



DELTA UPSILON

EDUCATIONAL FOUNDATION

SECTION I -- GUIDING INFORMATION

Grant proceeds from the Chapter House Fund shall be used to construct, renovate, furnish or equip Educational Use Areas (EUA's) in Delta Upsilon chapter houses or facilities.

A. General Principle: Grants made by the Delta Upsilon Educational Foundation (DUEF) to undergraduate and alumni chapters in good standing, are to be used for construction, renovation, and furnishing of Educational Use Areas (EUA) in a chapter house or facility. Under U.S. Internal Revenue Service Guidelines, these grants are legal provided each of the following requirements is met:

1. Specific areas are designated in a chapter house or facility for educational purposes, (e.g. libraries, computer rooms, and study rooms).
2. The specified areas are used specifically and exclusively for these educational purposes.
3. The educational areas are segregated from the dining, social, and sleeping facilities within a chapter house.
4. The DUEF monitors the uses of grant proceeds to ensure that EUA's continue to be used for strictly educational purposes.

B. Types of Grants

There are two types of grants: Construction/Renovation and Operating.

1. Construction/Renovation Grants

Grants from the Chapter House Fund established under a Chapter Educational Account (CEA) may be applied to the construction, remodeling, renovation, refurbishing, furnishing or equipping of an EUA.

If a new chapter house/facility is being built, purchased, or an existing structure undergoes renovation, a percentage of the total cost may be allocated to the construction and furnishing of EUAs. Guidelines for determining an allowable EUA percentage of total construction/renovation cost are included on Page 11 of this grant application.

In addition, grants may be made to furnish or equip EUAs. Such furnishings and equipment may not be used outside an EUA, and must serve educational purposes only.



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2. Operating Grants

Chapter House Funds may also be used for grants to cover annual operating costs associated with EUAs. An operating grant may not exceed the operating costs attributable to a chapter's EUA(s), which may be calculated as follows:

- (a) **INDIRECT COSTS** -- The indirect costs are calculated by dividing the square footage of the space allocated to EUAs, by the total square footage of the chapter house or facility. Then, add the total cost of real estate taxes, casualty and liability insurance premiums, utility costs and other operating costs, which cannot be directly attributable to a specific area of the chapter house, and extraordinary system maintenance expenses.

Multiply the total operating costs by the EUA percentage, to yield the indirect costs attributable to chapter EUAs.

- (b) **DIRECT COSTS** -- Additionally, operating grants may cover costs directly attributable to the EUA. These include: (1) personal property taxes assessed on furniture, fixtures, and equipment used in EUAs; and (2) any other operating costs directly attributable to EUAs.

C. **EUA Verification**

Depending on the size and scope of the project presented in this application, The DUEF may require an outside Legal Opinion letter to verify the calculation of EUA in the chapter house/facility.

D. **Additional Considerations**

According to the IRS, the key issues are whether the educational areas of a chapter house are similar in nature to the facilities provided by the college/university and whether the educational areas are truly dedicated to educational activities. This is often supported in the letter we require from the college/university representative.

Chapter Educational Account grants can only be made for purposes that meet the following requirements under IRS guidelines:



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1. Defining “Public Interest” on Campus

On a college or university campus, “the public” is considered to be the campus community. Grant applications must address how the creation and operation of an EUA will benefit the campus community. For example:

- a. The student population living in Greek housing represents a significant percentage of the student enrollment. When considering the cumulative amount of fraternity/sorority libraries and study rooms, their presence creates a reduced burden on campus facilities, and therefore provides a significant benefit to the campus community.
- b. Many campus communities depend on organizations to provide educational and living facilities to supplement those offered by colleges and universities.
- c. If an EUA has computer equipment connected to the college/university mainframe, the community will benefit by increasing the network of users from remote locations.
- d. EUAs will conserve financial resources of colleges/universities by alleviating the need for providing additional educational facilities and resources to students.

2. Demonstrate a Public vs. Private Interest

As a general principle, the DUEF can only make grants for housing that serve a public rather than a private interest.

While EUAs serve educational purposes, access to a DU chapter house is generally limited to fraternity members. Therefore, the grant application must state why the private educational benefit to the chapter members through an EUA, is only incidental when compared to the public benefit derived.

Determining whether private benefit is merely incidental to the public benefit created depends on the facts of each case. The controlling consideration, is whether the activities created by EUAs will cause the Public to benefit so significantly, that any direct benefit accruing to the limited class (i.e. chapter members) may be deemed incidental.



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To summarize, grant applications must show that EUAs will have only incidental value to chapter members, when compared to the benefit that their creation will have on the campus community.

While the precise benefits to the campus community will vary from one institution to another, a letter from the college/university administration must be submitted to the DUEF as a part of the grant application. Such a letter should detail the benefits particular to the institution; support and recognize the educational purposes of the grant, and affirm that the educational purpose of the grant fully contributes to the educational mission of the school.

E. Examples of Proper Use for Grant Proceeds

Typical examples of proper use for Chapter House Fund grants are:

1. To build or renovate areas in the chapter house for exclusive use to further educational activities, including areas for personal and group study and educational seminars.
2. To construct and furnish a computer room to house various personal computers and/or the chapter's p.c. server and peripherals. Such construction can include, without limitation, necessary climate control, electrical service and disk storage area.
3. To build a library, equipped with bookcases, shelving; file storage, tables, chairs, study carrels, lighting, books, computers/peripherals, desks and carpeting.
4. To cover annual operational costs associated with an EUA as described above.



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SECTION II -- GRANT APPLICATION DATA CHAPTER HOUSE FUND

A. APPLICANT INFORMATION

Legal Name of entity making application: _____

Legal Address of entity: _____

Tax ID (EIN): _____ Phone: (____) _____

IRS code determination: _____

(please attach copy of current determination letter)

Is applicant a corporation? _____ Incorporated in the State of: _____

Does the State consider the corporation to be in good standing? _____

Names and addresses of corporation officers:

1) _____

2) _____

3) _____

4) _____

5) _____

6) _____

7) _____

8) _____

9) _____

10) _____

(Please attach separate sheet for additional officers)



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Name of officer/director authorized by corporation to apply for grant:

_____ Phone: (____)_____

(Please attach copy of written authorization from corporation)

Does the applicant own the property in which EUAs will be constructed, remodeled, refurbished, furnished, or equipped? _____

(Please attach appropriate documents)

Has the applicant reviewed SECTION I of this application? _____

Does the applicant understand that a EUA must constitute separate facilities, which are segregated from the social, sleeping, and dining areas of the chapter house? _____

Is it clearly understood that the applicant must monitor the use of each EUA to ensure its continuing use for specific and exclusive educational purposes? _____

Does the applicant agree to all provisions in the Standard Building Grant Agreement?

Has a legal Opinion Letter been obtained? _____

(Please attach appropriate documents)

(Please attach a letter demonstrating how the presence or creation of a EUA(s) will serve a public rather than private interest, as defined above.)

B. UNDERGRADUATE CHAPTER INFORMATION

Undergraduate chapter name: _____

Address: _____

Phone: _____

Current chapter president: _____

Address: _____

Phone: _____



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Current chapter treasurer: _____

Address: _____

Phone: _____

Does the undergraduate chapter support this grant application? _____

Has the undergraduate chapter reviewed SECTION I of this application? _____

Does the undergraduate chapter understand that a EUA must be used specifically and exclusively for the educational purposes defined herein? _____

Does the chapter understand that a EUA must constitute separate facilities, which are segregated from the social, sleeping, and dining areas of the chapter house? _____

UNERGRADUATE CHAPTER CERTIFICATION

I _____, President of the _____ Chapter of Delta Upsilon Fraternity, certify that the statements provided in the UNDERGRADUATE CHAPTER INFORMATION section is true and accurate to the best of my knowledge.

Undergraduate Chapter President Signature Date

C. COLLEGE UNIVERSITY INFORMATION

Name of institution: _____

President/Chancellor: _____

Address: _____

Phone: _____

Fraternity/Sorority Advisor: _____

Address: _____

Phone: _____



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Total number of full-time enrolled students: _____

Total number of students affiliated with fraternities and sororities: _____

Total number of students living in Greek housing: _____

Total number of Greek housing units on campus: _____

Is a student group or organization permitted to link personal computers to the institution's mainframe? _____

Does the institution support this grant application, as evidenced by an attached letter from appropriate personnel? _____

D. GRANT USAGE INFORMATION

1) *Grant categories*

The applicant intends to use grant funds from the DUEF for the following purpose(s)
[check all that apply]

_____ Create or purchase EUA(s) in new or existing chapter house construction

_____ Renovate existing chapter house to include EUA(s)

_____ Furnish or equip EUA(s)

_____ Cover operating costs for EUA(s)

_____ Other, please explain:

2) *EUA location date*

For each area in chapter house that will be a EUA, provide the following information:
Attach section of chapter house floor plan or blue prints that identify location for each EUA.

EUA #1 Location in chapter house: _____

Who will use? _____



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How space will be used? _____

How will it be furnished? _____

How will it be equipped? _____

Total square footage of EUA#1: _____

EUA #2 Location in chapter house: _____

Who will use? _____

How space will be used? _____

How will it be furnished? _____

How will it be equipped? _____



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Total square footage of EUA#2: _____

EUA #3 Location in chapter house: _____

Who will use? _____

How space will be used? _____

How will it be furnished? _____

How will it be equipped? _____

Total square footage of EUA#3: _____

EUA #4 Location in chapter house: _____

Who will use? _____

How space will be used? _____

How will it be furnished? _____



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How will it be equipped? _____

Total square footage of EUA#4: _____

Total EUA square footage in chapter house: _____

Total number of students who can be accommodated in EUA(s): _____

3) *Calculation of maximum grant*

NEW CONSTRUCTION/PURCHASE

If grant will be applied to the construction of a new chapter house, or purchase of an existing property, please attach copies of blueprints, floor plans, construction bids, contracts, and other supporting documentation.

a) Total square footage of chapter house _____

b) Total EUA square footage _____

c) Percentage of chapter house qualified as EUA
(line b divided by line a) _____

d) Total cost of construction/purchase _____

e) **Max. Grant for EUA construction/purchase**
(multiply line c and line d) _____

RENOVATION OF EXISTING STRUCTURE

If renovating an existing structure, please submit documentation described above.

a) Total square footage of chapter house _____

b) Total square footage of areas to be renovated _____



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- c) Total EUA square footage _____
- d) Percentage of renovation qualified as EUA
(line c divided by line b) _____
- e) Total cost of renovation _____
- f) **Maximum grant for EUA renovation**
(multiply line d and line e) _____

OPERATING COSTS

If seeking a grant for operating costs associated with a EUA(s), provide following data from July 1 through June 30 for the past three years. For new construction or purchase of an existing structure, provide best estimates for each category, describing rationale for each calculation.

- a) Total real estate taxes _____
- b) Total casualty and liability insurance premiums _____
- c) Total utility costs _____
- d) Total of additional operating costs, not directly attributable to any specific chapter house area _____

Breakdown of costs in line d:

_____	_____
_____	_____
_____	_____
_____	_____

- e) Extraordinary system maintenance costs (explain) _____



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- f) Total general operating costs (*add lines a – e*) _____
- g) Total square footage of chapter house _____
- h) Total EUA square footage _____
- i) Percentage of chapter house qualified as EUA
(*divide line h by line g*) _____
- j) Portion of operating costs assigned to EUA(s)
(*multiply line f and line i*) _____
- k) Total personal property taxes assessed on furniture,
fixtures, and equipment to be used in EUA(s) _____
- l) Total building operation cost directly attributable
EUA(s) _____
- m) **Maximum operating grant**
(*add lines j, k, and l*) _____

FURNISHING AND EQUIPMENT

- a) Total cost of EUA furnishings _____

Breakdown of items and cost in line a

- b) Total cost of EUA equipment _____

Breakdown of items and cost in line b



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c) **Maximum furnishing/equipment grant**
(add lines a and b)

TOTAL MAXIMUM GRANT

Insert all figures in bold from above

I.	Maximum grant for EUA construction/purchase	\$ _____
II.	Maximum grant for EUA renovation	\$ _____
III.	Maximum operating grant	\$ _____
IV.	Maximum furnishing/equipment grant	\$ _____
	TOTAL ITEMS I, II, III, AND IV from above	\$ _____

GRANT REQUEST

The applicant hereby submits this application for a grant from the Delta Upsilon Educational Foundation as follows:

Note: Grant requests cannot exceed the maximum calculated in previous section, nor exceed the total balance of a Chapter House Fund

1)	NEW CONSTRUCTION/PURCHASE	\$ _____
2)	RENOVATION	\$ _____
3)	ANNUAL OPERATING COSTS	\$ _____
4)	FURNISHINGS & EQUIPMENT	\$ _____
5)	TOTAL GRANT REQUEST	\$ _____



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CERTIFICATION

I, _____, as the duly authorized officer/director/agent of the Applicant, _____, do hereby certify that the information and data provided above, along with attached supporting documents, are true and correct to the best of my knowledge and belief and do hereby submit to the Delta Upsilon Educational Foundation this application for a grant to construct/purchase, renovate, refurbish, furnish or equip one or more Educational Use Areas in the chapter house of the _____ Chapter of the Delta Upsilon Fraternity, located at _____, as set forth in this application.

Signed this _____ day of _____, _____ (year).

Signature

as _____ for the Applicant

Legal Name of Applicant entity



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SECTION III -- APPLICATION CHECKLIST

The grant applicant must check each of the appropriate items and provide this checklist with the grant application. The applicant has:

Undergraduate
Chapter

Alumni
Chapter

Reviewed the Guiding Information concerning EUAs included in this application

Reviewed the availability of study areas on campus and can demonstrate that EUA(s) in the chapter house will serve a public rather than private interest

Attached a letter from the college or university, supporting the creation of EUA(s) described in this application

Attached a copy of the minutes, formally approving the submission of this application

Become familiar with the restrictions pertaining to the use of all EUAs

Reviewed the Standard Grant Agreement

Furnished all applicable grant application data and information and attached all required supporting documents

SEND COMPLETED APPLICATION WITH ALL NECESSARY ATTACHMENTS TO:

Delta Upsilon Educational Foundation
8705 Founders Road
Indianapolis, IN 46268-1338