

CHARLES STEWART MOTT FOUNDATION

AFFIDAVIT PACKET
FOR NON-U.S. GRANT APPLICANTS

This packet includes:

- ▶ **INSTRUCTIONS**
- ▶ **"AFFIDAVIT FOR NON-U.S. GRANTEES"**
- ▶ **"PUBLIC SUPPORT SCHEDULE"**
- ▶ **"MAJOR DONOR SUPPORT" FORM**

Please provide all information requested in this packet.

The principal officer or director who is authorized to represent your organization must sign the affidavit (page 9).

Mail the complete packet to your Mott program officer at this address:

C. S. Mott Foundation
1200 Mott Foundation Building
Flint, Michigan 48502-1851, U.S.A.

INTRODUCTION

In order for the Mott Foundation, or any other United States grantmaking foundation, to make a grant to a non-U.S. charitable organization, certain rules and procedures must be followed. We must determine that your organization would qualify as a public charity in the U.S. We make this determination based on a document which we refer to as the "affidavit packet."

The first part of the packet is a set of instructions.

The second part of the packet is an affidavit¹ which you must complete and sign. This document explains your organizational structure, charitable purpose or activities, governing documents, and other information. Your organization must be organized and operated for charitable or other exempt purposes only, meaning that you are not a for-profit organization.

The third part of the packet is made up of two financial forms. These financial forms will indicate whether or not your organization qualifies as a public charity according to the "public support test" of the U.S. Internal Revenue Service (IRS), the U.S. government department which has oversight over nonprofit organizations. The Public Support Schedule lists the types and sources of your actual financial support over the most recent four-year period. The Major Donor Support form helps us calculate what portion of your support is "public," as defined by the IRS.

It is very important that you provide all the information requested in the affidavit, and all the financial figures requested on the financial forms. **Sign the affidavit and return the packet only after all items are included.** If you have problems or questions, please contact your Mott Foundation program officer immediately.

Note: Once the affidavit packet is complete, it may be used by other grantmaking foundations in the U.S. If you completed an affidavit, Public Support Schedule, and Major Donor Support form for another foundation within the last year, it may be possible for the Mott Foundation to use that one. You must state on the affidavit or separate cover letter that no changes have taken place since the original packet was completed.

¹"Affidavit" is a legal term that refers to a sworn statement that has legal standing before official agencies.

AFFIDAVIT INSTRUCTIONS

Please fill in the blank spaces and attach the documents that are requested. The affidavit and all attachments or supporting documents must be in English. Either type the forms or print clearly. The affidavit refers often to the “Grantee.” This word refers to your organization; it has approximately the same meaning as “applicant.” Here are instructions for other items that may not be self-explanatory:

4. Governing documents. It is essential that you attach English language copies of your founding charter, bylaws, or other documents that your organization uses to govern itself. If translation poses a major problem or constraint to your organization, please consult with your contact person at the Mott Foundation. Native language copies of your governing documents are also required.

5, 6, 7, and 8. Limits on activities. These statements place restrictions or limitations on public charities' operations and activities. It is important to understand that when you sign the affidavit, you are stating that items 5, 6, 7, and 8 are true for your organization. Please read them very carefully.

9. Control by other organizations. Explain any formal relationship your organization has with another organization. Describe only those organizations that control your organization, or are legally connected to your organization.

10. Qualification as publicly supported organization. Select one category that best describes your organization.

11. Dissolution provisions. The terms "dissolved" and "liquidated" refer to the possibility that your organization stops doing its work, gives away its assets, and ceases to exist. Attach an English translation of the document that controls the distribution of your assets upon liquidation, if not already provided under number 4 above. The IRS states that an adequate dissolution provision would read as follows:

“In the event that [your organization] were to be liquidated or dissolved, ... all its assets would be distributed to another not-for-profit organization for charitable, religious, scientific, literary, or educational purposes, or to a government instrumentality.”

The Mott Foundation may also need an English translation of your country's statute governing dissolution of nonprofit organizations. Please check with your Mott Foundation program officer to see if we already have the statute on file. If we do not, you may be asked to attach an English translation of the statute.

Sign and date the form. The principal officer or director who is authorized to represent your organization must sign and date the form.

PUBLIC SUPPORT SCHEDULE INSTRUCTIONS

You must provide the Mott Foundation with the information requested on the Public Support Schedule and the Major Donor Support form, unless your organization is a school or university, hospital, church, or governmental agency. For these, the financial forms are not required. They are a requirement for all other public charities.

This form or "schedule" will enable the Mott Foundation to determine whether or not your organization meets the IRS definition for a publicly supported charity. Under U.S. law, a charitable organization is considered to be publicly supported if it meets certain conditions referred to as the "public support test." Ideally, a charitable organization's **public support** (meaning revenues from public sources) must be at least one-third (33.3 percent) of its **total support**.

If your organization does not meet the requirement that at least 33.3 percent of its total support comes from public sources, it may still be considered for a grant if it meets other criteria, as determined by an IRS "facts and circumstances" test. If this situation should arise, Mott Foundation staff will provide you with further instructions.

In completing the form, please use actual fiscal year figures from the most recently completed four-year period, not projected figures. (If your organization is less than four years old, provide actual figures for all the years of its existence.) For example, if you are filling out the form in 2005, your figures for 2001 should go in column (a), 2002 in column (b), 2003 in column (c), and 2004 in column (d). Write the year at the top of each column. Totals go in column (e).

Do not fill in columns (f) and (g). The Mott Foundation will complete these columns for you.

The Public Support Schedule divides your sources of revenues into six categories:

Line 1. Gifts, grants, and contributions. These are voluntary payments or donations to your organization for which no material product or services are given to the contributor, although services might be provided to others (such as the general public). You should also include on this line gifts other than cash (such as free rent, equipment, materials, or supplies) at the fair market value at the time the items were donated. Non-cash gifts from a governmental agency, however, are not included here. They belong on Line 6. The value of volunteer services cannot be included here or elsewhere. Other Line 1 examples include: a grant like the one you are applying for from the Mott Foundation; a contribution from a corporation or individual; a cash grant from the government to support your organization's general purposes, or to support a specific program or research project; lottery money, whether or not from the government; and revenue from taxes levied by the government on behalf of your organization.

Line 2. Membership fees. If, for the purpose of general support, your organization charges membership dues or accepts a donation of some kind from its members, those membership dues should be reported on this line. If members receive something of value or receive a material or substantial benefit, that amount should be subtracted from the amount you report as membership fees. For example, if your organization charges members \$10 per year and only provides a periodic newsletter, the entire \$10 would be considered dues. If you provided a guide to membership services worth \$4, then only \$6 would be considered membership dues.

Line 3. Program service revenue related to your charitable purpose, such as:

- All payments received from admissions to events such as conferences, seminars, and workshops.
- Merchandise sold by your organization relating to its charitable purpose.
- A portion of membership dues. If, for their \$10 membership payment, members received a guide to your services worth \$4, the \$4 would be program service revenue.
- Fee for services related to your charitable purpose. If your organization's purpose is to provide legal services to low-income people for a small fee, that fee is considered program service revenue.
- Fee for services performed for a governmental agency for the direct benefit of the government agency and not the general public.
- Rental income, if it relates to your charitable purpose.
- Interest from a revolving loan fund operated by your organization as part of its charitable purpose.

Line 4. Interest, dividends, rents, and royalties. Interest income and rental income that are related to your charitable purpose belong on line 3. But here on line 4, include any interest, dividends, rents, and royalties that are not directly related to your charitable purpose. For example, if your organization has a bank account that earns interest income, that income should be recorded here. (Note: A capital gain or loss that you have when you sell investments or other capital assets should not be included on the Public Support Schedule at all.)

Line 5. Income unrelated to your charitable purposes. Include all net income from business activities that you regularly perform that are not related to your charitable activities. Net income is total income minus the expense of producing that income. For example, if you operated a bookstore whose operations were not considered part of your charitable purpose, the net income would be included here. Money made on currency exchange gain would also be considered unrelated income.

Line 6. Governmental services and facilities. Include the fair market value on the date you received services or facilities given to you, free of charge, by the government or a governmental agency. Do not include services or facilities if they are also available at no charge to the general public.

Line 7. Total. Calculate the total for each column, (a) through (e).

Next, subtract the number in box 3(e) from the total in box 7(e). Enter this new figure in box 7(g).

Line 8. Calculate 2 percent of the amount in box 7(g) and enter it here. Also enter this figure at the top of the Major Donor Support form.

Leave the rest of the Public Support Schedule blank. The Mott Foundation will complete it for you.

MAJOR DONOR SUPPORT FORM INSTRUCTIONS

On Line 8 of the Public Support Schedule, you entered a figure that represents 2 percent of your organization's total support. Enter this number again in the blank at the top of the Major Donor Support form. Complete this form for any contributions your organization received from one source which are over this 2 percent figure for the four-year period. List the complete name of the contributor. Identify what type of organization or individual made the contribution. A key is provided at the top of the form to help you classify your contributions. All contributing organizations should be assigned a number between 1 and 6 based on this key. Enter the number in the column marked "KEY." Number 5, "publicly supported organizations," refers to contributions to your organization by churches, schools, medical institutions, or organizations that can show that a significant portion of their revenues comes from gifts or contributions from a wide cross-section of the general public, rather than from one person, one company, or one family.

For each donor, enter the amount of support for each of the last four years in columns (a) through (d). In column (e), enter the total for each donor over the four years.

Leave columns (f) and (g) blank. The Mott Foundation will complete these columns for you.

SUBMITTING THE FOREIGN GRANTEE PACKET TO THE MOTT FOUNDATION

Mail the **original** copy of the affidavit, the two financial forms, and the supporting documents to your program officer at the C. S. Mott Foundation, at the address listed on the cover page. Keep copies on file for future use.

**C. S. MOTT FOUNDATION
AFFIDAVIT FOR NON-U.S. GRANTEES**

(Type or print clearly.)

AFFIDAVIT FOR: _____
(Complete legal name of grantee organization, hereafter referred to as "the Grantee")

I am making this statement to assist grantmaking foundations in the United States of America in determining whether the Grantee is the equivalent of a public charity described in Section 509(a)(1), (2), or (3) of the United States Internal Revenue Code.

1. I am the _____
(title of principal officer or director)

of the Grantee authorized to complete this Affidavit.

2. The Grantee was created in _____ under the laws of _____ by _____
(year) (identify country)
_____ and is operated exclusively
(identify statute, charter, or other document)

for the following purposes (check all boxes that apply):

- charitable scientific educational religious literary
 fostering national or international amateur sports competition
 prevention of cruelty to children or animals.

3. Explain past, current, and future programs and activities of the Grantee:
(Attach additional pages, if needed.)

10. The Grantee is (check one applicable box):

- a school, meaning an educational organization for which all of the following statements are true: it normally maintains a regular faculty and curriculum; it normally has a regularly enrolled body of students in attendance at the place where its educational activities are regularly carried on; it has adopted, and operates according to, a racially nondiscriminatory policy as to students; and it either receives substantial funding from the government or has completed IRS Form 5578.
- a hospital whose primary purpose or function is to provide medical or hospital care.
- a church or convention of churches (church, synagogue, temple, mosque, or other formal place of worship).
- a governmental agency (describe) _____

- none of the above, but still a publicly supported charitable organization. The Public Support Schedule and Major Donor Support form for the past four years are attached.

11. Under the laws and customs that apply to the Grantee, or under its governing documents, if the Grantee were liquidated or dissolved, all of its assets would be distributed to another not-for-profit organization with charitable, religious, scientific, literary, or educational purposes, or to a governmental agency. I have **attached**, in English, the provisions in the Grantee's own governing documents that control the distribution of the Grantee's assets upon liquidation. I have checked with the Mott Foundation to determine if the Foundation has on file the statute of the Grantee's country governing this procedure. If requested, I have **attached** a copy of the statute in English

I declare that the foregoing and any supporting documents are true and correct to the best of my knowledge.

(Sign above and print name below line.)

(Date)

PUBLIC SUPPORT SCHEDULE

Grantee Name _____

Currency _____

	(a)	(b)	(c)	(d)	(e)	(f)	(g)
Calendar year (or fiscal year ending in)	20__	20__	20__	20__	Total Received	Public Support	Total Support
1 Gifts, grants, and contributions received.							
2. Membership fees received.							
3. Program service revenue: gross receipts from admissions, merchandise sold, services performed, or facilities provided. Include only activities related to the charitable purpose of the organization.							
4. Gross income from interest, dividends, rents, and royalties.							
5. Net income from business activities that are unrelated to the organization's charitable or other exempt purpose.							
6. The value of services or facilities furnished by a governmental unit without charge.							
7 Total of lines 1 through 6.							
8. Enter 2 percent of line 7(g) _____. Complete Major Donor Support form, listing each organization or individual whose contributions for the four years exceeded this amount.						Enter total from column (g) on Major Donor Support form: _____	
9. Subtract line 8(f) from line 7(f)						-	
10. Divide line 9(f) by line 7(g) to get percent of Public Support.							
						%	

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MAJOR DONOR SUPPORT

ENTER 2 PERCENT FIGURE FROM LINE 8 OF PUBLIC SUPPORT SCHEDULE: _____. LIST ALL CONTRIBUTORS WHOSE FOUR-YEAR TOTAL IS MORE THAN THIS NUMBER.

DESCRIPTION KEY FOR TYPES OF FUNDING SUPPORT (enter the appropriate number in the KEY column beside each donor's name):

- | | |
|---------------------------------------|--|
| 1 Individual or family | 4 Private foundation (a grantmaker like the Mott Foundation) |
| 2 Company or corporation | 5 Publicly supported organizations |
| 3 Governmental agency or organization | 6 Other - describe as clearly as possible |

		(a)	(b)	(c)	(d)	(e)	(f)	(g)
COMPLETE NAME of each donor whose four-year total is more than the amount you entered above	KEY	20__	20__	20__	20__	Total	2 percent figure from line 8 of Public Support Schedule	(e) minus (f)
							Total	

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Enter this amount on line 8(f) of Support Schedule