

ADOPTION FUND OPERATING GUIDELINES
- Micah's Hope / Grace Fellowship – Anniston, AL -

THIS ADOPTION FUND OPERATING GUIDELINES is an overview of the general procedures and practices agreed upon between **Micah's Hope / Grace Fellowship** 860 Summerall Gate Road, Anniston, Alabama 36205 ("LocalChurch") and **LifeSong for Orphans**, an Illinois not for profit corporation, whose address is P. O. Box 40, 202 North Ford Street, Gridley, Illinois 61744 ("LIFESONG FOR ORPHANS").

STATEMENT OF PURPOSE

A. LocalChurch is a local body of believers in Christ organized for the purpose of glorifying God through worship and service within its body and through missions and evangelism to the world.

B. LIFESONG FOR ORPHANS is an Illinois not for profit corporation, recognized as a tax-exempt organization under Section 501(c)(3) of the Internal Revenue Code, whose purpose is to glorify God by providing financial assistance in the form of matching grants to Christian couples who have been called by God to grow their families through adoption.

C. LocalChurch and LIFESONG FOR ORPHANS desire is to cooperate with one another in ministering to Christian couples and orphans by establishing and administering an Adoption Grant fund and an Adoption Loan fund (the "Funds") to help Christian couples overcome the financial hurdle posed by adoption expenses.

TERMS OF GUIDELINES

1. Application Form. LocalChurch and LIFESONG FOR ORPHANS will work together to develop an application form and application process which is acceptable to both organizations.

2. Family Approvals. All applications for financial assistance shall be submitted to LIFESONG FOR ORPHANS, and LIFESONG FOR ORPHANS will provide a copy of the application to LocalChurch (if requested). LIFESONG FOR ORPHANS will seek input from the LocalChurch to the extent the LocalChurch desires involvement. LIFESONG FOR ORPHANS will have final decision making authority regarding the grants. Any family approved for assistance is referred to in these Guidelines as an "Approved Family". The use of the word "family" in these Guidelines shall include both couples who already have children and couples who are childless.

3. Funds.

a. Composition. The Funds will be comprised of money sent to LIFESONG FOR ORPHANS for the purpose of providing matching grants, direct grants,

or interest-free loans to Approved Families, the Adoption Grant Fund. All money received directly from LocalChurch, plus all money received from individuals who clearly indicate that their donation is intended to be a part of the Funds, will be considered to be a part of the Funds. All money received as “repayments” from interest-free loans will also be allocated back to the Fund. Any reference in this paragraph to “money” shall include “gift in kind” donations of other property, such as stock, real estate, jewelry, etc. LIFESONG FOR ORPHANS shall not be obligated to accept any such “in-kind” property if there is a reasonable basis for declining the gift. However, if LIFESONG FOR ORPHANS does accept any such “in-kind property”, then it shall be responsible for converting the property to cash by public or private sale, in its sole discretion.

Reports. As needed, LIFESONG FOR ORPHANS will provide a report to LocalChurch regarding the status of that portion of the Funds administered by the respective organization. Copies of LIFESONG FOR ORPHANS tax returns, audits or similar outside financial evaluations are available to the LocalChurch upon request.

Stewardship. LocalChurch and LIFESONG FOR ORPHANS all recognize that the money in the Funds belong to God and these organizations are mere stewards thereof. The LocalChurch requests that, to the maximum extent allowed by law, the first priority in use of the Funds will be for approved LocalChurch families. LIFESONG FOR ORPHANS understands and appreciates the reasons for this request.

Each organization recognizes that LIFESONG FOR ORPHANS are many times turning away qualified Christian couples because of a lack of resources, so we understand that this Fund could also be used for non-LocalChurch families who may otherwise qualify. This will ensure the Funds will not be idle, but would be invested in the Kingdom. It is expected the Funds will be used in the form of grants or loans for approved LocalChurch families and/or non LocalChurch families within 2 years from the date initial funds are received. Any funds not used within 2 years from date of receipt will be transferred from the Funds to LIFESONG FOR ORPHANS’s general adoption grant program. If a LocalChurch family thereafter applies, this family will be given special consideration.

b. Control. LocalChurch and LIFESONG FOR ORPHANS each recognize that each organization must operate within the guidelines established by the Internal Revenue Service for tax-exempt, non-profit organizations. Accordingly, and notwithstanding any provision contained in these Guidelines to the contrary, all money received by any such organization shall be under the full discretion and control of the organization so as to insure that the money will be used to carry out the organization’s functions and purposes, in accordance with the Internal Revenue Code and Revenue Rulings and other guidance provided by the Internal Revenue Service. To the extent allowed by applicable law, each organization will give due consideration to requests by others for use of money under its control.

4. Funding Guidelines. Guidelines for Granting Scholarships, Grants, or Interest-Free Loans

- a. Micah's Hope will assist families who are adopting through approved Christian adoption agencies. At the present time we will be funding families who are using Lifeline Children's Services. Addition of other approved agencies will have to be approved by the board of trustees.
- b. Micah's Hope defines the orphan as a child without a family structure. We are particularly called to support the adoption of abandoned children.
- c. Micah's Hope will require that any family interested in receiving financial assistance from the fund must fill out an application. The application will assist the board of trustees in making a sound decision in supporting the adopting family. The application is simply the first step in the process of receiving assistance from the Micah's Hope fund. Filling out the application does not guarantee the applicant will receive assistance from the Micah's Hope Adoption Fund. All applicants will be approved for assistance by Micah's Hope Board of Trustees and Life Song for Orphans.
- d. Micah's Hope scholarships/no interest loans or matching grants are intended for approved U.S. citizens who are both a Christian and adopting through an approved agency. It is preferred that the applicant be married for at least three years before applying for assistance. We will always seek to give priority to members of Grace Fellowship, but it is not our intention to limit the use of these funds to families who attend or are members of Grace Fellowship. Any exception to this guideline must be approved by a unanimous consent of the board of trustees.
- e. Micah's Hope will give scholarships and/or no interest loans or matching grants to families who have completed the home study process through an approved agency. We will only send the scholarship money to the agency after the family that is being helped receives adoption referral. Any exceptions to this guideline must be approved by a unanimous consent of the board of trustees.
- f. Micah's Hope will seek to help families who face the greatest financial hurdles to adoption. To ensure that the family qualifies for assistance, the board will require the family to meet any and all Life Song for Orphans guidelines which have been established by Micah's Hope and Life Song for Orphans.
- g. Micah's Hope will give scholarships up to \$7,000 to the approved adopting families. These scholarships will be given under the guidance of Life Song for Orphans in accord with all IRS regulations. Any exception to the prescribed range of scholarship money must be by the unanimous consent of the board of trustees.
- h. Micah's Hope will give no interest loans up to \$7,000 to the approved adopting family. These loans will be given under the guidance of Life Song for Orphans in accord with all IRS regulations. Any exception to the prescribed range of no interest loans must be by the unanimous consent of the board of trustees.

- i. Micah's Hope will make scholarship determinations and specific scholarship amount decisions by unanimous decision of the board of trustees and Life Song for Orphans. It is also required that any member of the board that is associated to the adopting family by family relation be dismissed from the discussion of granting a scholarship in that particular case.
- j. Micah's Hope will try to be timely in the grant application process. After the board has received the completed application, the family can expect a follow up interview (in person or by conference call) within 45 days. The board will seek to have a definite answer for the family within 60 days of submission of the completed application. When the family is matched with an orphan through their agency, Micah's Hope will approve the release of funds through Life Song for Orphans. This is intended to be an outline of the process. If the board cannot keep this schedule, the family will be notified and a new schedule of procedure will be established.
- k. Micah's Hope will request that all families who receive scholarships from this fund give a post-adoption interview to the board of trustees. The purpose of this follow up interview will be to continue to pray for the family, allow the family the opportunity to express a testimony of grace to the board, and energize the members of Grace Fellowship to continue in the godly task of helping orphans.
- l. Micah's Hope will be used primarily as an adoption scholarship/no interest loan fund. Any other uses of this fund will have to meet the unanimous consent of the board of trustees and the elders of Grace Fellowship.
- m. Micah's Hope will pursue on going financial support of local churches for the continuation of the adoption fund. We as a board will seek to raise funds through Grace Fellowship and local church bodies by presenting the ministry to the leadership and congregations of those local bodies. We will not limit gifts that might be given by individuals outside local congregations or businesses that may have a burden to participate in the ministry of Micah's Hope Adoption Fund.
- n. Micah's Hope will enter a contractual agreement with Life Song for Orphans as the administrators of our adoption fund. Life Song for Orphans will not receive any financial benefit from Micah's Hope.
- o. All authority that is given to the board of trustees of Micah's Hope Adoption Fund is from the elders of Grace Fellowship. If Micah's Hope Adoption Fund desires to make decisions outside the parameters of these by-laws, they must seek the approval of the current elder body at Grace Fellowship. Ultimate authority resides in the elder board, and the board of trustees only serves at the pleasure of the elders of Grace Fellowship.

5. Relationship of the Parties. The relationship between LocalChurch and LIFESONG FOR ORPHANS is that each organization is a separate organization and

none of them shall be, or shall hold itself out to be, the agent, employee, joint venturer or partner of the others.

Signatures:

_____ (Local Church) Date: _____

_____ (LifeSong for Orphans) Date: _____