

# Guidelines and Management of Pro Life Fund

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## **Background**

Illinois Charities Inc. established a Pro Life Fund to be maintained by Knights of Columbus Charities Inc. The fund would begin with a \$5,000 donation by an anonymous donor and Brother Knight and followed by annual donations of about that amount from that donor. This annual amount derives from a corpus of \$250,000 that the donor maintains which has been established as an irrevocable trust named to Illinois Knights of Columbus Charities Inc. upon the death of the donors. Illinois Knights of Columbus Charities Inc. is encouraged to solicit other donations to the established fund to expand the fund's support capabilities. The intent of establishing this fund is to emphasis causes supporting the unwed mother and her unborn child. Illinois Knights of Columbus Charities Inc. is expected to prepare guidelines for managing collection and distribution of funds, ensure that distribution of funds will meet legal codes regulating charitable organizations; and, ensure that funds reach their intended causes.

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## **Authority**

The elected Board of the Illinois Knights of Columbus State Council established the Pro Life Fund in a Board action taken on February 11, 2006; this action was followed by a resolution for the membership to also accept and support which was approved by delegates to the 2006 and 2007 State Conventions. The fund will be established as a 501c3 organization meeting State of Illinois requirements. Administration of the funds, including guidelines for their distribution rests with the Illinois Knights of Columbus Charities Inc. Board and subject to all documentation and reporting requirements of 501 ( c ) (3) charities.

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## **Implementation steps**

To properly establish the required documentation to operate this charitable cause under Illinois Charities Inc., the following steps were taken:

1. Our registered agent, Brother Joseph Yaeger, inquired with the Attorney General's Office (AGC) about adding The Pro Life Fund to our other four charities as a 501 ( c ) (3) organization. The AGC advised that funds can be administered following the usual guidelines of the other 501 ( c ) (3) charities making sure that only qualified 501 c 3 organizations qualify for funds.
2. Illinois Charities Inc. By Laws were revised to include The Pro Life Fund as one of our charities under the authority and responsibility of Illinois Knights of Columbus Charities Inc.
3. A committee appointed by the State Deputy developed guidelines for receiving funds into the account and how they shall be distributed. State Deputy, Phillip Barone, appointed Richard Spada to chair this committee with the following members: Joseph Yaeger (registered agent), Donald "Skip" Kinyon as Advocate, and Brother Willliam Linz as State Charitable Assistance Director.

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### **Guidelines for establishing the Pro Life Fund**

The State Treasurer shall establish a new account under Illinois Charities Inc. to deposit the initial \$5,000 donation obtained from the anonymous donor. Councils and members shall be informed about the establishment of the Fund and encouraged to consider adding to the Fund in various ways such as:

- Naming the Pro Life Fund under Illinois Charities Inc. as a beneficiary on their Knights of Columbus insurance policy;
  - Individual donations made to Illinois Charities Inc. Pro Life Fund;
  - Council fund raisers with proceeds to the Fund;
  - Outside organizations or donors sympathetic to the Pro Life Cause—specific caution should be established to ensure that funds received from outside organizations are not in conflict with the established principles of the Knights of Columbus. For example, organizations that support pro choice causes cannot be allowed to also participate in this cause. Supreme Council resolution prohibits councils from working with organizations supporting abortion.
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### **Guidelines for distribution of funds**

The intent of establishing this Pro Life Fund is centered on support to the unwed mother and her unborn child. As with most other charities that we administer under Illinois Charities Inc., there are advantages in distributions being made to recognized organizations that are accountable for funds they receive. All recipients of funds from the Pro Life Fund must be verified as a 501 ( c ) ( 3 ) organization; and, no funds can be given directly to an individual or group that is not designated as a charitable organization under the State of Illinois guidelines. Generally, our guide for considering distribution of these funds shall be to ask whether there is reasonable assurance that recipients of funds will support the unwed mother and her unborn child. It shall be the discretion of Illinois Knights of Columbus Charities Inc. Board to make that determination. This Board shall, from time to time, seek input from the designated Pro Life chairman appointed by the State Deputy; and, it is understood that ultimate responsibility and authority regarding distribution decisions rests with the Board. While it is difficult to anticipate all possible requests that may come before the Board, the following are examples of such requests that may be considered:

- Pro Life Crisis Pregnancy Centers (there are approximately 300 such centers throughout the State of Illinois and they must be 501 (c) (3)).
  - Illinois Birthrights
  - A medical facility supporting the medical needs of the unwed mother
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## Guidelines and Management of Pro Life Fund, Continued

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### **Reporting**

The State Office in Kankakee should maintain a ready list of all organizations, councils and individuals who donate funds to the Pro Life Fund. Also, the usual accounting of funds received and funds distributed shall be maintained. At what time that funds accumulate to require investment, the State Treasurer shall include a category in the asset report of the monthly Treasurer report on the status of funds invested and where they are invested.

The State Office in Kankakee, with the cooperation of the Illinois Charities Inc. Board and the State Charities Director shall maintain a record of those who benefit from the Fund. This information shall be shared with the membership at least on an annual basis or as requested.

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