

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

OMB No. 1545-0056

**Note:** 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.  
**Complete the Procedural Checklist on page 8 of the instructions.**

## Part I Identification of Applicant

<b>1a</b> Full name of organization (as shown in organizing document) Chalfonte Foundation	<b>2</b> Employer identification number (EIN) (If none, see page 3 of the <b>Specific Instructions</b> .)
<b>1b</b> c/o Name (if applicable) Rev. James L. Meyer	<b>3</b> Name and telephone number of person to be contacted if additional information is needed  (      )
<b>1c</b> Address (number and street) <span style="float: right;">Room/Suite</span> 4452 St. Antoine, Apt. 203	
<b>1d</b> City, town, or post office, state, and ZIP + 4. If you have a foreign address, see <b>Specific Instructions</b> for Part I, page 3.  Detroit, MI	<b>4</b> Month the annual accounting period ends December
<b>1e</b> Web site address	<b>5</b> Date incorporated or formed
<b>6</b> Check here if applying under section: a <input type="checkbox"/> 501(e) b <input type="checkbox"/> 501(f) c <input type="checkbox"/> 501(k) d <input type="checkbox"/> 501(n)	
<b>7</b> 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.	
<b>8</b> Is the organization required to file Form 990 (or Form 990-EZ)? . . . . . <input type="checkbox"/> N/A <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach an explanation (see page 3 of the <b>Specific Instructions</b> ).	
<b>9</b> 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 numbers, years filed, and Internal Revenue office where filed.	

**10** Check the box for the type of organization. ATTACH A CONFORMED COPY OF THE CORRESPONDING ORGANIZING DOCUMENTS TO THE APPLICATION BEFORE MAILING. (See **Specific Instructions** for Part I, Line 10, on page 3.) See also Pub. 557 for examples of organizational documents.)

a  Corporation- Attach a copy of the Articles of Incorporation (including amendments and restatements) showing approval by the appropriate state official; also include a copy of the bylaws.

b  Trust- Attach a copy of the Trust Indenture or Agreement, including all appropriate signatures and dates.

c  Association- Attach a copy of the 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 the bylaws.

If the organization is 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 \_\_\_\_\_ James L. Meyer, President 8/20/2000  
 (Signature) (Type or print name and title or authority of signer) (Date)

For Paperwork Reduction Act Notice, see page 7 of the instructions.



**Part II** Activities and Operational Information

- 1 Provide a detailed narrative description of all the activities of the organization - past, present, and planned. Do not merely refer to or repeat the language in the organizational document. List each activity separately in the order of importance based on the relative time and other resources devoted to the activity. Indicate the percentage of time for each activity. Each description should include, as a minimum, the following: (a) a detailed description of the activity including its purpose and how each activity furthers your exempt purpose; (b) when the activity was or will be initiated; and (c) where and by whom the activity will be conducted.
1. To provide a safe, recreational and spiritual experience at real property commonly known as "Chalfonte House" in Elk Rapids, Michigan for special needs children and young adults, especially those with handicapping or life-threatening diseases.
  2. To provide an environment for renewal at Chalfonte House for:
    - a. parents whose children have died as a result of life-threatening illness or disease.
    - b. parents with special needs children,
    - c. families and/or children in need of support,
    - d. care-givers, relatives and supporters of children and families.
  3. To facilitate and support education, recreational, psychosocial and spiritual activities and events at Chalfonte House and elsewhere to enhance the lives of children, youth and those who assist them.
  4. To provide education and developmental grants to children throughout the world, youth and families in need to empower them in the development of their gifts and talents.
  5. To provide emergency funding for children, individuals and families in need throughout the world.

2 What are or will be the organization's sources of financial support? List in order of size.  
 Donations, Special Events and Promotions, Memorials, bequests, gifts.

3 Describe the organization's fundraising program, both actual and planned, and explain to what extent it has been put into effect. Include details of fundraising activities such as selective mailings, formation of fundraising committees, use of volunteers or professional fundraisers, etc. Attach representative copies of solicitations for financial support.  
 Christmas/holiday and periodic personal letters, phone requests from friends and acquaintances. Transfer of funds from another tax-exempt account. No professional fund raisers or fund-raising activities are planned.



**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.

Rev. James L. Meyer, ~~director~~ president

b Annual compensation

ZERO

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 **Specific Instructions** for Part II, Line 4d, on page 3.) . . . . .  Yes  No

If "Yes," explain.

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 with 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 a 501(c)(3) organization): (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 organizations 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 II** Activities and Operational Information (Continued)

8 What assets does the organization have that are used in the performance of its exempt function? (Do not include property producing investment income.) If any assets are not fully operational, explain their status, what additional steps remain to be completed, and when such final steps will be taken. If none, indicate "N/A."

9 Will the organization be the beneficiary of tax-exempt bond financing within the next 2 years?  Yes  No

10a Will any of the organization's facilities or operations be managed by another organization or individual under a contractual agreement?  Yes  No

b Is the organization a party to any leases?  Yes  No  
If either of these questions is answered "Yes," attach a copy of the contracts and explain the relationship between the applicant and the other parties.

11 Is the organization a membership organization?  Yes  No  
If "Yes," complete the following:

a Describe the organization's membership requirements and attach a schedule of membership fees and dues.

b Describe the organization's present and proposed efforts to attract members and attach a copy of any descriptive literature or promotional material used for this purpose.

c What benefits do (or will) the members receive in exchange for their payment of dues?

12a If the organization provides benefits, services, or products, are the recipients required, or will they be required, to pay for them?  N/A  Yes  No  
If "Yes," explain how the charges are determined and attach a copy of the current fee schedule.

b Does or will the organization limit its benefits, services, or products to specific individuals or classes of individuals?  N/A  Yes  No  
If "Yes," explain how the recipients or beneficiaries are or will be selected.

13 Does or will the organization attempt to influence legislation?  Yes  No  
If "Yes," explain. Also, give an estimate of the percentage of the organization's time and funds that it devotes or plans to devote to this activity.

14 Does or will the organization intervene in any way in political campaigns, including the publication or distribution of statements?  Yes  No  
If "Yes," explain fully.



**Part III** Technical Requirements

1 Are you filing Form 1023 within 15 months from the end of the month in which your organization was created or formed?  Yes  No  
If you answer "Yes," do not answer questions on lines 2 through 6 below.

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 of local units of a church, a convention or association of churches, or an integrated auxiliary of a church. See **Specific Instructions**, Line 2a, on page 4;
- 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 the organization does not meet any of the exceptions on line 2 above, are you filing Form 1023 within 27 months from the end of the month in which the organization was created or formed?  Yes  No

If "Yes," your organization qualifies under Regulation section 301.9100-2, for an automatic 12-month extension of the 15-month filing requirement. Do not answer questions 4 through 6.

If "No," answer question 4.

4 If you answer "No" to question 3, does the organization wish to request an extension of time to apply under the "reasonable action and good faith" and the "no prejudice to the interest of the government" requirements of Regulations section 301.9100-3?  Yes  No

If "Yes," give the reasons for not filing this application within the 27-month period described in question 3. See **Specific Instructions**, Part III, Line 4, before completing this item. Do not answer questions 5 and 6.

If "No," answer questions 5 and 6.

5 If you answer "No" to question 4, your organization's qualification as a section 501(c)(3) organization can be recognized only from the date this application is filed. Therefore, do you want us to consider the 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 the organization was created or 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 the organization was formed and ending with the date the Form 1023 application was received (the effective date of the organization's section 501(c)(3) status), check here  and attach a completed page 1 of Form 1024 to this application.



**Part III** Technical Requirements (Continued)

7 Is the organization a private foundation?

- Yes** (Answer question 8.)  
 **No** (Answer question 9 and proceed as instructed.)

8 If you answer "Yes" to question 7, does the organization claim to be a private operating foundation?

- Yes** (Complete Schedule E.)  
 **No**

After answering question 8 on this line, go to line 14 on page 7.

9 If you answer "No" to question 7, indicate the public charity classification the organization is requesting by checking the box below that most appropriately applies:

**THE ORGANIZATION IS NOT A PRIVATE FOUNDATION BECAUSE IT QUALIFIES:**

- |   |  |  |
|---|--|--|
| a | <input type="checkbox"/> As a church or a convention or association of churches<br>(CHURCHES MUST COMPLETE SCHEDULE A.)  | Sections 509(a)(1)<br>and 170(b)(1)(A)(i)                          |
| b | <input type="checkbox"/> As a school (MUST COMPLETE SCHEDULE B.)   | Sections 509(a)(1)<br>and 170(b)(1)(A)(ii)                         |
| c | <input type="checkbox"/> As a hospital or a cooperative hospital service organization, or a medical research organization operated in conjunction with a hospital (These organizations, except for hospital service organizations, MUST COMPLETE SCHEDULE C.)                                      | Sections 509(a)(1)<br>and 170(b)(1)(A)(iii)                        |
| d | <input type="checkbox"/> As a governmental unit described in section 170(c)(1).  | Sections 509(a)(1)<br>and 170(b)(1)(A)(v)                          |
| e | <input type="checkbox"/> As being operated solely for the benefit of, or in connection with, one or more of the organizations described in a through d, g, h, or i (MUST COMPLETE SCHEDULE D.)   | Section 509(a)(3)  |
| f | <input type="checkbox"/> As being organized and operated exclusively for testing for public safety.  | Section 509(a)(4)  |
| g | <input type="checkbox"/> As being operated for the benefit of a college or university that is owned or operated by a governmental unit.  | Sections 509(a)(1)<br>and 170(b)(1)(A)(iv)                         |
| h | <input type="checkbox"/> As receiving a substantial part of its support in the form of contributions from publicly supported organizations, from a governmental unit, or from the general public.  | Sections 509(a)(1)<br>and 170(b)(1)(A)(vi)                         |
| i | <input type="checkbox"/> As normally receiving not more than one-third of its support from gross investment income and more than one-third of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions (subject to certain exceptions). | Section 509(a)(2)  |
| j | <input type="checkbox"/> The organization is a publicly supported organization but is not sure whether it meets the public support test of h or i. The organization would like the IRS to decide the proper classification.  | Sections 509(a)(1)<br>and 170(b)(1)(A)(vi)<br>or Section 509(a)(2) |

If you checked one of the boxes a through f in question 9, go to question 14.

If you checked box g in question 9, go to questions 11 and 12.

If you checked box h, i, or j, in question 9, go to question 10.



**Part III** Technical Requirements (Continued)

10 If you checked box h, i, or j in question 9, has the organization completed a tax year of at least 8 months?  
 **Yes** - Indicate whether you are requesting:  
 A definitive ruling. (Answer questions 11 through 14.)  
 An advance ruling. (Answer questions 11 and 14 and attach two Forms 872-C completed and signed.)  
 **No** - You must request an advance ruling by completing and signing two Forms 872-C and attaching them to the Form 1023.

11 If the organization received any unusual grants during any of the tax years shown in Part IV-A, **Statement of Revenue and Expenses**, 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 the 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), Total, 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 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 "disqualified person." (For a definition of "disqualified person," see **Specific Instructions**, Part II, Line 4d, on page 3.)  
 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. If so, complete the required schedule. (Submit only those schedules that apply to your organization. <b>Do not submit blank schedules.</b> )	Yes	No	If "Yes," complete Schedule:
	Is the organization a church? .....		X	A
	Is the organization, or any part of it, a school? .....		X	B
	Is the organization, or any part of it, a hospital or medical research organization? .....		X	C
	Is the organization a section 509(a)(3) supporting organization? .....		X	D
	Is the organization a private operating foundation? .....		X	E
	Is the organization, or any part of it, a home for the aged or handicapped? .....		X	F
	Is the organization, or any part of it, a child care organization? .....		X	G
	Does the organization provide or administer any scholarship benefits, student aid, etc.? .....		X	H
	Has the organization taken over, or will it take over, the facilities of a "for profit" institution? .....		X	I



**Part IV Financial Data**

Complete the financial statements for the current year and for each of the 3 years immediately before it. If in existence less than 4 years, complete the statements for each year in existence. If in existence less than 1 year, also provide proposed budgets for the 2 years following the current year.

**A. Statement of Revenue and Expenses**

	Current tax year	3 prior tax years or proposed budget for 2 years			(e) TOTAL
	(a) From <sup>8/8/00</sup> to <sub>12/31/00</sub>	(b) <sup>1/1/01</sup> <sub>12/31/01</sub>	(c) <sup>1/1/01</sup> <sub>12/31/02</sub>	(d) _____	
<b>Revenue</b>					
1 Gifts, grants, and contributions received (not including unusual grants - see page 6 of the instructions) . . . . .	5,500	10,000	10,000		25,500
2 Membership fees received . . . . .					
3 Gross investment income (see instructions for definition) . . . . .					
4 Net income from organization's unrelated business activities not included on line 3 . . . . .					
5 Tax revenues levied for and either paid to or spent on behalf of the organization . . . . .					
6 Value of services or facilities furnished by a governmental unit to the organization without charge (not including the value of services or facilities generally furnished the public without charge) . . . . .					
7 Other income (not including gain or loss from sale of capital assets) (attach schedule) . . . . .					
8 Total (add lines 1 through 7) . . . . .	5,500	10,000	10,000		25,500
9 Gross receipts from admissions, sales of merchandise or services, or furnishing of facilities in any activity that is not an unrelated business within the meaning of section 513. Include related cost of sales on line 22. . . . .					
10 Total (add lines 8 and 9) . . . . .	5,500	10,000	10,000		25,500
11 Gain or loss from sale of capital assets (attach schedule) . . . . .					
12 Unusual grants . . . . .					
13 Total revenue (add lines 10 through 12) . . . . .	5,500	10,000	10,000		25,500
<b>Expenses</b>					
14 Fundraising expenses . . . . .	100	200	200		
15 Contributions, gifts, grants, and similar amounts paid (attach schedule) . . . . .	5,400	9,800	9,800		
16 Disbursements to or for benefit of members (attach schedule) . . . . .					
17 Compensation of officers, directors, and trustees (attach schedule) . . . . .					
18 Other salaries and wages . . . . .					
19 Interest . . . . .					
20 Occupancy (rent, utilities, etc.) . . . . .					
21 Depreciation and depletion . . . . .					
22 Other (attach schedule) . . . . .					
23 Total expenses (add lines 14 through 22) . . . . .	5,500	10,000	10,000		
24 Excess of revenue over					



**Part IV**

**Financial Data (Continued)**

Current tax year  
Date 12/31/00

**B. Balance Sheet (at the end of the period shown)**

Assets		
1	Cash .....	0
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 ..... <i>(My portion of Torch Lake Property)</i>	36,000
	<i>- 6 Acres</i>	
10	Other assets (attach schedule) .....	
		36,000
11	<b>Total assets</b> (add lines 1 through 10) .....	
Liabilities		
12	Accounts payable .....	
13	Contributions, gifts, grants, etc., payable .....	
14	Mortgages and notes payable (attach schedule) .....	
15	Other liabilities (attach schedule) .....	
		- 0 -
16	<b>Total liabilities</b> (add lines 12 through 15) .....	
Fund Balances or Net Assets		
17	Total fund balances or net assets .....	36,000
		36,000
18	<b>Total liabilities and fund balances or net assets</b> (add line 16 and line 17) .....	
If there has been any substantial change in any aspect of the organization's financial activities since the end of the period shown above, check the box and attach a detailed explanation <input type="checkbox"/>		



**Part IV Financial Data**

Complete the financial statements for the current year and for each of the 3 years immediately before it. If in existence less than 4 years, complete the statements for each year in existence. If in existence less than 1 year, also provide proposed budgets for the 2 years following the current year.

**A. Statement of Revenue and Expenses**

	Current tax year	3 prior tax years or proposed budget for 2 years			(e) TOTAL
	(a) From <u>1/2000</u> to <u>6/2000</u>	(b) <u>1/1999</u> <u>12/1999</u>	(c) <u>8/1998</u> <u>12/1998</u>	(d) -----	
<b>Revenue</b>					
1 Gifts, grants, and contributions received (not including unusual grants - see page 6 of the instructions) . . . . .	425	16,365	29,720		46,510
2 Membership fees received . . . . .					
3 Gross investment income (see instructions for definition) ( <u>Interest</u> ) . . . . .	575	1,207	443		2,225
4 Net income from organization's unrelated business activities not included on line 3 . . . . .					
5 Tax revenues levied for and either paid to or spent on behalf of the organization . . . . .					
6 Value of services or facilities furnished by a governmental unit to the organization without charge (not including the value of services or facilities generally furnished the public without charge) . . . . .					NA
7 Other income (not including gain or loss from sale of capital assets) (attach schedule) . . . . .					NA
8 Total (add lines 1 through 7) . . . . .	1,000	17,572	30,163		48,735 NA
9 Gross receipts from admissions, sales of merchandise or services, or furnishing of facilities in any activity that is not an unrelated business within the meaning of section 513. Include related cost of sales on line 22. . . . .					
10 Total (add lines 8 and 9) . . . . .	1,000	17,572	30,163		NA
11 Gain or loss from sale of capital assets (attach schedule) . . . . .					
12 Unusual grants . . . . .					NA
13 Total revenue (add lines 10 through 12) . . . . .	1,000	17,572	30,163		NA
<b>Expenses</b>					
14 Fundraising expenses . . . . .	.00	.00	.00		NA
15 Contributions, gifts, grants, and similar amounts paid (attach schedule) . . . . .	13,206	11,014	3,789		
16 Disbursements to or for benefit of members (attach schedule) . . . . .	.00	.00	.00		
17 Compensation of officers, directors, and trustees (attach schedule) . . . . .	.00	.00	.00		
18 Other salaries and wages . . . . .	.00	.00	.00		
19 Interest . . . . .	.00	.00	.00		
20 Occupancy (rent, utilities, etc.) . . . . .	.00	.00	.00		
21 Depreciation and depletion . . . . .	.00	.00	.00		
22 Other (attach schedule) . . . . .	.00	.00	.00		
23 Total expenses (add lines 14 through 22) . . . . .	13,206	11,014	3,789		
24 Excess of revenue over expenses (line 13 minus line 23) . . . . .	(12,206)	6,558	26,374		



**Part IV** Financial Data (Continued)

**B. Balance Sheet (at the end of the period shown)**

Current tax year  
Date 6/30/200

Assets		
1	Cash .....	20,726
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	<b>Total assets</b> (add lines 1 through 10) .....	20,726
Liabilities		
12	Accounts payable .....	
13	Contributions, gifts, grants, etc., payable .....	
14	Mortgages and notes payable (attach schedule) .....	
15	Other liabilities (attach schedule) .....	
16	<b>Total liabilities</b> (add lines 12 through 15) .....	.00
Fund Balances or Net Assets		
17	Total fund balances or net assets .....	20,726
18	<b>Total liabilities and fund balances or net assets</b> (add line 16 and line 17) .....	
If there has been any substantial change in any aspect of the organization's financial activities since the end of the period shown above, check the box and attach a detailed explanation		<input type="checkbox"/>



CHALFONTE FOUNDATION  
FORM 1023  
EIN:

PART II  
ACTIVITIES AND OPERATIONAL INFORMATION

2. The organization will be funded primarily with donations, gifts and bequests from the general public, or other tax-exempt organizations, as well as special events or other fundraising promotions.
3. The organization anticipates soliciting donations from personal friends and acquaintances of Rev. James L. Meyer through Christmas/holiday and periodic personal letters (see copy of letter attached, Exhibit 1), as well as personal phone requests. However, the organization does not foresee soliciting funds through professional fund raisers.



Internal Revenue Service  
Director, Exempt Organizations

Department of the Treasury  
P.O. Box 2508 - Room XXXX  
Cincinnati, Ohio 45201

Date: March 27, 2001

Chalfonte Foundation  
C/O James L. Meyer  
4452 St. Antoine, Apt 203  
Detroit, MI 48201

**Employer Identification Number:**

38-3568149

**Person to Contact - ID#:**

Ms. Natalie Allen, 11-01702

**Contact Telephone Numbers:**

718-488-2320 Phone

718-488-2358 FAX

**Response Due Date:**

4/11/01

Dear Sir or Madam:

Thank you for the information recently submitted regarding your application for exemption. Unfortunately, we need more information before we can complete our consideration of your application.

Please furnish the information requested on the enclosure by the response due date shown above. If you do not provide the requested information in a timely manner, we will consider that you have not taken all reasonable steps to secure the determination you requested and we will close your case.

Please return the copy of our letter along with your response. It will help us to identify your file.

If you have any questions concerning this matter, or you cannot meet the response due date, please contact the person whose name and telephone number are shown in the heading of this letter.

Thank you for your cooperation.

Sincerely yours,



Natalie Allen

Exempt Organizations Specialist

Enclosure(s)



Name Chalfonte Foundation  
EIN 38-3568149

Note: Your response to this letter must be submitted over the signature of an authorized person or of an officer whose name is listed on page 3 of the application. If we do not receive your complete response by the due date, we will close your case temporarily. If you submit your response within 90 days after your case has been closed, we will re-open it for processing and you will neither have to file a new application nor lose ~~your~~ user fee.

PLEASE ATTACH A COPY OF THIS LETTER TO ALL CORRESPONDENCE.

Additional Information Requested:

Please provide a detailed description of how your organization plans to operate. Provide the activities and not your mission statement or purposes. Include:

- Will Rev. Meyer live at Chalfonte House? How much space will Rev. Meyer occupy? Will he be paying any rent? Explain responses.
- Describe Chalfonte House.
- Will those receiving your benefits be living at Chalfonte House? Explain.
- Who will pay for the upkeep, rent and other expenses of Chalfonte House? Explain.
- Identify Gary and Lillian Wilson and what is their relationship to your organization, directors, etc.?

Enclosed is your Form 2848, please complete line 3, Tax Matters, Include all three columns.

PLEASE DIRECT ALL CORRESPONDENCE REGARDING YOUR CASE TO:

US Mail:

Internal Revenue Service  
P. O. Box 1680, GPO  
Brooklyn, NY 11202  
ATT: Ms. Natalie Allen  
TE:7911  
Room 522

Street Address:

Internal Revenue Service  
10 MetroTech Center  
625 Fulton Street  
Brooklyn, NY 11201  
Att: Ms. Natalie Allen  
TE:7911  
Room 522



IRS: Director, exempt Organizations  
Department of the Treasury  
P.O. Box 2508 - Room XXXX  
Cincinnati, OH 45201  
Attn: Ms. Natalie Allen, 11-01702  
RE: Chalfonte Foundation # 38-3568149

April 4, 2001

**This letter is in response to your letter dated March 27, 2001 concerning the organization and operation of the Chalfonte Foundation:**

Rev. James L. Meyer, MA, JD has a legal residence in the Detroit Medical Center in the City of Detroit where he has lived for over twenty-five years. He has no plans to change his legal residence. He continues to be consulted and receive referrals from throughout the State of Michigan and beyond, particularly concerning patients and families with Cystic Fibrosis and other life-threatening diseases.

Rev. James L. Meyer owns a second home in Elk Rapids, a resort area in northwestern Michigan. It is a two-story, 120-year-old Victorian style home which is called "Chalfonte House." James L. Meyer purchased Chalfonte House, which is not a part of the Chalfonte Foundation, from GARY W. WILSON and LILLIAN SUE WILSON, husband and wife, on April 11, 1977 (Exhibit A). None of these parties have seen each other since that date.

Several times over the years, Chalfonte House has been renovated to best accommodate critically and terminally ill youth and their support persons. The home has five bedrooms, three kitchens, three full baths, two living areas, one dining area and one gathering area, one "den" and a large recreation area in the basement. Currently, there is no part of the home, nor are there any plans for any part of the home, to be dedicated permanently to Rev. Meyer's exclusively use.

Currently Rev. Meyer pays the mortgage, taxes, insurance, utilities and maintenance from his own funds. At times when not used in his ministry, it is rented to friends in order to provide an income stream for its operation and maintenance. He has no plans to change this arrangement or to assess the Chalfonte Foundation for any of these expenses. No one has permanent residency at Chalfonte House, nor are there any plans for such.

Chalfonte House is integral to, but not an exclusive entity of, the mission and activities of Rev. James L. Meyer and of the Chalfonte Foundation. Chalfonte House provides a safe, healthy, recreational, spiritual, healing environment for groups and individuals, usually facilitated personally by Rev. Meyer. Regularly, and for many years, these activities have included:

1. *Summer weeks* for both young teens and twenties, boys and girls, who have critical or terminal illnesses. Often their siblings and/or peers are included. (cf. Exhibits B and C)
2. Many *weekends* throughout the year wherein from one to twenty persons would be included for respite, recreation, psychosocial and spiritual support.
3. Many *weekends* throughout the year wherein fathers, and /or other support persons would participate.
4. Annual "*Moms' Weekend*", for mothers who have lost children.
5. Annual "*Mothers' Weekend*", for mothers who have special-needs children
6. Annual "*Women's' Weekend*", for women in their twenties and thirties who have diseases, are widowed due to terminal illness of their former spouse, siblings and support persons of the same.



7. *Christmas and New Year's Days* of celebration of life.

8. *Halloween Haunted House* activities (Cf. Exhibit D)

9. *Days of Gratitude* regularly throughout the year, often with some of the kids present, for sponsors and supporters of Chalfonte House.

Rev. James L. Meyer has had almost thirty years of ministry to needy children and adults in his forty-one years as a Roman Catholic priest. Further, he has been a licensed attorney for twenty-eight years, a certified chaplain for twenty-five years and a certified social worker for approximately fifteen years, with a specialization in grief counseling.

Rev. Meyer, as President of the Chalfonte Foundation, will have the primary responsibility for fund raising, generating referrals for service, maintaining relationships with the health care community for referrals, arranging, directing and facilitating programs and events.

Trustee Paul Hresko will be supervising Chalfonte House maintenance and operations as well as preparation and staffing for events. He has 17 years of corporate experience, secondary to his degree in Computer Science and Psychology. He resides in Elk Rapids and is the owner of several businesses there. Further, he will be the local community representative, charged with soliciting local continuing support of businesses and residents.

Trustee Scott Brinkman, who is trained in forestry, scouting, carpentry, building and emergency medicine, will be in charge of major building and renovation to Chalfonte House. Having 14 years of leadership in scouting as well as working with the critically and terminally ill, he will also supervise and direct many of the activities and programs at the House. He is also charged with medical supervision.

Trustee Ryan Giannini is both a community representative and a recipient of services of the Chalfonte Foundation and Chalfonte House. He lives with a rare and physically compromising disease. An honors high school graduate, he is now vigorously pursuing a college career in accounting with a goal toward CPA. (Exhibit E). His current responsibility is monitoring and interpreting the needs of other young people for whom the Foundation provides services. With his degree, he will assume responsibility for managing the financial activities of the Foundation.

Rev. Meyer has had considerable experience with charitable funds, charitable giving and fund raising for many charitable causes and organizations, including Hutzel Hospital in the Detroit Medical Center where he worked as Director of Pastoral Care for 27 years. In 1977 he established a small fund while adjunct chaplain at Children's Hospital of Michigan, to assist the needs there of patients and their families. This Fund has grown and continues today. It will serve as a model for the operation of the Chalfonte Foundation, to wit:

*Solicitation of funds* for the Chalfonte Foundation will include:

1. Annual appeal through Rev. Meyer's holiday card and letter which is mailed, with a personal note, to @ 350 persons and families.

2. Continuing contact with those for whom the Foundation and Rev. Meyer have currently and in the past provided counseling, help and services.



3. "Designated charity" on the occasion of the death.

4. Periodic letters and personal contacts for solicitation of funds as birthday, anniversary and other memorials.

5. Updates on the activities of the Foundation to regular benefactors.

**Assets of the Chalfonte Foundation:** Currently assets of the Foundation consist of approximately \$15,500 in cash as well as a six acre "wood lot" located ten miles from Chalfonte House. The latter will serve for nature walks, overnight camping, hunting, storage of a sailboat to be used by "Chalfonte House kids", etc.. These assets have resulted from donations of approximately one hundred (100) different persons.

**Distribution of funds:** Because Rev. Meyer has personally assumed financial responsibility for the building that is Chalfonte House (cf. paragraph five above), and because there is no compensation for service as officers or trustees of the Foundation, all funds can be dedicated to the mission of the Foundation. As was stated in paragraph six above, "*Chalfonte House is integral to, but not an exclusive entity of, the mission and activities of Rev. James L. Meyer and of the Chalfonte Foundation*". (emphasis added)

As indicated above, distributions last year from a similar fund administered by Rev. Meyer amounted to over twenty-two thousand dollars (\$ 22,000.00). Distributions were among the following:

1. Orphanages and schools in the inner city of Detroit as well as those devastated by earthquakes in Honduras, El Salvador and India.

2. Suffering children of migrant workers in California, in Iraq, and Haiti; inner city refuges in Detroit, New York City, Rochester and Albany.

3. Funds were also given to: developing youth leadership in Cincinnati, volunteers to children in Central America, housing development in the city of Detroit, anti-violence programs against women and children, women's issues, adopt-a-family in Detroit, and an art mentoring program for disadvantaged youth in the inner city of Detroit.

4. Funds were used to purchase modems, printers and speakers for approximately thirty (30) rehabilitated computers which were then distributed to disadvantaged children and young adults.

5. Funds were given to help pay utilities of a mother recently off welfare, help bury a teenager who was killed by random gunshots in the city, transportation and food supplements for children with cystic fibrosis, and needs of several children with osteo-sarcoma.

6. Rev. Meyer also uses his inner city residence as a gathering for the benefit of disadvantaged youth and their support network. Costs there have been minimal.

7. It should be noted that funding for activities at Chalfonte House amounted to only \$ 3,902.05 of the \$22,000.00 disbursement in 2000.

I hope, pray and trust this thorough description and explanation of the activities and ministry of Rev. James L. Meyer and the Chalfonte Foundation will help you quickly reach a favorable decision concerning its status as a Public 501.c.3. Charity. Thank you very much for your kind attention to these matters.



INTERNAL REVENUE SERVICE  
P. O. BOX 2508  
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: APR 3 0 2001

CHALFONTE FOUNDATION  
C/O REV JAMES L MEYER  
4452 ST ANTOINE APT 203  
DETROIT, MI 48201

Employer Identification Number:  
38-3568149  
DLN:  
17053353037000  
Contact Person:  
NATALIE ALLEN ID# 11668  
Contact Telephone Number:  
(877) 829-5500  
Accounting Period Ending:  
December 31  
Foundation Status Classification:  
509(a)(1)  
Advance Ruling Period Begins:  
August 8, 2000  
Advance Ruling Period Ends:  
December 31, 2004  
Addendum Applies:  
No

Dear Applicant:

Based on information you supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined you are exempt from federal income tax under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3).

Because you are a newly created organization, we are not now making a final determination of your foundation status under section 509(a) of the Code. However, we have determined that you can reasonably expect to be a publicly supported organization described in sections 509(a)(1) and 170(b)(1)(A)(vi).

Accordingly, during an advance ruling period you will be treated as a publicly supported organization, and not as a private foundation. This advance ruling period begins and ends on the dates shown above.

Within 90 days after the end of your advance ruling period, you must send us the information needed to determine whether you have met the requirements of the applicable support test during the advance ruling period. If you establish that you have been a publicly supported organization, we will classify you as a section 509(a)(1) or 509(a)(2) organization as long as you continue to meet the requirements of the applicable support test. If you do not meet the public support requirements during the advance ruling period, we will classify you as a private foundation for future periods. Also, if we classify you as a private foundation, we will treat you as a private foundation from your beginning date for purposes of section 507(d) and 4940.

Grantors and contributors may rely on our determination that you are not a private foundation until 90 days after the end of your advance ruling period. If you send us the required information within the 90 days, grantors and contributors may continue to rely on the advance determination until we make

Letter 1045 (DO/CG)



CHALFONTE FOUNDATION

a final determination of your foundation status.

If we publish a notice in the Internal Revenue Bulletin stating that we will no longer treat you as a publicly supported organization, grantors and contributors may not rely on this determination after the date we publish the notice. In addition, if you lose your status as a publicly supported organization, and a grantor or contributor was responsible for, or was aware of, the act or failure to act, that resulted in your loss of such status, that person may not rely on this determination from the date of the act or failure to act. Also, if a grantor or contributor learned that we had given notice that you would be removed from classification as a publicly supported organization, then that person may not rely on this determination as of the date he or she acquired such knowledge.

If you change your sources of support, your purposes, character, or method of operation, please let us know so we can consider the effect of the change on your exempt status and foundation status. If you amend your organizational document or bylaws, please send us a copy of the amended document or bylaws. Also, let us know all changes in your name or address.

As of January 1, 1984, you are liable for social security taxes under the Federal Insurance Contributions Act on amounts of \$100 or more you pay to each of your employees during a calendar year. You are not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

Organizations that are not private foundations are not subject to the private foundation excise taxes under Chapter 42 of the Internal Revenue Code. However, you are not automatically exempt from other federal excise taxes. If you have any questions about excise, employment, or other federal taxes, please let us know.

Donors may deduct contributions to you as provided in section 170 of the Internal Revenue Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

Donors may deduct contributions to you only to the extent that their contributions are gifts, with no consideration received. Ticket purchases and similar payments in conjunction with fundraising events may not necessarily qualify as deductible contributions, depending on the circumstances. Revenue Ruling 67-246, published in Cumulative Bulletin 1967-2, on page 104, gives guidelines regarding when taxpayers may deduct payments for admission to, or other participation in, fundraising activities for charity.

Contributions to you are deductible by donors beginning August 8, 2000.

You are not required to file Form 990, Return of Organization Exempt From Income Tax, if your gross receipts each year are normally \$25,000 or less. If you receive a Form 990 package in the mail, simply attach the label provided, check the box in the heading to indicate that your annual gross receipts are normally \$25,000 or less, and sign the return. Because you will be treated as



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a public charity for return filing purposes during your entire advance ruling period, you should file Form 990 for each year in your advance ruling period that you exceed the \$25,000 filing threshold even if your sources of support do not satisfy the public support test specified in the heading of this letter.

If a return is required, it must be filed by the 15th day of the fifth month after the end of your annual accounting period. A penalty of \$20 a day is charged when a return is filed late, unless there is reasonable cause for the delay. However, the maximum penalty charged cannot exceed \$10,000 or 5 percent of your gross receipts for the year, whichever is less. For organizations with gross receipts exceeding \$1,000,000 in any year, the penalty is \$100 per day per return, unless there is reasonable cause for the delay. The maximum penalty for an organization with gross receipts exceeding \$1,000,000 shall not exceed \$50,000. This penalty may also be charged if a return is not complete. So, please be sure your return is complete before you file it.

You are not required to file federal income tax returns unless you are subject to the tax on unrelated business income under section 511 of the Code. If you are subject to this tax, you must file an income tax return on Form 990-T, Exempt Organization Business Income Tax Return. In this letter we are not determining whether any of your present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

You are required to make your annual information return, Form 990 or Form 990-EZ, available for public inspection for three years after the later of the due date of the return or the date the return is filed. You are also required to make available for public inspection your exemption application, any supporting documents, and your exemption letter. Copies of these documents are also required to be provided to any individual upon written or in person request without charge other than reasonable fees for copying and postage. You may fulfill this requirement by placing these documents on the Internet. Penalties may be imposed for failure to comply with these requirements. Additional information is available in Publication 557, Tax-Exempt Status for Your Organization, or you may call our toll free number shown above.

You need an employer identification number even if you have no employees. If an employer identification number was not entered on your application, we will assign a number to you and advise you of it. Please use that number on all returns you file and in all correspondence with the Internal Revenue Service.

In accordance with section 508(a) of the Code, the effective date of this determination letter is August 8, 2000.

If we said in the heading of this letter that an addendum applies, the addendum enclosed is an integral part of this letter.

Because this letter could help us resolve any questions about your exempt status and foundation status, you should keep it in your permanent records.



CHALFONTE FOUNDATION

We have sent a copy of this letter to your representative as indicated in your power of attorney.

If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

Sincerely yours,

A handwritten signature in cursive script that reads "Steven T. Miller".

Steven T. Miller  
Director, Exempt Organizations

Enclosure(s):  
Form 872-C



Attn: Dave Lentz

Form **872-C**

(Rev. September 1998)

Department of the Treasury  
Internal Revenue Service

**Consent Fixing Period of Limitation Upon  
Assessment of Tax Under Section 4940 of the  
Internal Revenue Code**

(See instructions on reverse side.)

OMB No. 1545-0056

To be used with  
Form 1023. Submit  
in duplicate.

Under section 6501(c)(4) of the Internal Revenue Code, and as part of a request filed with Form 1023 that the organization named below be treated as a publicly supported organization under section 170(b)(1)(A)(vi) or section 509(a)(2) during an advance ruling period,

Chalfonte Foundation  
*(Exact legal name of organization as shown in organizing document)*  
4452 St. Antoine, Apt. 203  
Detroit, MI 48201  
*(Number, street, city or town, state, and ZIP code)*

*Director, Exempt Organizations*  
~~District Director of~~  
Internal Revenue, or  
Assistant  
Commissioner  
(Employee Plans and  
Exempt Organizations)

and the

consent and agree that the period for assessing tax (imposed under section 4940 of the Code) for any of the 5 tax years in the advance ruling period will extend 8 years, 4 months, and 15 days beyond the end of the first tax year.

However, if a notice of deficiency in tax for any of these years is sent to the organization before the period expires, the time for making an assessment will be further extended by the number of days the assessment is prohibited, plus 60 days.

Ending date of first tax year 12/31/00  
*(Month, day, and year)*

Name of organization (as shown in organizing document)	Date
Chalfonte Foundation	11/21/00
Officer or trustee having authority to sign	Type or print name and title
Signature ▶ <i>James L. Meyer</i>	JAMES L. MEYER, President

**For IRS use only**

<del>District Director or Assistant Commissioner (Employee Plans and Exempt Organizations)</del> <i>Director, Exempt Organizations</i>	Date
<i>Steven Miller</i>	4/26/01

By ▶ *Howard Schwartz Group Manager*

For Paperwork Reduction Act Notice, see page 7 of the Form 1023 Instructions.