

# Donor Advised Fund Memorandum of Understanding



Everence Foundation

I (we), \_\_\_\_\_ ("the donor") have made a contribution to The Everence Foundation, 1110 North Main Street, P.O. Box 483, Goshen, IN 46527, ("the foundation"), for use by the foundation in the donor advised fund program operated by the foundation.

The donor and the foundation agree to the following:

1. The foundation will establish a donor advised fund in the name of the donor, to which the donor may add at any time, and from which contributions may be made by the foundation to charitable organizations.
2. The donor may advise the foundation as to the identity of possible distributees, the possible timing and amounts of distributions, and provide comments on investments. The foundation may, but is not required to, follow such advice. A distribution from the donor advised fund may not be used to satisfy a legally binding pledge. The relief of that obligation will provide the donor to the donor advised fund with an impermissible benefit under IRS rules.
3. The donor retains no legal power to direct the timing or amounts of distributions, the power to require that distributions be made to certain distributees, or the power to direct investments of the donor advised fund.
4. The foundation has complete legal ownership and control with respect to contributions, may commingle the donor's contributions with those of other donors, and has complete investment power with respect to contributions. The donor has no equitable interest in the contributions or the donor advised fund.
5. Distributions from the donor's donor advised fund will be made to organizations that qualify under the foundation's "Guidelines for Responsible Giving" as updated from time to time, are described in Section 170(c), 2055 and 2522 of the Internal Revenue Code, and that qualify as 50 percent limit donees under Section 170(b) (1) (A) of the Code.

Donor

Everence Foundation

\_\_\_\_\_  
Signature

\_\_\_\_\_  
By

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

# Guidelines for responsible giving

Everence Foundation will normally consider disbursements to charitable organizations which give reasonable evidence of compliance with the following guidelines:

1. The organization's programs appear consistent with a clear statement of purpose.
2. The purposes and programs of the organization are in harmony with the beliefs and biblical principles generally held by Mennonites.
3. The organization has a board which is an active and responsible governing body, which holds regular meetings, and whose members have no material conflicts of interest.
4. The organization discloses upon request a determination letter from the Internal Revenue Service which verifies its tax-exempt status.
5. The finances of the organization are independently audited at least once a year according to generally accepted accounting practices.
6. The organization makes available upon request an annual report which contains detailed information on program activities and finances.
7. The organization responds promptly to reasonable questions asked by prospective donors.
8. General administrative and fund-raising expenses do not exceed 30 percent of contributions. In other words, at least 70 percent of the contributed dollar goes into programs which carry out the stated charitable purposes.
9. Promotion is ethical without exaggerated claims, misleading statements, or deceptive photographs.

**Note:** Even though Everence Foundation encourages Mennonite donors to recommend disbursements to Mennonite organizations, these guidelines are not intended to exclude non-Mennonite organizations.

## Everence Foundation

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