries, travel and supplies) and indicating the progress made toward the goals of the grant.

7. Interim Reports In addition to the annual report and final report required by paragraphs 5 and 6, you will also submit other such interim reports as the Foundation may reasonably request, and your personnel will confer with Foundation personnel or consultants at the reasonable request of the Foundation regarding expenditures, records and progress of the grant project.

8. Records You will maintain your books and records in such a manner that the receipts and expenditures of the grant funds will be shown separately on such books and records in an easily checked form. You will keep records of receipts and expenditures of grant funds as well as copies of the reports submitted to the Foundation and supporting documentation for at least four (4) years after the completion of the use of the grant funds, and will make such books, records, and supporting documentation available to the Foundation for inspection at reasonable times from the time of your acceptance of this grant through such period.

9. Acknowledgment of Support All manuscripts, papers, releases, exhibits or interviews prepared for scientific meetings, the public or private press, magazines, periodicals, radio, television or other means of communication dealing with the activities or achievement of the work of the grant shall acknowledge the Foundation's support.

10. Violation of Terms; Change of Status In the case of any violation by you of the terms and conditions of the grant, including but not limited to not executing the work of the grant in substantial compliance with the proposal, or in the event of any change in or challenge by the Internal Revenue Service of your status as a Public Charity, the Foundation reserves the right in its absolute discretion to terminate the grant. The Foundation's determination will be final and will be binding and conclusive upon you.

If annual or interim reports are not received in a timely manner, the Foundation may withhold payment until the outstanding report is received, and may terminate the grant if any such report is not received within a reasonable time (no more than sixty [60] days) following the date on which it was due.

11. Termination Upon termination of this grant for any reason, the Foundation will withhold any further payments of grant funds and you will repay to the Foundation any portion of the grant funds that were not spent for the grant project.

12. Future Funding You acknowledge that the Foundation and its representatives have made no actual or implied promise of funding except for the amounts specified by this agreement. If any of the grant funds are returned or if the grant is rescinded, you acknowledge that the Foundation will have no further obligation to you in connection with this grant as a result of such return or rescission. However, the foregoing is not intended to prohibit the Foundation from providing you an additional grant at the termination of the grant described in this agreement upon the submission of a new proposal, if the Foundation in its sole discretion determines that an additional grant is appropriate.

13. Modification This agreement sets forth all terms of the grant and replaces all prior understandings and agreements. Any modification or amendment will be made only in writing signed by an authorized officer of your organization and of the Foundation.

14. Applicable Law This agreement will be construed in accordance with the laws of the State of **STATE**.

FOUNDATION

STAFF NAME, TITLE

Date: _____

Accepted by:

Name: _____

Title: _____

Date: _____