

Internal Revenue Service

P.O. Box 2508
Cincinnati, OH 45201

Department of the Treasury

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Employer Identification Number:

Contact person - ID number:

Contact telephone number:

LEGEND

UIL: 4945.04-04

X= Location

Dear

You asked for advance approval of your educational grant procedures under Internal Revenue Code section 4945(g)(3). This approval is required because you are a private foundation that is exempt from federal income tax.

Our determination

We approved your procedures for awarding educational grants. Based on the information you submitted, and assuming you will conduct your program as proposed, we determined that your procedures for awarding educational grants meet the requirements of Code section 4945(g)(3). As a result, expenditures you make under these procedures won't be taxable.

Description of your request

You founded your own think tank to improve and enhance the readiness and professionalism of the emergency management community through education and research. You will establish a Fellows Research Program to advance your mission.

Outstanding candidates will be selected by a selection committee to participate in the program as fellows. Fellows will conduct research in the following areas: disaster communication/risk communication, disaster logistics/supply chain management, and hazard mitigation/environment resource protection. At the end of a fellow's term in the Fellowship Program, the fellow will present the results of his or her research at the think tank's annual conference. The research results will be presented in the format agreed upon by your think tank and the fellow.

You will pay for each fellow's travel expenses to the program headquarters in X and accommodations while participating in the fellows program. The fellows will also be provided a stipend to cover incidental expenses while participating in the program.

Eligibility criteria to be selected as a fellow for your program are as follows:

- Be at least twenty-one years of age
- Hold a Ph.D. (or comparable) degree, be a Ph.D. candidate, or possess ten years or more of equivalent professional experience in the emergency management field
- Have a field of research that is unique and innovative
- Have documented proof of producing unique and outstanding work products related to emergency management
- Complete the online application form and submit it with all required documents, which are expected to include:
 - Resume and biography, including a publication list
 - At least two letters of recommendation from recognized authorities or professionals in the applicant's discipline
 - One to three authentic work samples produced by the applicant, which may include a research paper, publication, or article
 - A Statement of Purpose: 250-500 word statement describing a proposed research theme, the applicant's career goal and/or expectation for participation in the fellowship program, and how the applicant's research is unique or innovative compared to other existing studies
 - A detailed research proposal describing a research plan and the applicant's preparation status. A research proposal should address the elements of international cooperation and practical approaches or solutions. There are no standard format requirements
 - Completed Fellowship Participation Authorization Form releasing the applicant to work on the fellowship full-time for the duration of the fellowship
- Demonstrate evidence of good health (physical examination)
- Be proficient in English communication and writing skills

Applicants will be selected by the Fellowship Selection Committee. The Fellowship Selection Committee will be composed of experts in global emergency management and disaster resilience who are selected by the think tank's Board of Directors and Leadership Team.

The think tank's staff will conduct an initial screening of each applicant, which may include an in-person interview, a phone interview, or an electronic interview (e.g., teleconference, Skype conference). The staff will also verify credentials, including contacting any person who has provided a letter of recommendation for the applicant. The staff will prepare an evaluation of each applicant for review by the Fellowship Selection Committee, and may rank the applicants from most qualified to least qualified. The staff will then notify each Fellowship Selection Committee member that the applications and staff evaluations are available for review and either provide each member with electronic access to the applications and evaluations or transmit the applications and evaluations to the members by regular or express mail, facsimile, or electronic mail.

The Fellowship Selection Committee will meet (either in person or electronically) to select the fellows. The Selection Committee will promptly notify the Board of Directors and Leadership Team of its decision. The Board of Directors and Leadership Team will be given ten business days to review the decision of the Selection Committee and object to the selection of any applicant as a fellow. If the Board of Directors and Leadership Team do not object to the selection of any candidate within the ten-business day period, the Selection Committee's decision shall be final. If there is an objection to the selection of any candidate within the ten-day period, the Selection Committee, Board of Directors, and Leadership Team shall cooperate in resolving any disagreement regarding the selection of an applicant. If the disagreement is not resolved within fifteen business days of the end of the ten-day period, the decision of the Selection Committee shall be final.

You represent that no relatives of members of the selection committee, or of your officers, directors, or substantial contributors are eligible for awards.

You will maintain all records relating to individual grants, including information obtained to evaluate grantees. You will identify whether a grantee is a disqualified person, establish the amount and purpose of each grant, and establish that you undertook the supervision and investigation of the grants.

Basis for our determination

The law imposes certain excise taxes on the taxable expenditures of private foundations (Code section 4945). A taxable expenditure is any amount a private foundation pays as a grant to an individual for travel, study, or other similar purposes. However, a grant that meets all of the following requirements of Code section 4945(g) is not a taxable expenditure.

- The foundation awards the grant on an objective and nondiscriminatory basis.
- The IRS approves in advance the procedure for awarding the grant.
- The grant is:
 - A scholarship or fellowship subject to section 117(a) and is to be used for study at an educational organization described in section 170(b)(1)(A)(ii); or
 - A prize or award subject to the provisions of section 74(b), if the recipient of the prize or award is selected from the general public; or
 - To achieve a specific objective; produce a report or similar product; or improve or enhance a literary, artistic, musical, scientific, teaching, or other similar skill or talent of the recipient.

To receive approval of its educational grant procedures, Treasury Regulations section 53.4945-4(c) (1) requires that a private foundation show:

- The grant procedure includes an objective and nondiscriminatory selection process.
- The grant procedure results in the recipients performing the activities the grants were intended to finance.

- The foundation plans to obtain reports to determine whether the recipients have performed the activities that the grants were intended to finance.

Other conditions that apply to this determination

- This determination covers only the grant program described above. This approval will apply to succeeding grant programs only if their standards and procedures don't differ significantly from those described in your original request.
- This determination applies only to you. It may not be cited as precedent.
- You cannot rely on the conclusions in this letter if the facts you provided have changed substantially. You must report any significant changes in your program to the Cincinnati Office of Exempt Organizations at:

Internal Revenue Service
Exempt Organizations Determinations
P.O. Box 2508
Cincinnati, OH 45201

- You cannot make grants to your creators, officers, directors, trustees, foundation managers, or members of selection committees or their relatives.
- All funds distributed to individuals must be made on a charitable basis and must further the purposes of your organization. You cannot award grants for a purpose that is inconsistent with Code section 170(c) (2) (B).
- You should keep adequate records and case histories so that you can substantiate your grant distributions with the IRS if necessary.

Please keep a copy of this letter in your records.

If you have any questions, please contact the person listed at the top of this letter.

Sincerely,

Director, Exempt Organizations