

IFS Foundation

Grant Making Policy

Grants are only made with the utmost care

1. Introduction

- 1.1. The grant-making policy has been adopted by the trustees of the IFS Foundation (“the Charity”).
- 1.2. The purpose of this grant making policy is to:
 - 1.2.1. outline principles of grant-making adhered to by the Charity;
 - 1.2.2. articulate the Charity's principles and criteria for making grants;
 - 1.2.3. ensure that the trustees are discharging their duty to further the object of the Charity and safeguard its assets; and
 - 1.2.4. provide a standard of grant-making practice for the Charity.

2. Charitable Objects

- 2.1. The Charity's objects, as set out in its articles of association, are:
 - 2.1.1. the prevention and relief of poverty within rural Sri Lanka by providing or assisting in the provision of education, training, healthcare, water projects and all the necessary support designed to ensure individuals to generate a sustainable income and be self-sufficient.
 - 2.1.2. such other charitable purposes as the trustees for the time being shall from time to time think fit.
- 2.2. The Charity seeks to further those objects in several ways, including making grants to strengthen and enrich communities where the Charity operates.
- 2.3. In order to get best value for money from the limited amount of funds it has available for making grants, and to ensure that the Charity's trustees remain responsible and accountable for the Charity's actions, the following arrangements have been agreed.

3. Grant Making Principles

- 3.1. The Charity aims to develop a grant-making programme which is guided by the following principles:
 - 3.1.1. informed by local information;
 - 3.1.2. targeted to meet community needs, priorities and aspirations;
 - 3.1.3. focused to achieve maximum efficiency and effectiveness;
 - 3.1.4. enhancing community and voluntary activity;
 - 3.1.5. encouraging best practice among community and voluntary groups;
 - 3.1.6. implemented, monitored and evaluated to ensure optimum achievement and lessons for the future.

In awarding grants, the Charity aims to be pro-active, fair, efficient and professional. The grant-making criteria are clear and consistent, but will also remain flexible in order to ensure that donors' wishes can be incorporated and that changing needs in our communities are addressed.

4. Grant Making Criteria

- 4.1 The Charity may make grants to support individual charities or charitable projects within the following themes or areas:
- 4.1.1 education and training;
 - 4.1.2 water and sanitation projects
 - 4.1.3 improving patient care experience/environment
 - 4.1.4 facilitating entrepreneurial development
 - 4.1.5 in exceptional circumstances any other charitable purposes; but subject always to paragraph 5 below.

5. Exclusions

- 5.1 Grants are usually made to organisations, rather than individuals, whose activities fall within and are consistent with the Charity's own objects. In the case of training awards or scholarships, for example, grants can be made to individuals provided that their applications are supported by educational institutions.
- 5.2 The Charity will **not** support the following:
- 5.2.1 Organisations established solely for the relief or benefit of animals or plants;
 - 5.2.2 Political promotion including political party activity;
 - 5.2.3 The support or promotion of a religious doctrine; mission; proselytism or promotion of the beliefs of a particular faith (beyond basic religious/cultural awareness raising);
 - 5.2.4 Statutory or other governmental agencies in the discharge of their statutory duties;
 - 5.2.5 Retrospective or deficit funding;
 - 5.2.6 Any project or organisation which contravenes the Equality Act 2010;
 - 5.2.7 Organisations that cannot demonstrate public benefit as defined by the Charity Commission and/or the IFS under the 501(c)3 analysis;
 - 5.2.8 Organisations requesting funding towards reserves or which have significant financial reserves, except in exceptional circumstances; or
 - 5.2.9 Any project or organisation which conflicts with the objects or values of the Charity or which may damage the reputation or business of the Charity.

6. Publicity

- 6.1 Details of the grant making programme will be publicised on the Charity's website.

7. Grants Committee

- 7.1 The trustees of the Charity may, in accordance with its articles of association, delegate to a committee the power to recommend that the Charity may specific grants.
- 7.2 The committee, if formed, shall comprise at least three members of whom a majority shall be trustees and may include, for example, specialists in managing grant programmes, representatives from the local

community or others whom the trustees believe will enhance the scrutiny of grant recommendations.

7.3 Any recommendation by the committee shall be subject to the approval of the trustees.

8. Consideration

8.1 The Charity is aware that fraud and mismanagement can take place in all stages of grant funding. Trustees will always request a copy of a potential recipient's current governing document and its latest annual report and accounts as well as any safeguarding policy, where applicable. The trustees will also look for the following potential indicators:

8.1.1 applicant unknown to local umbrella organisations or other local groups;

8.1.2 very new groups;

8.1.3 very few trustees, directors or committee members or familial relationships;

8.1.4 applicant only having a mobile phone number and/or PO Box address;

8.1.5 discrepancies between financial information provided to the Charity and that in the accounts or on the Charity Commission's website;

8.1.6 failure to file annual accounts or reports on time.

8.2 Such indicators may lead the Charity to carry out more rigorous investigation of a particular potential recipient.

8.3 The Charity will judge each case for a grant on its merits and in accordance with the principles and criteria set out at paragraphs 3 and 4 above. It will assess the details of the project or initiative, including timescales for implementation and the means of obtaining value for money. It will consider whether the is capable of undertaking the project and has a satisfactory financial position.

8.4 All grants must be able to demonstrate their charitable purpose and public benefit in order to be considered. The Charities Act 2011 defines a charitable purpose as one which falls within the list of thirteen "descriptions of purposes" set out in section 3(1) and is for "the public benefit". The Charity Commission has published guidance on its interpretation of the law in 'Charitable Purposes and Public Benefit' available at <http://www.charitycommission.gov.uk/> and, if for the US, then as defined by the IRS within the meaning of Section 501 (c)(3) of the United States Internal Revenue Code of 1986 ("Section 501(c)(3)"), or the corresponding section of any future Federal tax code as it now exists or may be amended (the "Code").

8.5 Any grant offered may be conditional on the availability of funding from other sources.

8.6 The trustees' decision shall be recorded in the minutes.

9. Awards

9.1 Once a grant is approved, the Charity will notify the relevant party. This letter will be accompanied by the grant agreement setting out various conditions of grant including the specification and/or management of the project, monitoring and reporting requirements, promotional activities, future use and so on.

9.2 To accept a research/educational/care grant award, the recipient will first have to sign the grant agreement and return it to the Charity. The grant may be released by the Charity once the signed grant agreement has been received.

10. Monitoring and Reporting

10.1 The Charity will monitor any narrative and financial reports provided by a grant recipient to ensure that

the grant is being appropriately spent.

10.2 Forms and evidence of expenditure (e.g. copies of receipts and invoices) must be received by the Charity promptly and in accordance with the grant agreement. If not, the Charity will contact the recipient requesting further information.

10.3 In the event that the Charity considers a recipient has breached the grant agreement, the Charity reserves the right to request the return of the total grant awarded. No future funding will be provided to any recipients in breach for a minimum of two years, and then only if the organisation is able to provide evidence of action taken to prevent fraud and strengthen management capacity, including support sought from relevant umbrella organisations.

11. Future Policy

11.1 This policy, approved by the trustees of the Charity on **November 19, 2020** will be reviewed annually to ensure that it continues to meet the objects of the Charity.