

Form **1023**
(Rev. December 1989)
Department of the Treasury
Internal Revenue Service

Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code

OMB No. 1545-0056

If exempt status is
approved, this application
will be open for public
inspection.

Read the instructions for each Part carefully.

A User Fee must be attached to this application.

If the required information and appropriate documents are not submitted along with Form 8718 (with payment of the appropriate user fee), the application may be returned to you.

Part I Identification of Applicant

1a Full name of organization (as shown in organizing document)		2 Employer identification number (If none, see instructions.)
International Enterprise Development Foundation		43 : 1536498
1b c/o Name (if applicable)	3 Name and telephone number of person to be contacted if additional information is needed	
	Ronald Recker	
1c Address (number and street)	4 Month the annual accounting period ends	
1600 S. Brentwood Blvd., Suite 770	December	
1d City or town, state, and ZIP code	5 Date incorporated or formed	
St. Louis, MO 63144	3/1/90	
6 Activity codes (See instructions.)	7 Check here if applying under section:	
149 566 403	a <input type="checkbox"/> 501(e) b <input type="checkbox"/> 501(f) c <input type="checkbox"/> 501(k)	
8 Did the organization previously apply for recognition of exemption under this Code section or under any other section of the Code? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," attach an explanation.		
9 Has the organization filed Federal income tax returns or exempt organization information returns? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," state the form number(s), years filed, and Internal Revenue office where filed.		

10 Check the box for your type of organization. BE SURE TO ATTACH A COMPLETE COPY OF THE CORRESPONDING DOCUMENTS TO THE APPLICATION BEFORE MAILING.

- a ☒ Corporation— Attach a copy of your Articles of Incorporation, (including amendments and restatements) showing approval by the appropriate state official; also include a copy of your bylaws.
- b ☐ Trust— Attach a copy of your Trust Indenture or Agreement, including all appropriate signatures and dates.
- c ☐ Association— Attach a copy of your Articles of Association, Constitution, or other creating document, with a declaration (see instructions) or other evidence the organization was formed by adoption of the document by more than one person; also include a copy of your bylaws.

If you are a corporation or an unincorporated association that has not yet adopted bylaws, check here ☐

I declare under the penalties of perjury that I am authorized to sign this application on behalf of the above organization and that I have examined this application, including the accompanying schedules and attachments, and to the best of my knowledge it is true, correct, and complete.

Please
Sign
Here

(Signature)

(Title or authority of signer)

(Date)

For Paperwork Reduction Act Notice, see page 1 of the instructions.

Complete the Procedural Checklist (page 7 of the instructions) prior to filing.

Form 1023 (Rev. 12-89)

Part II Activities and Operational Information (Continued)**4** Give the following information about the organization's governing body:**a** Names, addresses, and titles of officers, directors, trustees, etc.

See Schedule 3 attached.

b Annual Compensation

c Do any of the above persons serve as members of the governing body by reason of being public officials or being appointed by public officials? ☐ Yes ☒ No
If "Yes," name those persons and explain the basis of their selection or appointment.

d Are any members of the organization's governing body "disqualified persons" with respect to the organization (other than by reason of being a member of the governing body) or do any of the members have either a business or family relationship with "disqualified persons"? (See the Specific Instructions for line 4d.) ☒ Yes ☐ No
If "Yes," explain.
Menlo F. Smith is President and Director,
and a substantial contributor.

5 Does the organization control or is it controlled by any other organization? ☐ Yes ☒ No
Is the organization the outgrowth of (or successor to) another organization, or does it have a special relationship to another organization by reason of interlocking directorates or other factors? ☐ Yes ☒ No
If either of these questions is answered "Yes," explain.

6 Does or will the organization directly or indirectly engage in any of the following transactions with any political organization or other exempt organization (other than 501(c)(3) organizations): (a) grants; (b) purchases or sales of assets; (c) rental of facilities or equipment; (d) loans or loan guarantees; (e) reimbursement arrangements; (f) performance of services, membership, or fundraising solicitations; or (g) sharing of facilities, equipment, mailing lists or other assets, or paid employees? ☒ Yes ☒ No
If "Yes," explain fully and identify the other organization(s) involved.

7 Is the organization financially accountable to any other organization? ☐ Yes ☒ No
If "Yes," explain and identify the other organization. Include details concerning accountability or attach copies of reports if any have been submitted.

Part III Technical Requirements

- 1 Are you filing Form 1023 within 15 months from the end of the month in which you were created or formed? ☒ Yes ☐ No
If you answer "Yes," do not answer questions 2 through 6.

- 2 If one of the exceptions to the 15-month filing requirement shown below applies, check the appropriate box and proceed to question 7.

Exceptions—You are not required to file an exemption application within 15 months if the organization:

- ☐ (a) Is a church, interchurch organization, local unit of a church, a convention or association of churches, or an integrated auxiliary of a church;
- ☐ (b) Is not a private foundation and normally has gross receipts of not more than \$5,000 in each tax year; or,
- ☐ (c) Is a subordinate organization covered by a group exemption letter, but only if the parent or supervisory organization timely submitted a notice covering the subordinate.

- 3 If you do not meet any of the exceptions in question 2, do you wish to request relief from the 15-month filing requirement? ☐ Yes ☐ No

- 4 If you answer "Yes" to question 3, please give your reasons for not filing this application within 15 months from the end of the month in which your organization was created or formed.

- 5 If you answer "No" to both questions 1 and 3 and do not meet any of the exceptions in question 2, your qualification as a section 501(c)(3) organization can be recognized only from the date this application is filed with your key District Director. Therefore, do you want us to consider your application as a request for recognition of exemption as a section 501(c)(3) organization from the date the application is received and not retroactively to the date you were formed? ☐ Yes ☐ No

- 6 If you answer "Yes" to question 5 above and wish to request recognition of section 501(c)(4) status for the period beginning with the date you were formed and ending with the date your Form 1023 application was received (the effective date of your section 501(c)(3) status), check here ☐ and attach a completed page 1 of Form 1024 to this application.

Part III Technical Requirements (Continued)

- 10** If you checked box (h), (i), or (j) in question 9, have you completed a tax year of at least 8 months?
- ☐ No—You must request an advance ruling by completing and signing 2 Forms 872-C and attaching them to your application.
- ☐ Yes—Indicate whether you are requesting:
- ☐ A definitive ruling (Answer question 11 through and including question 14.)
- ☐ An advance ruling (Answer questions 11 and 14 and attach 2 Forms 872-C completed and signed.)
- 11** If the organization received any unusual grants during any of the tax years shown in Part IV-A, attach a list for each year showing the name of the contributor; the date and the amount of the grant; and a brief description of the nature of each such grant.

- 12** If you are requesting a definitive ruling under section 170(b)(1)(A)(iv) or (vi), check here ☐ and:

- a** Enter 2% of line 8, column (e) of Part IV-A _____
- b** Attach a list showing the name and amount contributed by each person (other than a governmental unit or "publicly supported" organization) whose total gifts, grants, contributions, etc., were more than the amount you entered on line 12a above.

- 13** If you are requesting a definitive ruling under section 509(a)(2), check here ☐ and:

- a** For each of the years included on lines 1, 2, and 9 of Part IV-A, attach a list showing the name of and amount received from each person who is a "disqualified person."
- b** For each of the years included on line 9 of Part IV-A, attach a list showing the name of and amount received from each payer (other than a "disqualified person") whose payments to the organization were more than \$5,000. For this purpose, "payer" includes, but is not limited to, any organization described in sections 170(b)(1)(A)(i) through (vi) and any governmental agency or bureau.

- 14** Indicate if your organization is one of the following, and if so, complete the required schedule. (Submit only those schedules, if any, that apply to your organization. Do not submit blank schedules.)

Yes	No	If "Yes," complete schedule:
		A
		B
		C
		D
		E
		F
		G
		H
		I

Is the organization a church?

Is the organization, or any part of it, a school?

Is the organization, or any part of it, a hospital or medical research organization?

Is the organization a section 509(a)(3) supporting organization?

Is the organization an operating foundation?

Is the organization, or any part of it, a home for the aged or handicapped?

Is the organization, or any part of it, a child care organization?

Does the organization provide or administer any scholarship benefits, student aid, etc.?

Has the organization taken over, or will it take over, the facilities of a "for profit" institution?

Part IV Financial Data (Continued)

B.—Balance Sheet (at the end of the period shown)		Current tax year Date <u>6/20/90</u>
Assets		
1	Cash	67,168
2	Accounts receivable, net	
3	Inventories	
4	Bonds and notes receivable (attach schedule)	
5	Corporate stocks (attach schedule)	
6	Mortgage loans (attach schedule)	
7	Other investments (attach schedule)	
8	Depreciable and depletable assets (attach schedule)	
9	Land	
10	Other assets (attach schedule)	
11	Total assets	67,168
Liabilities		
12	Accounts payable	
13	Contributions, gifts, grants, etc., payable	
14	Mortgages and notes payable (attach schedule)	
15	Other liabilities (attach schedule) . Accrued Payroll Taxes	1,341
16	Total liabilities	1,341
Fund Balances or Net Assets		
17	Total fund balances or net assets	65,827
18	Total liabilities and fund balances or net assets (add line 16 and line 17)	67,168

If there has been any substantial change in any aspect of your financial activities since the end of the period shown above, check the box and attach a detailed explanation ☐

Schedule E.—Private Operating Foundation

Income Test		Most recent tax year
1a	Adjusted net income, as defined in Regulations section 53.4942(a)-2(d)	1a
b	Minimum investment return, as defined in Regulations section 53.4942(a)-2(c)	1b
2	Qualifying distributions:	
a	Amounts (including administrative expenses) paid directly for the active conduct of the activities for which organized and operated under section 501(c)(3) (attach schedule)	2a
b	Amounts paid to acquire assets to be used (or held for use) directly in carrying out purposes described in section 170(c)(1) or 170(c)(2)(B) (attach schedule)	2b
c	Amounts set aside for specific projects that are for purposes described in section 170(c)(1) or 170(c)(2)(B) (attach schedule)	2c
d	Total qualifying distributions (add lines 2a, b, and c)	2d
3	Percentages:	
a	Percentage of qualifying distributions to adjusted net income (divide line 2d by line 1a)	3a %
b	Percentage of qualifying distributions to minimum investment return (divide line 2d by line 1b) (Percentage must be at least 85% for 3a or 3b)	3b %
Assets Test		
4	Value of organization's assets used in activities that directly carry out the exempt purposes. Do not include assets held merely for investment or production of income (attach schedule)	4
5	Value of any stock of a corporation that is controlled by applicant organization and carries out its exempt purposes (attach statement describing corporation)	5
6	Value of all qualifying assets (add lines 4 and 5)	6
7	Value of applicant organization's total assets	7
8	Percentage of qualifying assets to total assets (divide line 6 by line 7—percentage must exceed 65%)	8 %
Endowment Test		
9	Value of assets not used (or held for use) directly in carrying out exempt purposes:	
a	Monthly average of investment securities at fair market value	9a
b	Monthly average of cash balances	9b
c	Fair market value of all other investment property (attach schedule)	9c
d	Total (add lines 9a, b, and c)	9d
10	Acquisition indebtedness related to line 9 items (attach schedule)	10
11	Balance (subtract line 10 from line 9d)	11
12	Multiply line 11 by 3 1/3% (3/4 of the percentage for the minimum investment return computation under section 4942(e)). Line 2d above must equal or exceed the result of this computation	12
Support Test		
13	Applicant organization's support as defined in section 509(d)	13
14	Gross investment income as defined in section 509(e)	14
15	Support for purposes of section 4942(j)(3)(B)(iii) (subtract line 14 from line 13)	15
16	Support received from the general public, 5 or more exempt organizations, or a combination of these sources (attach schedule)	16
17	For persons (other than exempt organizations) contributing more than 1% of line 15, enter the total amounts that are more than 1% of line 15	17
18	Subtract line 17 from line 16	18
19	Percentage of total support (divide line 18 by line 15—must be at least 85%)	19 %
20	Does line 16 include support from an exempt organization that is more than 25% of the amount of line 15? <input type="checkbox"/> Yes <input type="checkbox"/> No	
21	Newly created organizations with less than one year's experience: Attach a statement explaining how the organization is planning to satisfy the requirements of section 4942(j)(3) for the income test and one of the supplemental tests during its first year's operation. Include a description of plans and arrangements, press clippings, public announcements, solicitations for funds, etc.	
22	Does the amount entered on line 2a include any grants that you made? <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes," attach a statement explaining how those grants satisfy the criteria for "significant involvement" grants described in section 53.4942(b)-1(b)(2) of the regulations.	

For more information, see back of Schedule.

International Enterprise Development Foundation
Form 1023 - Application for Recognition of Exemption
Under Section 501(c)(3) of the Internal Revenue Code

Schedule 1

Part II - Item 1

The fundamental purpose of the organization is to establish enterprise development centers in the developing countries of the world to assist in the development of entrepreneurial business enterprises and employment opportunities. Programs offered by the organization focus on three business categories: micro-business/enterprises; proprietorships/family enterprises; and small industry/business.

Specific programs offered include the following:

Training. Provided by the organization staff and through cooperating agencies in the areas of recordkeeping, marketing, basic accounting and financial analysis, productivity and efficiency, entrepreneurial and management skills, taxation and regulatory requirements, labor relations and human resources management, livelihood video courses, and business plan preparation and assistance.

Business "Clinic" Services. For "walk-in" or existing clients to diagnose existing business problems, prescribe remedies and solutions, or to assess need for more extensive assistance.

Business Councils. To provide professional-level advisory assistance with business problems and to enhance results and opportunities on an on-going periodic basis. This provides a smaller business with corporate board-type counsel and guidance. These business councils consist of volunteers, usually individuals having significant business experience and who have a desire to provide public service and assist other businesses to succeed.

Business Consulting Services. To assist client firms in a practical "hands on" way to develop the means and skills required to solve their basic business problems in the following areas: accounting/auditing; business planning and write-up; computer skills; decision making/problem solving; financial management; government relations; leadership development; legal assistance; aid; manufacturing/technology management; marketing; personnel and human resources development; purchasing and material management; and quality control.

Business Incubator. Shared facilities/business services for small enterprises where facilities and certain business services cannot yet be justified on a stand alone basis. The attempt will always be made to have this service provided by an outside for-profit concern not related to the organization.

Resource Development and Networking. Offered with non-government organizations (NGO's), private volunteer organizations (PVO's) and appropriate support agencies. Assistance is given to clients in becoming credit worthy and then in obtaining needed loans from

lending institutions. (Applicants are expected to have an equity share of their own funds invested at risk in their business enterprise.)

Monitoring of Business/Economic/Industry Environment. Provides feedback to clients to help identify/anticipate problems and opportunities for growth. This is provided through publications produced by the organization and distributed to clients as well as through direct counsel.

All of the foregoing programs are conducted and/or supervised by the organization's staff. In the case of Business Councils, these council members are recruited either by the business owners or by staff members in behalf of individual businesses. Training courses are some times provided by outside resources which are contracted for by staff personnel.

The first center was established in Manila, Phillippines on January 15, 1990.

It is anticipated that a second center will be established in the Phillippines early in the second year of operations. The first year of operation of the Phillippines project is considered as a pilot program to perfect our techniques and operating policies. By our third year of operation, we expect to be establishing centers in other developing countries.

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Schedule 2

Part II - Item 3

Funds for startup of the organization have been granted by Menlo F. Smith and the Humanitarian Fund of the Church of Jesus Christ of Latter-Day Saints. However, no funds have as yet been accepted from the Humanitarian Fund out of a desire on the part of the Directors to demonstrate the effectiveness of the program prior to accepting these funds. Other sources have not as yet been solicited for the same reason. Once it has been shown that the program is productive and effective and following the granting of tax-exempt status by the IRS, fund raising activities will be initiated. We will solicit individuals, foundations, businesses and associations having an interest in international development work. Fund raising activities will consist of personal contacts by Board members and staff, and direct mail appeals.

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Schedule 3

a. <u>Names, Addresses and Titles of Officers, Directors, Trustees etc.:</u>	b. <u>Annual Compensation</u>
Menlo F. Smith President and Director 1600 South Brentwood Blvd, Suite 770 St. Louis, Missouri 63144	\$ -0-
Stephen H. Mann Vice President and Director 3320 Whitepost Way Eagle, Idaho 83616	\$ -0-
Warner Woodworth Secretary and Director 790 Tanner Building Provo, Utah 84602	\$ -0-
Ronald W. Recker Assistant Secretary and Assistant Treasurer 1600 South Brentwood Blvd, Suite 770 St. Louis, Missouri 63144	\$ -0-
Harvey D. Brown Director 2049 Chokecherry Drive Bountiful, Utah 84010	\$ -0-
William Jackson Director 1190 El Toro Ojai, California 93023	\$ -0-
Joseph A. Kjar Director 940 Bloomington Drive South St. George, Utah 84770	\$ -0-
Ray Goodson Director 2457 East Walker Lane Salt Lake City, Utah 84117	\$ -0-
Ruben Lacanienta Director and former Employee 1600 South Brentwood Blvd, Suite 770 St. Louis, Missouri 63144	\$7,268.00*

*Received in his capacity as an employee. He receives no compensation for being a Director.

International Enterprise Development Foundation
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Schedule 4

Part II - Item 11(a)

In general, the services of the organization will be rendered to its clients without charge. However, in certain instances clients may be asked to cover certain direct expenses associated with the service they receive. For instance, if a client utilizes facilities of a business incubator, it would be expected that the client would cover the cost of those facilities.

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Schedule 5

Specific Individuals or Classes of Individuals to be Benefited

The purpose of the Corporation shall include the establishment of (or the making of grants or donations to other organizations formed for the purpose of establishing) small enterprise development and assistance centers in the Republic of the Philippines and in other developing nations, with the objectives of such centers being to develop entrepreneurial business enterprises and employment opportunities. The Corporation will strive to achieve its objectives through identifying persons with entrepreneurial leadership capacity, mentality and motivation, sound moral character and a commitment to service; providing such persons with training and required management skills and attitudes; and helping such persons to identify and access necessary resources.

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Schedule 6

Part IV A

	<u>3/1/90 - 6/30/80</u>	<u>1991</u>	<u>BUDGET</u> <u>1992</u>
Line 15 - Contributions, gifts, grants, etc.			
Phillippines Enterprise Development Foundation:	\$25,000	\$ 70,475	\$ 74,794
Cebu Center		50,339	52,856
Davao Center			33,560
No. Luzon			33,560
Visayas			33,560
Latin America			<u>67,119</u>
	<u>\$25,000</u> =====	<u>\$120,814</u> =====	<u>\$295,449</u> =====
Line 17 - Compensation of officers, etc.			
Rubin Lacanlenta:	\$ 7,268 =====		
Line 22 - Other expenses			
Legal & accounting fees:	\$ 1,975		
Promotional material:	1,360		
Office overhead:		\$ 11,000	\$ 11,550
Travel:		<u>10,000</u>	<u>15,000</u>
	<u>\$ 3,335</u> =====	<u>\$ 21,000</u> =====	<u>\$ 26,550</u> =====

International Enterprise Development Foundation
Form 1023 - Application for Recognition of Exemption
Under Section 501(c)(3) of the Internal Revenue Code

Schedule 7

Schedule E - Private Opening Foundation

Line 21 - New created organizations with less than one year's experience

All of the income of the organization will be paid directly for the active conduct of the activities for which it is organized and operated.

Funds for startup of the organization have been granted by Menlo F. Smith and the Humanitarian Fund of the Church of Jesus Christ of Latter-Day Saints. However, no funds have as yet been accepted from the Humanitarian Fund out of a desire on the part of the Directors to demonstrate the effectiveness of the program prior to accepting these funds. Other sources have not as yet been solicited for the same reason. Once it has been shown that the program is productive and effective and following the granting of tax-exempt status by the IRS, fund raising activities will be initiated. We will solicit individuals, foundations, businesses and associations having an interest in international development work. Fund raising activities will consist of personal contacts by Board members and staff, and direct mail appeals.

All or substantially all of the assets that may be acquired by the organization will be used in activities that directly carry out its exempt purpose.

The organization will make qualifying distributions (within the meaning of I.R.C. Section 4942(g)(1) or (2)) in excess of the amount necessary to satisfy the endowment test.