

Maasai Education Foundation
Grantee Charitable Expenditures Compliance Policy
Adopter 18 April 2021

As a public charity, Maasai Education Foundation (Foundation), expenditures must comply with IRS 501(c)(3) regulations pertaining to public charities. The exempt purposes described in the 501(c)(3) regulations encompass the general legal definition of the term “charitable.” The regulations list the following specific charitable purposes:

- Relief of the poor, the distressed, or the underprivileged
- Advancement of religion
- Advancement of education or science
- Erecting or maintaining public buildings, monuments, or works
- Lessening the burdens of government
- Lessening neighborhood tensions
- Eliminating prejudice and discrimination
- Defending human and civil rights secured by law
- Combating community deterioration and juvenile delinquency

The Foundation supports (1) the education of members of the Maasai ethnic group in the Arusha region of The United Republic of Tanzania (Tanzania), (2) the mastery of the English language by Maasai children and adults, and (3) educational exchanges between Tanzania and the United States. These “educational” activities of the Foundation contribute to a subset of the above-named charitable purposes, namely:

- Relief of the poor, the distressed, or the underprivileged (through improved education)
- Advancement of education or science
- Lessening the burdens of government (education of youth not served by government schools)
- Lessening neighborhood tensions (through improved education)
- Combating community deterioration and juvenile delinquency (through improved education)

Examples of allowable Foundation charitable expenditures include:

1. Educational expenses of scholarship recipients (tuition, room and board, fees, books, clothing, transportation and other educationally related expenses).
2. Support for the construction of schools for underserved youth (architectural, surveying, and construction expenses, government fees for permits, etc.).
3. Operating funds for schools serving underserved youth (teacher and staff salaries, school nutrition programs, utilities, etc.).
4. Educational exchange programs between US and Tanzania for both Tanzania and non-Tanzanian citizens (travel and educational expenses of Tanzania Maasai students and educators while engaged in educational activities in the US or elsewhere, travel and living expenses of visiting educators in the Arusha Region of Tanzania, travel and living expenses of non-Tanzanians engaged in service-learning activities in the Arusha Region of Tanzania).
5. All expenses must be in support of the education of Maasai people from the Arusha region of Tanzania.

Grant recipients must:

1. Read, understand, and comply with the requirements of the Maasai Education Foundation (Foundation) Grantee Charitable Expenditures Compliance Policy.
2. Use Foundation funds for charitable purposes as defined by Grantee Charitable Expenditures Compliance Policy.
3. Understand that non-compliance with Foundation OFAC policies will result in the termination of Foundation support.
4. Maintain a financial ledger showing all expenditures of Foundation funds with supporting receipts.

Grant recipients must, if requested:

1. Agree to let the Foundation audit the grantees books, records, and receipts at any time to confirm compliance with Maasai Education Foundation Grantee Charitable Expenditures Compliance Policy requirements.
2. Provide bank statements showing exchange rates at which MEF funds were converted to Tanzania shillings.

Special requirements for construction grants exceeding \$5000.

1. MEF will not award construction grants exceeding \$5,000 without:
 - a. Final architectural or engineering drawings of the proposed construction, which have been checked for compliance with Ministry of Education building codes/requirements.
 - b. Final architectural or engineering drawings of the proposed construction that show construction stages if the construction is to be completed in stages.
 - c. Signed bids with Bids of Quantities from a minimum of two qualified construction firms for the proposed construction and/or multiple signed bids for multiple sub-contractors required to complete the work. If the proposed construction is to be completed in phases, bids must separate costs by phase.
 - d. Documentation of other sources of funding if construction is not fully funded by MEF.
2. MEF funding schedule for construction projects:
 - a. 50% of MEF funding commitment at start of the MEF authorized construction scope.
 - b. 35% of MEF funding commitment when the MEF authorized construction scope is completed.
 - c. 15% of MEF funding commitment when construction is inspected by a government official and construction is approved and complies with the MEF-authorized construction scope and sequence (page 3).
 - d. **Note:** The percentages above may be changed to comply with the scope of particular construction projects.
3. Advance approval from MEF for any design changes that:
 - a. Increase the MEF funded portion of construction costs, or
 - b. Result in a redistribution across budget categories within the Bill of Quantities by more than 10 percent of the total grant.

Grantee Charitable Expenditures Compliance Policy Agreement

1. I have read and understand the requirements of the Maasai Education Foundation (Foundation) Grantee Charitable Expenditures Compliance Policy.
2. I will only use Foundation funds for charitable purposes as defined by Grantee Charitable Expenditures Compliance Policy.
3. I agree to allow the Foundation to audit my books, records, and receipts at any time to confirm compliance with Foundation Grantee Charitable Expenditures Compliance Policy requirements.
4. I understand that non-compliance with Foundation Grantee Charitable Expenditures Compliance Policy will result in the termination Foundation support.
5. For MEF-funded construction grants > \$5,000, I agree to adhere to the detailed construction scope and sequence as specified by the MEF Board of Directors.

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- Page 3 of 4

Maasai Education Foundation
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Grantee signature: _____ Date: _____

Name (printed): _____ Title: _____

Organization name (if applicable) _____

Address: _____

MEF Board

Chairperson Signature: _____ Date: _____

Name (printed): _____ Grant
Amount _____