

# High Impact Grant-Making to Individuals

Presented by:

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## Jillian P. Diamant

- Jillian Diamant serves as Associate General Counsel at the Open Society Foundations. She focuses on matters related to governance, individual and organizational grant making, sanctions-related issues, lobbying and political activity, and defamation.
- Her clients within OSF include the Scholarship Programs, the Open Society Fellowship program, MENA/SWA, Latin America Program, the Public Health Program, the Justice Initiative, and the Grant Making Support Group.
- Jillian was previously a member of the exempt organizations departments of Patterson Belknap Webb & Tyler LLP and Simpson Thacher & Bartlett LLP, where she advised a variety of public charities and private foundations on structural and operating issues, including governance, domestic and international grant making, taxation, and investment of endowments.
- Jillian is a member of the Government Relations Committee of the Non-Profit Coordinating Committee and a former member of the New York City Bar Association's Committee on Non-Profit Organizations and the New York County Lawyer Association's Non-Profit Committee. Jillian currently serves on the Board of Directors of the Krell Family Foundation.
- Jillian earned her J.D. at the University of Pennsylvania Law School and her B.A. from Stanford University.



## Diara M. Holmes

- Diara M. Holmes serves as co-chair of Loeb & Loeb's Tax-Exempt Organizations Practice. She counsels tax-exempt organizations, including private foundations, large public charities, universities, foreign charities and their U.S. affiliates, associations, government instrumentalities, social welfare organizations, and religious organizations on a broad range of tax compliance and governance issues.
- She advises both non-profit and for-profit organizations on structuring a variety of transactions—including joint ventures, corporate sponsorships, merchandising, cause-related marketing, and other revenue generating strategies. In addition, she works with high-net-worth individuals and families to establish family foundations and donor-advised funds.
- Ms. Holmes is a frequent speaker at national professional conferences on exempt organizations issues and she co-chairs the ABA Tax Section's EO Subcommittee on Audits and Appeals. She also serves on the Board of Directors of the Washington Area Women's Foundation.

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3

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## Roadmap

### Overview of the Federal Tax Rules

- Framing/Threshold Questions
- Grants for Travel, Study or Similar Purposes
- Grants to Intermediaries
- Program-Related Investments
- Prizes and Achievement Awards
- Special Rules for Disaster Relief
- Company Foundations—Employer-Sponsored Scholarships

### Stories from the Field/Traps for the Unwary

- Grants vs Contracts
- Privacy and Security Concerns
- Restrictions on Uses of Funds (Lobbying, Political Campaign) & Attribution Issues
- Monitoring and Reporting of Individual Grants (990 and 990-PF)
- Tax Considerations for Beneficiaries
- Questions?

4

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## Individual Grants are an Important Catalyst for Change...

- At times of crisis or rapid transformation, when other forms of engagement may be too hazardous, slow, or ineffective.
- When the demands of field-building or seeding a new area of inquiry require individual initiative and creativity.
- When operating in politically constrained environments, where other options are foreclosed.
- When building human capacity is the approach most likely to bring about a breakthrough.
- When existing institutions are stagnating or in disarray.



## Common Threshold Framing Questions

- Is the grant for travel, study, or similar purposes?
- Is the individual performing a service, or is the grant for his or her benefit?
- Is the grant to an organization, even though the ultimate recipient is an individual?
- Is the grant to recognize past achievements?



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Title search: High-Impact Grantmaking to Individuals

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First appeared as part of the conference materials for the

34<sup>th</sup> Annual Nonprofit Organizations Institute session

"Beyond Scholarships: High-Impact Grantmaking to Individuals"