

# Compliance & Governance Statement

## Our Commitment to Legal, Ethical, and Transparent Philanthropy

GOSUMEC Foundation USA is committed to the highest standards of legal compliance, ethical governance, financial transparency, and donor stewardship. As a U.S.-registered public charity operating internationally, we follow strict regulatory requirements designed to protect donor intent, ensure responsible use of charitable funds, and safeguard the students we support.

Our policies and operating model are built to meet or exceed all applicable U.S. nonprofit compliance standards.

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## Legal Status

GOSUMEC Foundation USA is:

- Incorporated in the United States
- Recognized by the Internal Revenue Service as a **501(c)(3) public charity**
- Governed by an independent Board of Directors
- Required to comply with U.S. federal and state nonprofit laws

All donations are tax-deductible to the extent permitted by U.S. law.

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## International Grantmaking Compliance

When U.S. nonprofits support charitable activities overseas, they must retain **full fiduciary responsibility** for the funds and ensure that:

- beneficiaries are selected through objective criteria
- funds are used solely for charitable purposes
- transactions are documented and auditable
- no prohibited private benefit or institutional control exists

GOSUMEC Foundation USA follows these requirements through a **controlled grantmaking model**, maintaining full oversight of scholarship funds and their use.

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## Independent Scholarship Administration Partner

To ensure compliance, objectivity, and local verification, GOSUMEC Foundation USA partners with the **Foundation for Excellence (FFE)**, a well-established nonprofit organization in India with extensive experience administering needs-based scholarships.

FFE is responsible for:

- independent verification of student financial need
- academic eligibility confirmation
- documentation of beneficiary selection
- compliant disbursement of educational support
- detailed reporting to GOSUMEC Foundation USA

All scholarship policies and eligibility criteria are approved by GOSUMEC Foundation USA's Board of Directors.

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## Separation from Foreign Institutions

Although the students supported by GOSUMEC Foundation USA are enrolled at **Seth Gordhandas Sunderdas Medical College & KEM Hospital**, the institution does not participate in:

- fundraising
- scholarship selection
- fund administration
- financial decision-making

This separation is required under U.S. nonprofit compliance standards and is designed to:

- prevent conflicts of interest
- protect students and donors
- ensure independence of charitable decision-making
- maintain full auditability of funds

The College and Hospital remain responsible solely for academic instruction, clinical training, examinations, and degree certification.

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# Board Governance and Fiduciary Oversight

GOSUMEC Foundation USA is governed by a volunteer Board of Directors who serve without compensation.

The Board is responsible for:

- approving scholarship and grant policies
- overseeing financial management and investments
- ensuring regulatory compliance
- safeguarding donor intent
- monitoring program outcomes

All major financial and programmatic decisions require formal Board approval.

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# Financial Transparency

GOSUMEC Foundation USA is committed to radical transparency and public accountability.

We provide:

- annual IRS Form 990 filings
- publicly available financial summaries
- independent financial reporting
- documented scholarship allocations

The Foundation operates with **zero paid staff and no executive compensation**, and all operational decisions are subject to Board oversight.

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# Conflict of Interest Policy

All Board members and officers are required to:

- disclose potential conflicts of interest
- recuse themselves from decisions where a conflict may exist
- act solely in the best interest of the Foundation and its beneficiaries

Our conflict-of-interest policy is reviewed regularly as part of our governance practices.

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## Donor Intent and Restricted Giving

Many GOSUMEC scholarships and endowments are **donor-directed and named**.

We honor donor intent by:

- maintaining designated scholarship funds
- tracking restricted contributions separately
- ensuring awards align with donor-approved purposes
- providing regular impact reporting

Endowed funds are invested with long-term sustainability in mind, supporting students into perpetuity.

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## Data Protection and Student Privacy

GOSUMEC Foundation USA respects the privacy and dignity of the students we support.

Student data is:

- collected only for scholarship administration and compliance
- handled through secure systems
- shared only with authorized partners for verification and reporting

We do not sell, trade, or misuse personal data of students or donors.

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## Continuous Improvement and Accountability

As part of our commitment to effectiveness, GOSUMEC Foundation USA regularly reviews:

- scholarship outcomes
- donor engagement practices
- financial sustainability
- governance policies

We welcome feedback from donors, alumni, and partners and view accountability as essential to long-term impact.

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## Questions or Concerns

We encourage transparency and open communication.

If you have questions about our governance, compliance practices, or scholarship processes, please contact:

**GOSUMEC Foundation USA**

Email: [founder@gosumec.org](mailto:founder@gosumec.org)

We are committed to addressing all inquiries with honesty, professionalism, and respect for all stakeholders.

