

ABC FOUNDATION  
GRANT AGREEMENT\*

We understand that «Org\_Legal\_Name» has [CHOOSE ONE/DELETE REST]

asked to be recognized as a tribal subdivision under Section 7871 of the Internal Revenue Code of 1986, as amended (the “Code”) and/or Revenue Procedure 84-36, but that status has not yet been recognized

not yet received recognition of its status as an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”)

is an organization which is not described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”) but is carrying on charitable work

Accordingly, this grant must be subject to the expenditure responsibility rules under the Code. As a condition of a total grant of «Request\_Grant\_Amount» from the ABC Foundation to «Org\_Legal\_Name», the terms of which are further set forth in the attached letter dated [INSERT MAILING DATE], the undersigned hereby agrees:

1. To use the funds and any accrued interest on them only for the following charitable, designated purpose: «Request\_Project\_Title», and as further set forth in the attached letter dated [INSERT MAILING DATE].
2. To use the funds only for the designated purpose and not to use the funds for any purpose prohibited by law, including these purposes specified in Section 4945 of the Code:
  - To intervene in any campaign for public office, for a voter registration drive, or for lobbying. For these purposes, “lobbying” is attempting to influence legislation at any level of government through attempts to influence public opinion on a legislative subject or direct communications with those who formulate legislation. Nonpartisan analysis, study, and research is permitted.
  - To make grants to individuals for travel, study, or other similar purposes by such individuals (such as scholarships, fellowships, or grants for research), unless such grants satisfy the requirements of Section 4945(g) of the Code.
  - To make any grant to any other organization (other than to public charities or exempt operating foundations) which does not comply with the requirements of Sections 4945(d)(3) or (4) of the Code.
  - To undertake any activity for any purpose other than one specified in Section 170(c)(2)(B) of the Code.
3. To repay any portion of the grant which is not used for the designated purpose, or in full upon demand if the organization has applied for recognition of tax-exempt status and is denied such recognition.
4. That all Foundation grant funds received by your organization must be maintained in a separate fund dedicated to the charitable purposes described in this agreement. Such a separate fund may be either 1) a physically separate bank account restricted to the described charitable purposes, or 2) a separate bookkeeping account (limited to the described charitable purpose) maintained as part of your financial records.
5. To submit progress reports of activities carried on under the grant, evaluations of what the grant accomplished, verification of compliance with the terms of the grant, and complete financial reports detailing use of the grant funds according to the attached schedule, which lists reports for each year in which the grant is open, due 60 days after the close of your fiscal year end. The annual financial report must contain details of expenditures, such as salaries, travel, supplies, and the like.

6. To expend all of the Foundation grant funds so as to enable the ABC Foundation to count the grant as a qualifying distribution within the meaning of Section 4942(g)(3) of the Code; therefore agreeing to expend all ABC Foundation funds for charitable purposes.
7. To maintain records of receipts and expenditures and to make its books available to the ABC Foundation at reasonable times.
8. To not incur any liabilities in reliance on the grant until the funds are received unless specifically approved by the ABC Foundation.
9. That any grant payment may be discontinued, modified, or withheld at any time when, in the judgment of the ABC Foundation, such action is necessary to comply with the requirements of law or this agreement.
10. Consistent with Executive Order 13224 and the Patriot Act, no portion of the grant will be used to support terrorism, or will be diverted to other individuals or organizations which have assisted, sponsored, or provided financial, material, or technological support for terrorists or persons associated with terrorists.
11. [USE ONLY FOR GRANTEEES WAITING FOR 501(C)(3) DETERMINATION LETTER:] To provide a copy of the organization's 501(c)(3) determination letter upon receipt or notify the ABC Foundation if the organization is notified by the Internal Revenue Service that such a determination letter will not be issued, and the reasons therefore.

«ORG\_LEGAL\_NAME»

By \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

ABC FOUNDATION

By \_\_\_\_\_  
President

\_\_\_\_\_  
Date

#«Request\_ID»

\*Please contact the ABC Foundation before or after the agreement is signed with any questions you may have about the period covered by the grant, the schedule of grant payments, the schedule of reports required, or the desired format for project and financial reports. Adjustments to grant periods and uses of ABC Foundation funds are possible but may require approval by the ABC Foundation. ***One signed copy of this Grant Agreement must be returned to the ABC Foundation before payment can be made. The second copy is for your files.***