

# The IRDF Educational Operating Grant Program

## A report on the first year and some lessons learned.

The best news on this program is that

“Almost all of MIT’s FSILGs have applied and will receive funds”.

All the major startup work – legal, administrative, and physical – has been pretty much completed. All 41 FSILG houses have been measured by MIT Facilities and educational areas assigned. Since the pilot program last winter, almost every chapter has applied for an annual grant. These are generally in the range of \$12,000 to \$15,000 per year. Many houses have already received their checks; the remaining grants are in process.

But there have been some bumps in the road, which we are attempting to smooth out:

\* The application process has been overly complex with too many hand-offs and opportunities for error and delay. Some of this was perhaps necessary as the legal guidelines were being clarified. (Please remember, this program is the result of fairly recent IRS case law and it relies on MIT’s tax deductible status). We have addressed these problems and have just instituted a simplified administrative process for grant processing among the IRDF Grant Committee, the FSILG Cooperative, the Treasurer’s Office, Student Life and MIT’s legal counsel.

\* Most of the legal interpretation problems have resulted from inclusion of maintenance costs as reimbursable expenses. Evaluation of the educational component of these expenses has proven to be more difficult than we anticipated. We are addressing this issue for the next round of applications. This change will probably result in the elimination of some borderline expenses from eligibility and thus a reduction in some grant amounts. Many houses were asked to provide supplementary information regarding their maintenance expenses. FCI is creating a new worksheet that will enable houses to submit that information in a standardized form as required by MIT’s attorneys.

The efforts of Chris Rezek and the FSILG Cooperative, Inc. are essential in keeping operations on track and will remain significant to the future. The Cooperative is storing all the key documents so the application process can be simpler yet the second time around. Please remember MIT has contracted the FSILG Cooperative as the agent for \*all\* applications, so please feel free to use their services and ask for assistance.

The IRDF Project Grant program is also in full operation. These grants cover building-related capital expenses. Of course, the IRDF Loan program continues to provide loans after more than forty years of operation. Money is available to enhance the livability and competitiveness of MIT’s FSILGs. Please refer to <http://web.mit.edu/irdf/> for more information.

Remember that the funds for all three IRDF programs come from our alumni/ae. Future grants will depend upon continued alumni/ae contributions. Please thank your people for their past support and refer them to <http://giving.mit.edu/priorities/sll/fsilgs.html> to follow the program into the future.

We believe this year has been good. Next year will be better.

Bob Ferrara ’67 and Tom Holtey ’62 – for the IRDF Grant Advisory Committee – 9/21/05