

## Application for Michigan Education Foundation Certification

Issued under P.A. 36 of 2007.

Complete and submit this application no later than April 1, 2011.

Name of Education Foundation			Calendar or Fiscal Year Ending Date	
Street Address			Contact Person	
City	State	ZIP Code	Telephone Number	Fax Number
Date of incorporation or establishment as a trust			E-mail Address	
Public School District or Public School Academy served				
<b>AFFIRMATION</b>				
<p><i>I affirm that this information is true and complete to the best of my knowledge. I agree to submit all documentation requested by the Michigan Department of Treasury. I further understand that any misrepresentation on this application or in any document submitted with this application means this foundation may not be certified or may lose an existing certification.</i></p> <p><i>The education foundation also agrees to acknowledge each donation in writing, describing the fund or manner in which the donation will be used, whether donors may claim the Michigan Education Foundation Tax Credit, and a statement declaring that, absent any unusual circumstances, the donation will only be designated to an endowment fund.</i></p>				
Authorized Signature			Date	
Authorized Signer's Name (print or type)			Title	
<b>ADDRESS FOR PUBLICATION</b>				
<p>If the education foundation is certified for tax year 2011, the Department of Treasury will list the foundation's address and telephone number in future publications as it appears above, unless otherwise noted here.</p>				
Address for Publication			Telephone	
City	State	ZIP Code		

**Filing Deadline: April 1, 2011**

## Criteria and Requested Materials

A certified Michigan Education Foundation must meet all of the following criteria:

1. Qualifies for exemption from federal income taxation under section 501(c)(3) of the Internal Revenue Code (IRC).
2. Maintains an ongoing program to attract new endowment funds by seeking gifts and bequests from a wide range of potential donors in the community or area served.
3. All funds, gifts, and bequests are exclusively dedicated to a school district or public school academy.
4. Your organization must hold endowment funds. If your organization filed a federal 990-EZ, please complete Form 4625, *Endowment Fund Worksheet*, on page 4 (attached). Organizations that filed the federal 990 are not required to complete this worksheet.

The credit is limited to gifts to an endowment fund held by a certified education foundation. "Endowment fund" means an institutional fund or part of an institutional fund that, under the terms of a gift instrument, is not wholly expendable by the institution on a current basis. Endowment fund does not include assets that an institution designates as an endowment fund for its own use (Michigan Compiled Laws 451.922).

5. Is incorporated or established as a trust at least six (6) months before the beginning of the tax year for which the credit is claimed.
6. Has an independent governing body representing the general public's interest and that is not appointed by a single outside entity.
7. Is subject to a program review each year and an independent financial audit every three (3) years.

## Supporting Documents

Please provide the documents and/or information requested below:

1. A copy of your federal 990 return for the most recent tax year, including all attachments and supporting schedules.
2. A copy of your most recent financial statements. An independent auditor's report must be submitted at least once every three (3) years. For years when an independent audit is not required, submit a copy of your statement of review. Include a statement describing your investment and distribution policy if it is not already published in your financial statements.
3. A copy of your most recent annual report, yearbook, or similar publication that is used to convey pertinent information regarding your organization to the public.
4. A copy of your education foundation's articles of incorporation and/or a copy of the education foundation's trust agreement.
5. Copies of representative samples of your organization's solicitation material, such as pledge forms, newsletters, brochures, pamphlets, etc.
6. Copy of the charitable solicitation license issued by the Michigan Office of the Attorney General.

The documents requested above should be for calendar year 2010, or for fiscal filers, for the last fiscal year ending before April 1, 2011. If these documents are not available by the April 1, 2011, application due date, the application should be submitted by April 1, 2011, with the most recent documents available at that time. Do not delay filing this application beyond April 1 as your application for certification may be denied.

## General Instructions

The Michigan Legislature has extended a credit under the Michigan Business Tax Act for contributions to an endowment fund of a certified education foundation. If your organization meets the criteria described in this form, complete and submit this application and required materials no later than April 1, 2011.

If your application is submitted later than April 1, 2011, you will not be certified for the 2011 tax year. You will be required to reapply for the following tax year.

Because your status as a foundation may change, you must recertify every year. If your status changes during the year after you have been certified, you must notify the Department of Treasury (Treasury) immediately.

The Education Foundation Unit will review your application and notify you of your application status by mail.

## Appeal Procedure

You may appeal an adverse decision by the Education Foundation Unit of the Treasury. The written appeal must contain a statement of facts and grounds on which the appeal is based. In accordance with MCL 205.22, you may file a written appeal in either of the following ways:

1. With the Michigan Tax Tribunal, P.O. Box 30232, Lansing, MI 48909, within 35 days of the date of this decision, or;
2. With the Michigan Court of Claims, P.O. Box 40771, Lansing, MI 48901, within 90 days of this decision.

An organization may lose its certification status if it:

1. Loses status as an IRC 501(c)(3) entity.
2. Fails to meet the statutory criteria.
3. Submits to Treasury or a donor any false, misleading or incomplete information regarding its qualifications for certification.
4. Fails to obtain a charitable solicitation license from the Office of the Attorney General.

## Confidentiality

All materials submitted to the Education Foundation Unit will be subject to the confidentiality provisions of the Revenue Act, as amended, MCL 205.28. The reasons for or against certification are likewise subject to the confidentiality provisions and will not be disclosed to the public.

## When Finished

Mail completed form and all supporting documents to:

**Education Foundation Unit  
Technical Services Division  
Michigan Department of Treasury  
P.O. Box 30698  
Lansing, MI 48909-8198**

## 2011 Endowment Fund Return Worksheet

**INSTRUCTIONS:** If you filed a federal 990-EZ, please complete this form. Organizations that filed the federal 990 are not required to complete this worksheet. Your organization's endowment fund policy describing its investment and distribution practices also must maintain the corpus of the fund. For fiscal year filers, use the year that begins in 2009 and ends in 2010. Use the same data (same tax year/accounting period) from the financial statements and tax returns enclosed with your foundation application for certification.

Foundation Name
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### PART 1: ENDOWMENT FUND CONTRIBUTIONS

This section reports all contributions to endowment funds.

- 1a. 2009 historical gifts to endowment fund .....
- 1b. 2010 Contributions, Gifts and Bequests .....

Box 1 (Add lines 1a and 1b)
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### 2010 Minimum Expected Endowment Fund Assets

This total represents the restricted portion of your endowment funds. Endowment fund contributions must not be spent for grants or expenses. Only the earnings generated by the endowment fund itself should be disbursed, leaving the corpus untouched.

### PART 2: ENDOWMENT FUND EARNINGS (Interest, Dividends, Realized and Unrealized Gains)

This section reports total endowment fund income.

- 2a. Interest and Dividend Income .....
- 2b. Net Realized Gains (Losses) .....
- 2c. Net Unrealized Gains (Losses) .....

Box 2 (Add lines 2a, 2b and 2c)
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### Total Endowment Fund Income Available for Grants and Expenses:

### PART 3: ENDOWMENT FUND DISBURSEMENTS (Grants and Expenses)

This section reports total actual endowment fund disbursements and expenditures.

- 3a. Grants .....
- 3b. Expenses .....

Box 3 (Add lines 3a and 3b)
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### Total Actual Endowment Fund Disbursements:

### PART 4: ACTUAL ENDOWMENT FUND ENDING BALANCE

Beginning balance, plus contributions (Box 1), plus earnings (Box 2), minus grants and expenses (Box 3) = ending endowment fund balance (Box 4).

Actual 2010 Year-end Endowment Fund Balance.
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- 4a. Expected Minimum (from Box 1) .....
- 4b. **VARIANCE** (Box 4 minus line 4a). **A negative number here indicates that you may have spent a portion of the endowment funds corpus which could jeopardize your certification for the Michigan tax credit.** .....