

SCHEDULE B – For Funds Granting Scholarships

Fund
Name _____

IRS Regulations

The Internal Revenue Service (IRS) has established regulations pertaining to making grants to individuals and the role of advisors in recommending grants to the Community Foundation.

The following policies have been adopted by the Foundation in response to the IRS regulations.

- a. The individual grant program serves a charitable purpose.
- b. The group of persons who will be eligible for the grant program constitutes a charitable class.
- c. There are objective criteria for the selection of recipients.
- d. The donor or advisor does not control the process for selecting recipients. Donors and advisors may be members of selection committees provided that they do not control the committee’s decision, directly or indirectly.
- e. The sponsoring charity, such as the Christian Community Foundation, publicizes the grant program in an appropriate manner to ensure that eligible individuals are reasonably informed of its availability.
- f. The sponsoring charity screens the selected recipients to ensure that distributions from a donor-advised fund are not made to disqualified persons.
- g. The sponsoring charity retains documentation to show how the recipients were selected and the terms under which the gift was given.
- h. The sponsoring charity establishes procedures to ensure that the granted funds are used for the purpose for which the grant was made, and the procedures it will follow if it discovers a misuse of the funds.
- i. If potential recipients are limited to employees or members of the families of the employees (including deceased or retired employees) of a particular employer, the sponsoring charity verifies that the selection process complies with the guidelines for similarly restricted private foundation scholarship grants and educational loans (other than the requirement for seeking advance approval of the procedures).

Donor Signature

Donor Signature

Date

Date