IRDF Loan & Grant Policies effective 3/1/2019

A. Policies applicable to LOAN applications.

1. The IRDF Board of Allocation will review and recommend funding for all IRDF loans.

2. An FSILG House Corporation can begin the loan application process by visiting the office of the FSILG Cooperative, Inc (FCI) in W20-020A or calling 617-452-4053.

3. The IRDF Board of Allocation recommends a guideline of $100K for the minimum loan amount.

4. The maximum amount of a loan is determined by several factors, including availability of funds, servicing capability, and terms of the loan.

5. The IRDF Board of Allocation and MIT will always seek to have the loan written at the minimum allowable interest rate. The rates change periodically, so please check with the FSILG Cooperative, Inc (FCI) for the current rate.

6. The maximum loan term is 30 years and all payments are due quarterly.

7. The loan application should be made out for the entire project. Because most renovation projects also involve educational areas or at least affect the building envelope, it is recommended that an Educational Project Grant also be investigated along with applying for a loan.

8. The MIT Treasurer has final approval authority for all terms related to loans.

B. Policies applicable to ALL grants applications.

1. The IRDF Grant Advisory Board will review and recommend funding for all IRDF project grants.

2. The FSILG Cooperative Inc. (FCI) is the normal conduit for assisting FSILG House Corporations in grant application submittals. The FCI office is in W20-020A and the phone is 617-452-4053.

3. The IRDF Architectural Review Board will review and approve all grant applications requesting reimbursement for historic preservation items.

4. MIT has developed Educational Area allocations for each FSILG residence based on IRS case law guidance. Educational Area allocations are used to determine the fraction of allowable expenses for IRDF grants. The allocations are maintained by the FCI and current copies are kept in each FSILG’s locker. Any request for an allocation change must be directed to the FCI to investigate. Approved allocation changes become effective in the subsequent fiscal year.

5. Desks, chairs, and other furnishings are expected to last a minimum of 5 years. Replacement of these will not normally be granted within a 5-year time frame.

6. In the event of any dispute, the applicant may appeal to the IRDF Grant Advisory Board.

7. Grant applicants must not be under any type of operational suspension to be eligible for grant approval and distribution. If there is any question relative to suspension, the FSILG Office should be contacted.

8. The MIT Treasurer has final approval authority for all terms related to grants.
C - Policies applicable to MINOR Project Grants.

1. Minor Project Grants are those with a grant request of less than $100,000.

2. The IRDF Grant Advisory Board will establish the level of annual funding that will be available for Minor Project Grants.
   - The total amount available for Minor Project Grants for the subsequent calendar year will be determined and announced to the FSILG community no later than October 1.
   - Requests for Minor Project Grants must be submitted to the IRDF Grant Advisory Board by November 1.
   - The IRDF Grant Advisory Board will notify the applicants by January 1.

2. Since there is a limited amount of funds available each year, some grants may be denied. The Grant Advisory Board may also put a cap on a project or limit the percent of reimbursement for the project.

3. For Minor Project Grants, no additional funds will be granted in the event of a cost overrun. Minor Project Grant amounts are typically approved before the work starts. Minor Project Grant funds are distributed after completion based on receipts.

4. Minor Project Grants may be partially funded, deferred, or rejected. The following percentages apply to grant eligible categories:
   - 40% reimbursement for eligible educational-area-proportional (determined by the educational percentage for the FSILG) operating expenses
   - 75% reimbursement for eligible educational items
   - 75% reimbursement for eligible safety items
   - 75% reimbursement for eligible accessibility items

5. Partially funded and deferred requests will be reconsidered for the following fiscal year if the applicant desires.

D - Policies applicable to MAJOR Project Grants.

1. Major Project Grants are those with a grant request equal to or greater than $100,000. These are evaluated and treated separately from the process for Minor Project Grants described in section C above.

2. The following percentages apply to grant eligible categories:
   - 100% reimbursement for eligible educational-area-proportional (determined by the educational percentage for the FSILG) operating expenses
   - 100% reimbursement for eligible educational items
   - 100% reimbursement for eligible safety items
   - 100% reimbursement for eligible accessibility items
   - 100% reimbursement for eligible historic preservation items

3. Major Project Grant distributions will not exceed 90% of IRDF contributions associated with that FSILG. The remaining 10% will be available for other IRDF programs that benefit the entire FSILG community. It should also be noted that MIT does not charge the IRDF fund for any administrative costs.

4. For Major Project Grants, the following are applicable administrative procedures:
   - Distributions must be completed within 5 years of approval by the IRDF Grant Advisory Board.
   - Grant distribution calculations will be done at “Fiscal Year boundaries” only after the official closing of MIT’s book for the fiscal year (June 30).
   - For grants that are associated with a new IRDF loan, the grant amount may be deducted directly from the loan principal.

5. Within a month after the conclusion of each MIT fiscal year, each FSILG with an active Major Project Grant can request from the IRDF Grant Advisory Board: (1) the number and names of IRDF donors whose gifts are associated with that FSILG and (2) the total amount given by those donors. No more detailed data will be provided.
6. An FSILG receiving a Major Project Grant must submit an IRDF Annual Certification form each year for 20 years after grant approval, attesting that the Project's permitted purposes continue and the building continues to house MIT students. The FSILG Cooperative, Inc will forward the form each year to all FSILGs requiring them, well before they are due on November 1. If the usage changes before the end of the 20-year period, IRDF must be reimbursed a pro-rated amount of the total Major Project Grant distribution(s).

7. “Before” and “after” photographs are encouraged. Please forward to irdf@mit.edu.

E - Policies applicable to annual OPERATING Project Grants.

1. Operating Grant applications must be submitted in actionable form (i.e. substantially complete and correct) within 4 months of the conclusion of the submitting FSILG’s fiscal year end. Any subsequent revisions and requests for additional documentation that may arise must be completed within 6 months of the conclusion of the submitting FSILG’s fiscal year end.

2. Each year, the IRDF Grant Advisory Board establishes a percentage of the full allowable amount for safety and educational expenses. The following percentages are currently in the grant application operating expenses worksheet and apply to operating grant eligible items:
   - 40% reimbursement for eligible educational-area-proportional (determined by the educational percentage for the FSILG) operating expenses
   - 75% reimbursement for eligible educational items
   - 75% reimbursement for eligible safety items
   - 75% reimbursement for eligible accessibility items

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