

FRIENDS IN NEED FOUNDATION, INC. (FIN)

CONTRIBUTIONS, GRANT AWARD PROCESS AND ASSESSMENT OF FINANCIAL NEED

FIN is classified by the IRS as a public charity under section 501 (c) (3) of the Internal Revenue Code

A. TAX DEDUCTIBLE CONTRIBUTIONS:

UNRESTRICTED CASH AND NON-CASH CONTRIBUTIONS:

1. FIN accepts cash contributions to further its charitable purpose. All contributions received by FIN are considered unrestricted and as such FIN has the ultimate authority in the disposition of such funds. If the donor identifies a FIN program or cause by attaching a letter with the donation or by otherwise identifying the program name or cause the contribution will not be "earmarked" or "restricted" for that use. Although FIN may use these amounts received to assist in the donor's indicated cause or program, their contribution might well be used for other individuals or families with similar needs. FIN has complete authority over the disposition of all cash contributions received and specific program or grant awards will be determined based on our grant award process detailed below in Section C.
2. FIN accepts non-cash contributions to further its charitable purpose. All contributions of non-cash items received by FIN are considered unrestricted and as such FIN has the ultimate authority as to the use of these items. If the donor identifies a FIN program or cause by attaching a letter with the donation or by otherwise identifying the program name or cause the contribution will not be "earmarked" or "restricted" for that use. Although FIN may use these amounts received to assist in the donor's indicated cause or program, their contribution might well be used for other individuals or families with similar needs. FIN has complete authority over the disposition of all contributions received and specific program or grant awards will be determined based on our grant award process detailed below in Section C.
3. FIN is classified as a public charity under section 501 (c) (3) of the Internal Revenue Code and as such charitable contributions made as defined in the preceding two paragraphs generally are tax deductible by the donor to the extent permitted by law. FIN encourages all donor's to consult a tax professional regarding contributions to charitable organizations.

B. CONTRIBUTIONS THAT ARE NOT TAX DEDUCTIBLE:

SPECIAL FUND-RAISING EVENT :

1. A special fund-raising event is defined as an event held on a specified date in which tickets are sold for attendance at the event. The ticket identifies a specific individual or family that will receive assistance from the funds collected at the event.
2. These special fund-raising events are held from time to time for qualified individual and/or family applicants (see section C, below).

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CONTRIBUTIONS THAT ARE NOT TAX DEDUCTIBLE (continued):

3. FIN will host these special fund-raising events for applicants based on FIN determination of the applicant's level of financial need (see section C, below). FIN will act as a fiscal agent or monitor over the receipt and distribution of the funds collected for the special fund-raising event.
4. Internal Revenue Service regulations prohibit a tax deduction for a contribution to a specific individual, including contributions to FIN, whereby the donor has indicated that the contribution is designated for a specific individual. FIN considers all tickets purchased for special fund-raising events as well as amounts collected at these events for raffles, auctions, etc. to be contributions designated for a specific individual or family identified on the ticket. **Therefore, these amounts are not tax deductible by IRS rule.** FIN encourages all donor's to consult a tax professional regarding contributions to charitable organizations.
5. The amounts collected at special fund-raising events for specific individuals and families will be distributed in accordance with FIN guidelines identified in Section C below.

C. GRANT AWARD PROCESS AND ASSESSMENT OF FINANCIAL NEED:

1. **FIN PROVIDES ASSISTANCE TO INDIVIDUALS AND FAMILIES IN NEED DUE TO MEDICAL CRISIS.**
2. FIN will consider all applications for assistance received from individuals and families residing in Southeastern Louisiana. Grant awards are based on an assessment of the "financial need" of the applicant and on FIN's available cash resources.
3. Applicants should submit **APPLICATION FOR ASSISTANCE** located on FIN website, www.friendinneed.org. FIN representatives may ask for specific documents such as medical bills, tax returns or other personal financial information as we determine is necessary.
4. FIN trustees, officers, board members, key employees and immediate family members are not eligible to apply for assistance.
5. FIN representatives will review application for assistance and make an assessment as to the level of financial need of the applicant:
 - Individual or family assistance can only be made if the individual or family are considered "needy or distressed". The IRS guidelines define this requirement as:
 - a. persons impoverished as a result of low income or lack of resources

GRANT AWARD PROCESS AND DETERMINATION OF FINANCIAL NEED (continued):

- b. persons temporarily in need of food or shelter when stranded, injured or lost because of fire, flood, accident or other natural disaster
- c. victims of civil disturbance
- d. persons temporarily unable to be self-sufficient as a result of a sudden and severe personal or family crisis
- The following types of assistance, based on individual need, are examples of assistance consistent with FIN's charitable purpose:
 - a. Assistance to allow a surviving spouse (or the spouse of a disabled person) with young children to remain at home with the children to maintain the psychological well-being of the entire family
 - b. Assistance with elementary and secondary school tuition and higher education costs to permit a child to attend school
 - c. Assistance with rent, mortgage payments, or car loans to prevent loss of a primary home or transportation that would cause additional trauma to families already suffering
 - d. Travel costs to attend funerals and to provide comfort to survivors
 - e. Assistance with medical bills and/or other medical related costs due to a severe and traumatic medical condition
- 6. FIN will notify the applicant if the grant award has been approved and if so, the amount of the financial award.
- 7. FIN has an obligation to assert that any grant funds awarded are used for the charitable purpose expressed in the application. FIN will control the distribution of the award to ensure grant funds are used for that specific purpose and on occasion may require that payment is made directly to a third party on behalf of the grant recipient. FIN will require the applicant to submit appropriate supporting documents prior to disbursing funds and subsequent reporting evidencing the use of such funds for its intended purpose.

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GRANT AWARD PROCESS AND DETERMINATION OF FINANCIAL NEED (continued):

8. FIN may also set aside funds for possible future needs of applicants. However, distributions of these funds must be based on the "needs" of the individuals or families that exist at the time these payments are made. A new assessment will be performed prior to the distribution of these funds and FIN may ask for additional supporting documents such as medical bills, tax returns or other personal financial information as we determine is necessary.

9. Financial assistance provided by FIN to individuals and families is not taxable to the individuals or families receiving the financial award.