

**IN HIS STEPS FOUNDATION  
DONOR ADVISED LEGACY FUND AGREEMENT**

THIS AGREEMENT, made this \_\_\_\_ day of \_\_\_\_\_, 2011, by and between **IHS Foundation** ("Donee") and \_\_\_\_\_ ("Donor").

WHEREAS, the Donor has a desire to transfer assets to be managed under the name of the below named fund of In His Steps (IHS) Foundation, for the purpose of general and/or specific support of Christian ministries, schools, projects, causes, events and scholarships; and

WHEREAS, it is desirable for administrative convenience and economy for the Donor to transfer the assets and IHS is willing to receive, invest and manage such assets, and pay out the income, growth and/or principle in accordance with the purpose of this agreement;

NOW, THEREFORE, in consideration of the foregoing, the parties agree as follows:

1) The Donor does hereby transfer, assign, and convey to IHS, and IHS hereby accepts all funds and/or property receivable into a fund which shall be known as the \_\_\_\_\_ Fund (the "Fund"), to be held, managed and administered by IHS for the purpose herein set forth.

2) The income and/or principal of the Fund shall be used only in accordance with the above stated purpose.

3) An advisory committee (the "Committee") is here selected to make recommendations to IHS. The initial members of the committee are \_\_\_\_\_. In the event of the death or inability of all the above named members to serve on the committee, the Board of Trustees of IHS shall serve as such, until replacements can be selected by the Board of IHS.

4) IHS shall receive, review and consider written recommendations from the Committee concerning grants made from the Fund and any conditions which should be placed upon such grants. The final decision concerning such matters shall be made by the Board of Trustees of IHS.

5) IHS charges a quarterly fee for its services in addition to outside services. Such fees, currently 1% annually, shall be according to a schedule approved by the Board of IHS and shall be taken from the income of the Fund.

6) In the event that the purposes of the Fund are no longer possible to attain for whatever reason, the Fund shall be used for such related purposes as IHS's Board, in consultation with the committee, shall determine to be appropriate, proper and legally permissible, consistent with IHS's charitable purposes.

7) No income or principal of the Fund shall be used for any purpose or paid to any beneficiary if such use or payment would not be permitted by the Internal Revenue Code ("the Code") or regulations thereunder for an organization described in section 501(c)(3) of the Code, to which contributions are deductible under section 170(c)(2) of the Code. This agreement may not be changed or modified EXCEPT for the Fund or IHS to comply with requirements of the Code or Regulations thereunder.

Signed: \_\_\_\_\_ (DONOR) For IHS: \_\_\_\_\_ (DONEE)

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# IN HIS STEPS FOUNDATION

## Donor Advised Legacy Funds

The Foundation encourages individuals to establish a Donor Advised Legacy Fund as a tool to maximize the effectiveness of contributions they wish to make to Christian ministries. The following is an outline of current guidelines applicable to Donor Advised Legacy Funds.

### **What You Do:**

- 1) Determine the goals of the fund. What do you want to accomplish with the funds you give to the Foundation?
- 2) Identify the Fund Advisory Committee. Who will make grant recommendations to the Board of the Foundation?
- 3) Name the fund. Family name? Biblical character name? Agency name? Purpose name?
- 4) Complete and sign the Fund Agreement.
- 5) Contribute stocks, cash or highly appreciated assets to the Foundation for the advised fund when the market timing is right, instead of when the ministry expresses a need.
- 6) The Fund Advisory Committee makes written grant recommendations to the Board of the Foundation.

***The net proceeds after the liquidation of contributed assets are available for future grant recommendations.***

### **What We Do:**

- Recommendations for distributions from Donor Advised Funds should be made in writing to the Foundation. Recommendations are reviewed against the foundations' Donor Advised Policy.
- The majority of distributions from advised funds need to be consistent with the Foundation's general grantmaking principles and policies. Grants are encouraged for a wide range of philanthropic purposes including the development of churches and church leadership, Christian education, evangelism, discipleship, strengthening families using a Biblical model, ministries meeting physical and spiritual needs, ministries that strengthen the urban areas of cities, and other Christian ministries or projects that benefit the greater community. IHS Foundation requests Legacy Fund account Founders write a "Statement of Philosophy" to guide the *area of interest* for distributions into the future, should the founding Advisory Committee die or become disabled for whatever reason. However, the final discretion in all grants rests with the Board of the Foundation.
- The Foundation reviews recommendations to ensure they fulfill a charitable ministry need as outlined in our Mission Statement, goals and policies. If it is determined that the recommendation is not appropriate, the advisor will be informed. The Foundation issues a Tax Receipt for all contributions received, and written confirmation of all Grants paid out, in a timely manner.
- The Foundation will decline to make distributions as recommended by donors or their named advisors when:
  - a recommended grant from an advised fund is intended to discharge a legal obligation or satisfy a legally binding pledge of the advisor or of any other person.
  - After investigation, the Foundation finds that the recommended recipient does not meet the Foundation's general standards for grantmaking or is incompatible with the charitable goals of the Foundation.
  - the proposed recipient organization is not a 501(c)(3) charitable organization.
  - the gift would not be fully tax deductible if given directly by the donor (for example, if the donor receives tangible direct benefit from the gift such as dinner, tickets, an auction item, a round of golf, etc.).