

Contents

a)	Introduction	1
b)	Defintions	1
c)	Purpose Of The Endowment Fund	1
d)	Receipt Of The Fund	2
e)	Maintenance Of The Endowment Fund	2
f)	Disbursement Of The Endowment Fund	3
g)	Continuity	3

INTRODUCTION

- a) The Board of Trustees of WASSAN has laid down the WASSAN Endowment Fund Policy that recognizes the need for a common fund to which many donors can make contributions to establish and build a permanent support for the charitable purposes of the organization.
- b) The establishment of the Endowment Fund created within the Trust is made subject to the terms and conditions of the Trust Deed will be within the ambit of the charitable purposes of the Income Tax Act. The founding contributor(s) to the Endowment Fund and donors shall agree and acknowledge to such terms and conditions.

DEFINITIONS

For the purpose of this policy, INCOME is defined as the Net interest from the Endowment.

PURPOSE OF THE ENDOWMENT FUND

- a) The Income from the Endowment Fund may be used for the following purposes:
 - Educational such as Improving staff-capacities for enhancing leadership, strengthening institutional capacities, governance, fund-raising, strategic programs, Endowment Fund enhancement and partnership with community based organisations.

WASSAN ENDOWMENT FUND POLICY (2014)

- Supporting projects for the community as per the objects of the Trust Deed that lack start-up investments, require gap funding and that may require retention of critical staff.

RECEIPT OF THE FUND

- a) The source of the contributions to the Endowment Fund may be either Foreign or Local (or Indian) in Nature.
 - Endowment Fund Contributions that are Foreign in nature received for that purpose shall be deposited in the designated FCRA account in the form of a Fixed Deposit Receipt (FDR) named as “ WASSAN Endowment Fund - Fixed Deposit Receipt Foreign Contribution”
 - Endowment Fund Contributions that are Local in nature received for that purpose shall be deposited in the designated Local (Indian Money) Bank account. For this purpose a Savings Bank Account in the name of “WASSAN Endowment Fund” will be opened to be jointly operated by any three members from among the WASSAN Board of Trustees. The fund amount is deposited in nationalized banks as per IT Act as FDRs.
- b) Gifts, Non-cash assets, Investment Income and appreciation of principal and transfers from other funds may be treated as acceptable donations for the Endowment Fund.

MAINTENANCE OF THE ENDOWMENT FUND

- a) The WASSAN Charitable Trust shall hold the Fund, and all contributions to the Fund, subject to the provisions of applicable Indian laws and the WASSAN Trust Deed.
- b) The Endowment Fund will be invested for long term with regular flow of income. Only the annual returns from the fund will be used.
- c) WASSAN Charitable Trust shall have all powers necessary to carry out the purposes of the Endowment Fund, such as to retain, invest and reinvest the Funds.
- d) Income from the Fund accrued at the end of a/c year is made available for unrestricted purpose and transferred to the Unrestricted Funds of WASSAN.
- e) Once in a year the Executive Secretary would submit the annual budget for utilization of Income from the Fund and take approval from the BOT.

WASSAN ENDOWMENT FUND POLICY (2014)

- f) The receipts and disbursements of Endowment Funds shall be accounted for separately and apart from those of other gifts to the Trust
- g) A ledger a/c is maintained separately in books of accounts of WASSAN depending upon the donor's agreement and Information regarding the financial performance and status may be submitted annually to the BoT.
- h) Maintain and specify clearly expenses against the Endowment Fund.

DISBURSEMENT OF THE ENDOWMENT FUND

- a) The annual earnings allocable to the designated Endowment Fund shall be committed, granted or expended for purposes described as per Sec 12 A of the Indian Income Tax Act.
- b) The Income will be available for distribution based on an annual budget to be approved by the Board. The Board of Trustees authorizes the Executive Secretary to spend according to the Budget.
- c) Such expenditure would be for purpose as indicated in Point No. 3.

CONTINUITY

- a) The Endowment Fund shall continue so long as assets are available and the purpose of the Fund can be served by its continuation.
- b) In the unlikely event of WASSAN facing a financial crisis the Endowment Fund may be terminated and the remaining assets in that Fund applied exclusively for charitable purposes that are within the scope of the Trust Deed of WASSAN in the good faith opinion of the Trustees and the purpose of the Fund.
- c) This policy would be revised and amended at suitable intervals based on systematic reviews and situations.