



Department of the Treasury
Internal Revenue Service
Tax Exempt and Government Entities
P.O. Box 2508
Cincinnati, OH 45201

Date:
07/17/2023
Taxpayer ID number:

Person to contact:

Release Number: 202341013
Release Date: 10/13/2023

UIL: 4945.04-04

LEGEND

B = Name (s)
C = Individuals
D = Subjects
E = Name(s)
V = Number
W = Number
x dollars = Amounts
y dollars = Amounts

Dear :

You asked for advance approval of your educational grant procedures under Internal Revenue Code (IRC) Section 4945(g)(3).

This approval is required because IRC Section 4945 provides for the imposition of taxes on each taxable expenditure of a private foundation. IRC Section 4945(d)(3) provides that the term "taxable expenditure" includes any amount paid or incurred by a private foundation as a grant to an individual for travel, study, or similar purposes by the individual, unless the grant satisfies the advance approval requirement of IRC Section 4945(g).

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 IRC Section 4945(g)(3). As a result, expenditures you make under these procedures won't be taxable.

Description of your request

Your letter indicates you will operate an Individual Grant Program to promote education and advancement of science through research. Under your Individual Grant Program, there will be a Fellowship Award component and a Travel Award component. You will award these grants to early-career scientists to improve and enhance their scientific, educational capabilities and skills while advancing your scientific research objectives. All such selections of grant recipients will be required to be objective and nondiscriminatory and will be on the basis of criteria reasonably related to the purposes of the grants (e.g., prior research, letters of reference, etc.). No director, officer, employee, or substantial contributor of yours or member of the selection committee, or family

written research statements, letters of recommendation and interest in outreach initiatives.

The selection committee will then rank the candidates and send their recommendations to you to make the final selections. Your final selections will be made by your Board of Directors based on recommendations from your President and Senior Program Officer. You expect selections to be based on rankings putting the highest ranked individuals first. The candidates will also have a preferred B. Selections are also dependent upon the intended B's willingness to take on the fellowship, cover indirect costs, and share the costs of employee benefits, if needed. You will also consider the number of candidates placed at the same B, which may be limited. This may result in selecting a lower-ranked candidate so not to exceed the limit per B.

Once the candidates have been selected, you will contact the institutions that the selected candidates identified as their preferred B to determine if they are willing to cost share and administer the fellowship(s). If so, you will enter into grant agreements with such B and the selected candidate that outlines the terms and conditions of the award. The point of contact at the B will be responsible for coordinating communication with you about the grant agreement, disbursement, and submission of an annual report describing the research progress.

The fellowship funds will be distributed to the B. You will set the annual salary or stipend, and it is subject to annual review for adjustments. Benefits such as retirement and family leave are under the rules of the B. The B will participate in sharing such costs as well as any indirect cost they incur. No additional funds may be accepted from other appointments such as teaching, other fellowships, or similar grants for the duration of the fellowship. Honorary named appointments intended to be linked with the title of this fellowship are also not permitted.

Travel Award Component:

Travel awards may be provided to current fellows or former fellows that serve as a junior faculty researcher on the current fellow's project and are to be used to cover the cost to attend workshops, meetings, or conferences for the scientific and educational benefits, plus any related travel and lodging. To be eligible for travel awards, individuals must be a current or former fellow. They will need to submit a written detailed request to you identifying the event to attend and state if he/she will be presenting. You will evaluate submitted requests considering whether the topic(s) relate to the fellow's research and that proposed costs are in line with similar conferences. Fulfilling the request will depend on availability of funds, number of requests in a year, if the fellow is presenting and if the fellow has already received one or more of your travel grants. The travel award amount will be in the range of y dollars or a reasonable amount more if international travel is involved. You do not expect to award more than v travel grants to a recipient.

The travel award will be distributed to the B. Any excess funds will either be applied to the fellow's research or returned to you. The fellows attending events that you will host will not assist you in planning, evaluating, or developing projects or areas of your program activity. They do not consult or advise but may complete a survey upon completion year.

Oversight for The Individual Grant Program:

- This determination applies only to you. It may not be cited as a precedent.
- You cannot rely on the conclusions in this letter if the facts you provided have changed substantially. You must report any significant changes to your program to the IRS at:

Internal Revenue Service
Exempt Organizations Determinations
TE/GE Stop 31A Team 105
P.O. Box 12192
Covington, KY 41012-0192

- You can't award 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 further the purposes of your organization. You cannot award grants for a purpose that is inconsistent with IRC 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.

We'll make this determination letter available for public inspection after deleting personally identifiable information, as required by IRC Section 6110. We've enclosed Letter 437, Notice of Intention to Disclose - Rulings, and a copy of the letter that shows our proposed deletions.

- If you disagree with our proposed deletions, follow the instructions in the Letter 437 on how to notify us.
- If you agree with our deletions, you don't need to take any further action.

We've sent a copy of this letter to your representative as indicated in your power of attorney.

Please keep a copy of this letter in your records.

If you have questions, you can contact the person shown at the top of this letter.

Sincerely,

Stephen A. Martin
Director, Exempt Organizations
Rulings and Agreements

Enclosures:
Letter 437