

SUSTAINABILITY POLICY
ON
DONATION & FUNDING

Development Office
Dean – International and Alumni Relations
IIT Hyderabad

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Scope of sustainability policy document on donations and funding

IIT Hyderabad has been in the fore front of higher education in India over a decade now. The institution has been striving for excellence in many areas like teaching, research, entrepreneurship, industry academia engagements, socially relevant projects which have positive impact on society etc. The institution has an alumni base which is growing by the day, and alumni are a key stake holder in the growth of the institution. Corporates have been keenly looking forward to engage with research institutions to implement their CSR projects.

The institution has set up development office, to engage with all the above stake holders in raising funds which can fuel growth of the institution.

This policy document details the sustainability of fund-raising initiatives in ensuring long-term objectives of the institution are met with.

Who can raise philanthropic funds for IIT Hyderabad?

Development office under Dean IAR, is mandated to raise philanthropic and CSR funds for IIT Hyderabad.

Sources of fund raising for IIT Hyderabad

1. The institution can seek philanthropic funds from various sources as under.
 - Alumni of IIT Hyderabad
 - Individual non alumni contributors
 - Corporates
 - Trusts and foundations
2. The funds received can be for the following broad categories:
 - Project funding – Funds are utilised for the designated project
 - Endowment funding – Funds are invested in return yielding financial instruments and the returns on the investments are used for the purpose for which funds have been raised. The details how the funds will be invested will be detailed later in this document.
 - Corporate social responsibility funding – Corporates have a commitment to spend 2% of their profits on socially impactful projects that benefit the society positively.

Sustainability on Donations and Fund raising

Sustainability has several dimensions in fund raising. This policy document strives to define the scope to the following areas of fund raising.

1. Sustainability, in consistent flow of donations in the long term.

The funds sought from various contributors must be aligned with the long-term goal of the institution. The funding needs for which the development office needs to raise funds, need to be approved by a committee. The committee will evaluate the funding needs arising from various internal stake holders like, faculty, admin, students' teams etc. Only those funding needs, approved by the committee must be taken for fund raising. This will ensure that all the funding needs are aligned to the long-term goal of the institution.

2. Deployment of funds

It is imperative to build in a system of transparency in utilising the funds raised for various purposes. The funds that have been raised for any specific need, always to be utilised for that need. If in case there is a need to address the funds to an alternative purpose, the same needs to be explicitly accepted by the donor.

3. Donor relations and stewardship

Periodic communication regarding utilisation of the funds of the donor and the impact that the donation made to the growth of the institution is essential to build a long-term trust with the donor. Regular and transparent communication to the donors will engage the donor for a longer period of time.

Investment policy

IIT Hyderabad, is in the process of creating a robust endowment of funds, where in the capital is invested in various return yielding financial instruments and deploy the returns to the purpose for which the funds had been raised. Currently the investment returns of 5% is taken for various endowments. The investment of the endowment, need to be managed by an investment committee which will ensure the returns are minimum 5% or more, without the risk of capital getting eroded.

The expected return on the endowments is subject to change based on various factors and can be fixed by the investment committee.

The investment committee may take advice of investment advisors, (after due selection process) to advise on the proportion of funds to be invested in various types of investments viz. debt, equity, long term bonds etc. The investment committee will also be guided by Govt. of India, guidelines as IIT Hyderabad is a centrally funded organisation.

Naming rights for raising funds

IIT Hyderabad, from time to time may offer naming rights to donors in return for their contributions. The governance of the naming rights can be done through a naming rights policy. The naming rights policy document will transparently list out the types of infrastructure,

schemes, programs etc. for which funds are to be raised. As IIT Hyderabad, is an organisation of national repute, the lender of the name towards any cause in IIT Hyderabad, must ensure such a name enhances the overall reputation of the institution. The institution has a right to reject any name that it feels will not enhance the reputation of the organisation. The period for which the naming rights will be offered will also be spelt out in the policy document. Post the expiry period, how the names of the endowment will be treated, will also be guided by the naming rights policy document.