

4400 Livernois Troy, Michigan 48098-4799

FUNDRAISING GROUPS

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Release Date: September 2008

TABLE OF CONTENTS

I. Financial Controls

- A. Internal Controls
- B. Fund Raising Activities/Procedures
- C. Forms:
 - 1. Request for Permission to Conduct Fundraising Activity
 - 2. Fundraising Activity Summary Report

II. Booster Groups vs. Internal Groups

- A. Booster Groups
- **B.** Internal Groups
- C. Insurance
- III. Steps Required to Establish and Maintain a Michigan Non-Profit Corporation Exempt from Tax Under Section 501(c)(3) of the Internal Revenue Code of 1986
 - A. Adoption and Filing of Articles of Incorporation
 - B. Employer Identification Number (Form SS-4)
 - C. Adopt By-Laws
 - D. Applying for Tax-Exempt Status (Form 1023)
 - E. Registering with State as a Charitable Organization
 - F. Registering with State for Sales, Use and Withholding Tax
 - G. Obtaining Insurance
 - H. Filing Annual Report with IRS (Form 990)
 - I. Filing Annual License to Solicit Donations
 - J. Filing Michigan Annual Report
- IV. Charitable Solicitation Permit City of Troy
- V. Raffles

Release Date: September 2008

VI. Compliance with District Policies

- A. Sexual Harassment
- B. Non-discrimination
- C. Alcohol and Drug Free Schools
- D. Distribution of Materials
- E. Advertising
- VII. Michigan High School Athletic Association (MHSAA) Rules
- VIII. Brick Fundraising
 - IX. Record Retention

Release Date: September 2008

TAB 1 FINANCIAL CONTROLS

I. Financial Controls

A. Internal Controls

It is important for any group to adopt proper internal control procedures for their organization. Having strong internal controls in place helps the organization protect the funds collected.

The following are suggestions to create an internal control policy for each organization/club. The policy should be written and shared with all volunteers in the organization/club.

Cash Receipts

- There shall be no commingling of activity fund moneys and personal moneys.
- Two people (unrelated to each other) should be present to receive cash receipts at events.
- Two people (unrelated to each other) should count cash at the end of each event.
- Prepare a detailed cash receipt for each deposit.
- Use tickets for cash events. Perform reconciliation.
- Make deposits as cash is received. Do not hold cash in the building for later deposit. Money should be taken to the bank immediately after the event is complete.
- Don't take money home.
- Don't leave money in school.
- Never leave people alone with money.
- Create a finance committee to:
 - o Review monthly financial statements
 - o Review all transactions monthly
 - o Review bank reconciliations monthly

<u>Cash Disbursements</u> (Booster groups only)

- Require two signatures on all checks.
- No checks may be payable to "CASH".
- Use cash advance form if money is requested prior to purchase (signed by volunteer requesting money).

- If an advance check is requested, receipts must be returned by the person making the purchase immediately.
- Use reimbursement forms (signed by volunteer requesting money).

All internal groups must follow Troy School District procedures for cash handling.

B. Fund Raising Activities

The District recognizes that fund raising activities for educational purposes have the potential to be constructive, humanitarian events. In order to preserve the constructive aspect of fund raising activities, administrative approval will be based upon consideration of the merit of the activity, the financial burden placed on the community and other on-going fund raising activities within the District and the community at large.

Fund raising activities should consume very little class time and should not place an excessive burden on classroom teachers. Classroom or club sponsors must assume responsibility for supervising the fund raising event, including proper accounting and handling of all funds, filing of necessary paperwork and any other details involved with the activity.

Whenever possible, efforts should be made to patronize local merchants and/or manufacturers when obtaining merchandise for sale. Every effort should be made to obtain the lowest possible price.

The procedures in this manual are to be followed for all fundraisers throughout the District, including external PTO's or Booster Clubs raising funds for the benefit of the District. These procedures are to be used in conjunction with the District's receipt and disbursement guidelines.

Internal clubs or organizations may utilize the District's federal tax identification number for fund raising activities upon authorization from the Assistant Superintendent, Business Services or his/her designee. However, under no circumstances should an external PTO or Booster Club utilize the federal tax identification number of the District. External PTO and Booster Club organizations need to apply to the federal government to obtain their own federal identification number to be used in fundraising activities. (See Section III)

Procedures

Two forms will be required to conduct a fundraiser. The Troy School District "Request for Permission to Conduct a Fund Raising Activity" must be completed **prior** to the fund raising activity. The "Fund Raising Activity Summary Report" must be completed **subsequent** to the fund raising activity.

Request for Permission to Conduct a Fund Raising Activity – (Prior to Activity)

Form is completed by the Teacher/Advisor responsible for the fund raising activity and turned in to the Building Administrator.

Building Administrator reviews request for authorization, taking into consideration other scheduled fund raising activities posted on the District calendar. The District calendar is available for review on the District website.

Building Secretary files one copy in the Building Office and sends a copy of the authorized request to the originator of the request.

Fund Raising Activity Summary Report – (Subsequent to Activity)

Form is completed by Teacher/Advisor responsible for the fund raising activity and turned in to Building Secretary.

Building Secretary assigns appropriate general ledger account number where funds are to be deposited.

Building Administrator reviews and signs report.

One copy of the form is filed in Building Office.

One copy of the "Request for Permission to Conduct a Fund Raising Activity" and a copy of the "Fund Raising Activity Summary Report" is sent to the Business Office.



REQUEST FOR PERMISSION TO CONDUCT A FUNDRAISING ACTIVITY

School:	Date of Activity:
Group to Profit:	Person Responsible:
Description of Activity (including purpose):	
Names of all supervisors/chairpersons of the	·
For Building Use Only:	
Approved: Not A	pproved:
Administrator Signature:	

This form must be filled out before any fund raising event and distributed to the Building Principal for approval. A signed copy must be returned to the Business Office prior to the event and again with the financial statement.



Fund Raising Activity Summary Report

mame (or Event						
Person	Responsible:		_	Date of A	Activity:		
	ross Sales (Total ı	money taken in):			<u>Ck #</u>	<u>Date</u>	
Less S	ales Tax:						
Net Sa	les:		\$	-			
Deposi Prepare		<u>Date</u>	Amount				
Total D	eposits		\$	-			
Differe	nce (Explain Va	rience below):	\$	-			
Genera	al Ledger Acour	nt Number (Inter	-				
		·	Expense D		la .	le e	
Date	State of Mich	ndor	Descr Sales		Cost	Total Expenses	
	State of Wilch	ligari	Jaies	Ιαλ			
	+	+					
						\$ -	
Explain	any vendor bo	nus program (ca	ash bak for vo	olume sa	les, free pro	oducts, etc.):	
Droper	od by	Date		Verified	by	Date	
Prepare	c u by	Dale		v CHIHEU	υy	Date	,

TAB 2 BOOSTER vs. INTERNAL

II. BOOSTER GROUPS VS. INTERNAL GROUPS

A. BOOSTER GROUPS

Booster groups formed to promote and assist in the financing of a given activity for the improvement of student education shall be recognized by the District Board of Education. Autonomous booster groups have chosen to keep their own financial records and hold funds in bank accounts which are separate from those of the Troy School District. These groups MUST BE LEGALLY ESTABLISHED AS A NON-PROFIT ORGANIZATION through the State of Michigan. They must have their own tax ID number separate from the Troy School District. They will also be responsible for filing all appropriate tax and financial reporting to the appropriate agencies.

Specific Rules for Autonomous Booster Groups

- 1. Autonomous Booster Groups must file the appropriate Articles of Incorporation with the State of Michigan. A copy of this filing should be on file with the District.
- 2. The Michigan annual Report for Nonprofit Corporations must be filed annually with a copy given to the District.
- 3. Sales tax must be collected where appropriate and paid to the State in accordance with Sales Tax Regulations. Annual Sales Tax Returns must be filed with the State of Michigan.
- 4. Federal tax and a Form 1099 must be filed in accordance with IRS regulations.
- 5. Under no circumstances shall an autonomous Booster Group use the District's federal tax ID number for any purpose whatsoever, including fund raising or bank account purposes.

See Section III. for more information about the procedures for establishing the group as a non-profit corporation exempt from tax under Section 501 (c) 3 of the Internal Revenue Code of 1986.

Release Date: September 2008 Section: Booster Groups vs. Internal Groups

B. INTERNAL GROUPS

Internal groups will be autonomous in their decision making, but will keep **all** funds on deposit with the District. The District will maintain the books, which will be available for booster member review. Disbursement of funds will be at the sole discretion of the internal group. However, they must follow the internal accounting controls established for all District funds. An internal group may use the District federal tax ID number for fund raising activities.

Specific Rules for Internal Groups

- 1. Checks will be processed through the District's accounting department.
- 2. Internal groups may legally use the District's federal tax ID number in transacting all business.
- 3. The internal booster group will have access to all of its accounting records. Please request required reports from the building secretary.
- 4. Sales tax information should be given to the building secretary, who will forward the information to the business office for filing with the State of Michigan.

Release Date: September 2008 Section: Booster Groups vs. Internal Groups

C. INSURANCE

- Internal groups enjoy protection through the District's insurance carrier. This includes employee dishonesty coverage.
- Booster groups are separate entities. The District has partial insurance coverage for Booster Groups:
 - i. Michigan Compiled Law (MCL) 450.2209 states that Officers, Directors and volunteers of a non-profit organization have immunity under Michigan law if they were acting in good faith and conduct did not amount to gross negligence. However, the PTO must be incorporated for this to take effect.
 - ii. Members of PTO's are considered volunteers; so they would have liability coverage with the District excess of other coverage available.

Please visit the PTO website (http://www.ptotoday.com) for information on purchasing insurance for PTO and other booster groups.

Release Date: September 2008

Section: Booster Groups vs. Internal Groups

NONPROFIT CORPORATION ACT (EXCERPT) Act 162 of 1982

450.2209 Articles of incorporation; additional provisions.

Sec. 209. The articles of incorporation may contain any provision consistent with any of the following:

- (a) A provision regarding the management of the corporation or creating, defining, limiting, or regulating the powers of the corporation, its directors, officers, members, or shareholders, or a class of shareholders or members.
 - (b) A provision that is required or permitted under this act to be included in the bylaws of the corporation.
- (c) A provision that eliminates the personal liability of a volunteer director or volunteer officer to the corporation, its shareholders, or its members for monetary damages for a breach of the director's or officer's fiduciary duty. The provision does not eliminate or limit the liability of a director or officer for any of the following:
- (i) A breach of the director's or officer's duty of loyalty to the corporation, its shareholders, or its members.
- (ii) Acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law.
 - (iii) A violation of section 551(1).
 - (iv) A transaction from which the director or officer derived an improper personal benefit.
 - (v) An act or omission occurring before the effective date of the provision granting limited liability.
 - (vi) An act or omission that is grossly negligent.
- (d) For a tax exempt corporation under section 501(c)(3) of the internal revenue code, a provision that the corporation assumes all liability to any person other than the corporation, its shareholders, or its members for all acts or omissions of a volunteer director occurring on or after January 1, 1988 incurred in the good faith performance of the volunteer director's duties.
- (e) A provision that a nonprofit corporation assumes the liability for all acts or omissions of a volunteer director, volunteer officer, or other volunteer occurring on or after the effective date of the provision granting limited liability if all of the following are met:
- (i) The volunteer was acting or reasonably believed he or she was acting within the scope of his or her authority.
 - (ii) The volunteer was acting in good faith.
 - (iii) The volunteer's conduct did not amount to gross negligence or willful and wanton misconduct.
 - (iv) The volunteer's conduct was not an intentional tort.
- (ν) The volunteer's conduct was not a tort arising out of the ownership, maintenance, or use of a motor vehicle for which tort liability may be imposed as provided in section 3135 of the insurance code of 1956, Act No. 218 of the Public Acts of 1956, being section 500.3135 of the Michigan Compiled Laws.

History: 1982, Act 162, Eff. Jan. 1, 1983;—Am. 1987, Act 170, Eff. Jan. 1, 1988;—Am. 1990, Act 39, Imd. Eff. Mar. 29, 1990;—Am. 1993, Act 129, Imd. Eff. July 22, 1993;—Am. 1996, Act 397, Imd. Eff. Oct. 9, 1996.

Insurance: Do You Need It?

Print



Without insurance, your group and your officers may be at risk. Here's what you should know to assess your needs.

Written by Vanessa Parks

Related Links

PTO vs. PTA: What's the Difference?

Insurance: What You Should Know

Budget Basics for PTOs

Tackling Your PTO
Tax Return

Build Support for New Ideas

Parent Group Insurance

PTO Manager Software With a moon bounce, three-legged races, and popcorn machines, most PTO volunteers see a carnival as a festive way to boost school spirit, raise some money, and, of course, have a little fun. But from where insurance providers sit, that same carnival looks more like a little shop of horrors.

The moon bounce? A chance for someone to get hurt, perhaps seriously. Ditto the three-legged race. The popcorn machine? A fire hazard.

From the big endeavors like buying and installing playgrounds to even the seemingly innocuous ones like allowing students to buy inexpensive gifts at a holiday shop, the experts see trouble. Someone could fall off one of those swings, choke on one of those gift items. They're not being hysterical or alarmist. Those things—while infrequent—have happened.

PTOs and PTAs should be insured, not only to protect against injuries and damages at events that they sponsor but also to protect themselves against embezzlers. Even if the parent group itself is short on cash, someone filing a lawsuit may decide to name officers who seem to have more personal assets.

Many volunteers seem to take a head-in-the-sand approach, thinking, "Well, I'm a volunteer so I can't be sued" or "We're just a simple parent group. Who would embezzle from us?" The trouble is that anyone can be

sued, and parent groups across the country have been victims of theft more times than we care to remember. Lawsuits require attorneys (at \$200 per hour). Missing funds can be terribly difficult to replace.

And while many parent group leaders assume (or are told by a school administrator) that their group is covered by a school or district insurance policy, experts strongly recommend that parent leaders confirm

that assumption before taking a large risk.

Do We Really Need Insurance?

Melissa Repetski, outgoing president of the Boyette Springs Elementary School PTA in Riverview, Florida, considers insurance "a must."

"I'd be scared to hold an activity without it," she says. Because the state PTA encourages local groups to take out insurance, the Boyette Springs group has a liability policy that costs about \$300 a year and has bonded its president and treasurer at approximately an additional \$100 a year. "With all the cases of embezzlement going around, I see the point," Repetski says.

The fact is that anyone can sue anyone at any time. While not all suits have merit, in this increasingly litigious time, a modest insurance investment can certainly lead to peace of mind and—if the worst case does strike—protection.

Because insurance is regulated by states and not by the federal government, the rules vary from state to state. In some states, for instance, school districts are specifically forbidden from covering PTO events under their insurance. In other states, the decision is left up to the school districts.

The best way to find out whether your parent organization is covered under the school's policy is to ask the school district's business manager. Be specific; if your group *is* covered by a school policy, ask what that includes—parent group meetings, family events such as carnivals, and so forth—and whether it applies to activities on or off school grounds.

Your best bet, though, is to ask for written confirmation of coverage from the district's insurer. If you can't get proof of coverage during good times, what will happen on that dark day when an accident happens?

Which Policies Should We Purchase?

Once a parent teacher organization has made the decision to purchase insurance, there are several things to look for. The PTO Today Plus Insurance Program, which has a particular focus on all types coverage for school parent-teacher groups, offers five different options.

General liability insurance covers injuries that occur at events sponsored by your parent group or on equipment, such as playgrounds, owned or bought by the group. On general liability policies, be sure that all volunteers are covered.

The second type of coverage is fidelity bonds, covering the officers and protecting from embezzlement of the parent group's money. After general liability insurance, it is the most common. Some policies require the treasurer and/or president to be named individually each year, but blanket policies (such as that offered thorugh PTO Today's insurance program) don't require that.

The third category is property coverage, which protects personal property, including fundraising merchandise, against damage or loss due to theft or natural disasters. If that copier you purchase for your PTO is ruined in a flood or that \$20,000 shipment of candy melts due to a refrigerator power outage, then your relatively inexpensive property coverage could come in handy.

Next is directors and officers liability coverage. Officers liability coverage is truly an investment in the

leaders of your group. These leaders who put in so much volunteer time are also exposing themselves to greater risk. Their decisions as leaders could be called into question in a lawsuit ("Why did you decide to rent that moon bounce?"), and D&O insurance is designed to protect them in that case.

Finally, there's accident medical coverage, which helps avoid lawsuits by paying for out-of-pocket medical expenses if someone is injured. The policy also provides medical expense coverage for items that are excluded from the general liability policy, including automobiles and school buses used for field trips. (Accident medical insurance should not replace your general liability policy, however.)

The PTO Today Plus Advantage

Until the advent of PTO Today Plus, independent parent groups really only had three unattractive options for insurance:

- 1. No coverage at all
- 2. Quite expensive coverage from a local insurer (with no/little parent group experience)
- 3. Coverage from a parent group specialist, but without the benefit of a group rate or group expertise

PTO Today Plus groups, though, have a better option, through the PTO Today Plus Parent Group Insurance Program. Access to this comprehensive, deeply discounted insurance package is a key benefit of PTO Today Plus membership. Most PTO Today Plus members save more on insurance alone than the cost of an annual membership fee.

PTO Today has partnered with a carrier that's been rated A+ by A.M. Best, an independent, third-party organization that rates financial and insurance institutions. The package of protections offered through PTO Today Plus is the very same package used by thousands of PTA groups throughout the country. (Of course, those groups often pay far more in dues than the cost of Plus membership.)

It's a compelling program and a wise investment. Insuring your group, your volunteers and your leaders means that you're serious about your parent group work. Your volunteers—and especially your leaders—are putting their hearts and souls into your PTO, and they shouldn't be faced with a personal liability should the worst occur. And a quick review of PTO news in recent years shows clearly that no group is immune from the dangers of theft or embezzlement.

Being a PTO or a PTA or any other kind of community group is no shield against a lawsuit or a loss. Insurance protection—especially at a group-discounted price—can make all the difference.

Want more information about insurance? Read about the <u>PTO Today Plus Parent Group Insurance Program.</u>

TAB 3 STEPS TO EST. 503(c)

III. STEPS REQUIRED TO ESTABLISH AND MAINTAIN A MICHIGAN NON-PROFIT CORPORATION EXEMPT FROM TAX UNDER SECTION 501 (C) 3 OF THE INTERNAL REVENUE CODE OF 1986

DISCLAIMER: The information presented under this section

is being provided for informational purposes only. Those interested in establishing a nonprofit corporation would be well advised to contact an attorney regarding the legal and tax issues with regard to the establishment of

a non-profit corporation.

Exhibit 1. Articles of Incorporation

Groups must draft governing documents. Most organizations form a Michigan nonprofit corporation by filing Articles of Incorporation with the State. The filing fee is \$20. Fill-in forms can be accessed at the Department of Labor and Economic Growth site located on the State of Michigan website (www.Michigan.gov).

Exhibit 2. Employer Identification Number

Groups must obtain a federal employer identification number (tax ID number) by filing **Form SS-4** with the IRS. No filing fee is required. Fill-in forms can be accessed at www.irs.gov.

Exhibit 3. By-Laws

Release Date: September 2008

Groups must adopt a set of by-laws. By-laws and Articles of Incorporation are to be submitted with Form 1023 (Exhibit 4).

Exhibit 4. Apply for Tax-exempt Status

Groups must apply for recognition of tax-exempt status by filing **Form 1023** with the IRS. The filing fee is based on average gross receipts. Fill-in forms can be accessed at www.irs.gov.

<u>Exhibit 5</u>. Register with the State as a Charitable Organization

Groups must register with the State of Michigan Attorney General's office as a charitable organization by filing an **Initial Charitable Trust/Charitable Solicitation Questionnaire.** No filing fee is required. The questionnaire can be accessed at the Attorney General's site located on the State of Michigan website (www.Michigan.gov).

Exhibit 6. Register with the State of Michigan Sales, Use and Withholding Tax Division

Groups must register with the State of Michigan Sales, Use and Withholding Tax Division to collect sales tax, claim exemption from sales tax, or to report payroll taxes. Filing fee is \$1.00 to the State. Sales tax registration, collection information and forms can be accessed at the Department of Treasury's site on the State of Michigan website (www.Michigan.gov).

Exhibit 7. Obtain Insurance (Optional)

Groups may elect to obtain Directors and Officers Insurance.

Exhibit 8. File Annual Report with the IRS

Groups must file annual **Form 990** titled Return of Organization Exempt from Income Tax with the IRS. There is no tax liability unless the group engages in unrelated activities. Fill-in forms can be accessed at www.irs.gov.

Exhibit 9. File Annual License to Solicit Donations

Groups must file an annual application with the Michigan Attorney General's office for a License to Solicit Donations. Fill-in annual application form can be accessed at the Attorney General's site located on the State of Michigan website (www.Michigan.gov).

Exhibit 10. File a Michigan Annual Report

Groups must file a Michigan Annual Report by October 1 of each year with the Michigan Corporation, Securities and Land Development Bureau. The filing fee is \$10.00. Fill-in Annual Report can be accessed at the Department of Labor and Economic Growth site located on the State of Michigan website (www.Michigan.gov).

Exhibit 1 - Articles of Incorporation – Michigan Nonprofit Corporation

Groups must draft governing documents. Most organizations form a Michigan nonprofit corporation by filing Articles of Incorporation with the state. The filing fee to the state is \$20.00.

	12/05)

MICHIG	AN DEPARTMENT OF BUREAU OF COM	LABOR & ECONOM MERCIAL SERVICES		
Date Received		(FOR BUREAU USE ONL)	0	
	This document is effective on subsequent effective date wit received date is stated in the	thin 90 days after		
ame			1	
ddress			-	
ity	State	Zip Code	EFFECTIVE DATE:	
Document will be re	eturned to the name and add	dress you enter above.	LITEORIVE DATE.	
If left blank do	cument will be mailed to the	registered office.		
	ARTIC	CLESOFINCOR	PORATION	
	_	y Domestic Nonpro	=	
	(Please read in	nformation and instruct	ions on the last page	e)
Pursuant to Articles:	the provisions of Act 162,	Public Acts of 1982, the	undersigned corporation	on executes the following
ADTIOL E. I				
ARTICLE I				
The name of the	corporation is:			
ARTICLE II				
The purpose or p	urposes for which the corpo	oration is organized are:		
ARTICLE III				
ARTICLE III				
4 The constant	n is organized upon a			basis.
I 1 I ne cornoratio	in is organized upon a	(Stock or Nons	stock)	busis.
1. The corporation				
	n a stock basis, the total nur	mber of shares which the	corporation has autho	ority to issue is
	n a stock basis, the total nui			-
2. If organized or classes, the de	n a stock basis, the total numerical numbers are signation of each class, the shares of each class are	e number of shares in ea	If the shares are, or	are to be, divided into
2. If organized or classes, the de	esignation of each class, the	e number of shares in ea	If the shares are, or	are to be, divided into
2. If organized or classes, the de	esignation of each class, the	e number of shares in ea	If the shares are, or	are to be, divided into

ART	ICLE III (cont.)			
3.	a. If organized on a nonstock basis, the description and value of	of its real property a	assets are: (if nor	e, insert "none")
	b. The description and value of its personal property assets are	e: (if none, insert "	none")	
	c. The corporation is to be financed under the following general	plan:		
	d. The corporation is organized on a(Membe	rship or Directorship)	b	asis.
ART	ICLE IV			
1.	The address of the registered office is:			
			, Michigan	
	(StreetAddress)	(City)	,ga <u></u>	(ZIP Code)
2.	The mailing address of the registered office, if different than about	ve:		
			, Michigan	
	(Street Address or P.O. Box)	(City)	,, - J- <u></u>	(ZIP Code)
3.	The name of the resident agent at the registered office is:			
ART	ICLE V			
Th	e name(s) and address(es) of the incorporator(s) is (are) as follows:	ows:		
	Name Reside	ence or Business A	Address	
-				

Use space below or added. Attach	for additional Articles or for continuation additional pages if needed.	on of previou	us Articles.	Please i	dentify a	ny Article	being con	tinued
I, (We), the incor	porator(s) sign my (our) name(s) this _		day of				,	

C&S 502	
Name of person or organization	Preparer's name and business
remitting fees:	telephone number:

INFORMATION AND INSTRUCTIONS

- 1. This form may be used to draft your Articles of Incorporation. A document required or permitted to be filed under the act cannot be filed unless it contains the minimum information required by the act. The format provided contains only the minimal information required to make the document fileable and may not meet your needs. This is a legal document and agency staff cannot provide legal advice.
- 2. Submit one original of this document. Upon filing, the document will be added to the records of the Bureau of Commercial Services. The original will be returned to your registered office address, unless you enter a different address in the box on the front of this document.

Since this document will be maintained on electronic format, it is important that the filing be legible. Documents with poor black and white contrast, or otherwise illegible, will be rejected.

- 3. This document is to be used pursuant to the provisions of Act 162, P.A. of 1982, by one or more persons for the purpose of forming a domestic nonprofit corporation.
- 4. Article II The purpose for which the corporation is organized must be included. It is not sufficient to state that the corporation may engage in any activity within the purposes for which corporations may be organized under the Act.
- 5. Article III The corporation must be organized on a stock or nonstock basis. Complete Article III(2) or III(3) as appropriate, but not both. Real property assets are items such as land and buildings. Personal property assets are items such as cash, equipment, fixtures, etc. The dollar value and description must be included. If there is no real and/or personal property, write in "none".
- 6. A domestic nonprofit corporation may be formed on either a membership or directorship basis. A membership corporation entitles the members to vote in determining corporate action. If organized on a directorship basis the corporation may have members but they may not vote and corporate action is determined by the Board of Directors.
- 7. Article IV A post office box may not be designated as the address of the registered office.
- 8. Article V The Act requires one or more incorporators. Educational corporations are required to have at least three (3) incorporators. The address(es) should include a street number and name (or other designation), city and state.
- 9. This document is effective on the date endorsed "filed" by the Bureau. A later effective date, no more than 90 days after the date of delivery, may be stated as an additional article.
- 10. The Articles must be signed in ink by each incorporator listed in Article V. However, if there are 3 or more incorporators, they may, by resolution adopted at the organizational meeting by a written instrument, designate one of them to sign the Articles of Incorporation on behalf of all of them. In such event, these Articles of Incorporation must be accompanied by a copy of the resolution duly certified by the acting secretary at the organizational meeting and a statement must be placed in the articles incorporating that resolution into them.
- 11. FEES: Make remittance payable to the State of Michigan. Include corporation name on check or money order.

FILING AND FRANCHISE FEE\$20.0

To submit by mail:

Michigan Department of Labor & Economic Growth Bureau of Commercial Services Corporation Division

P.O. Box 30054 Lansing, MI 48909 To submit in person:

2501 Woodlake Circle Drive Okemos, MI

Telephone: (517) 241-6470

Fees may be paid by VISA or Mastercard when delivered in person to our office.

MICH-ELF (Michigan Electronic Filing System):

First TIme Users: Call (517) 241-6470, or visit our website at http://www.michigan.gov/corporations Customer with MICH-ELF Filer Account: Send document to (517) 636-6437

The Department of Labor & Economic Growth will not discriminate against any individual or group because of race, sex, religion, age, national origin, color, marital status, political beliefs or disability. If you need help with reading, writing, hearing, etc., under the Americans with Disabilities Act, you may make your needs knows to this agency.

New expedited services beginning January 1, 2006.

Expedited review and filing, if fileable, is available for all documents for profit corporations, limited liability companies, limited partnerships and nonprofit corporations.

The expedited service fees are in addition to the regular fees applicable to the specific document:

Please complete a separate BCS/CD-272 form for expedited service for each document via in person, mail and MICH-ELF.

24-hour service- \$50 for formation documents and applications for certificate of authority.

24-hour service-\$100 for any document concerning an existing entity.

Same day service

 Same day- \$100 for formation documents and applications for certificate of authority.

Same day- \$200 for any document concerning an existing entity Review completed on day of receipt. Document and request for same day expedited service must be received by 1 p.m. EST or EDT.

• Two hour- \$500

Review completed within two hours on day of receipt. Document and request for two hour expedited service must be received by 3 p.m. EST or EDT.

• One hour- \$1000

Review completed within one hour on day of receipt. Document and request for 1 hour expedited must be received by 4 p.m. EST or EDT.

First time MICH-ELF user requesting expedited service must obtain a MICH-ELF filer number prior to submitting a document for expedited service. BCS/CD-901

Changes to information on MICH-ELF user's account must be submitted before requesting expedited service. BCS/CD-901

Rev 8/06

Act 162, P.A. 1982; MCLA 450.2101; MSA 21.197(101)

Section 202, Act 162, P.A. 1982 lists information required in the articles of incorporation. Articles I through V of form C&S 502 MUST be completed to reflect this information.

Act 162 also contains many additional provisions which may be contained in the articles. These provisions should appear as additional Articles beginning with Article VI.

The document must be reviewed to determine that it substantially complies with the Act.. For example, provisions must conform to law and be consistent with attorney general opinions, guidelines and policies; the name must be available for use; the incorporators must sign; fees must be paid; etc.

Following are specific items to be considered in determining whether or not the Articles of Incorporation can be filed.

SPECIFIC DOCUMENT ITEMS	STATUTORY CITE
Except for the corporate name, the document must be in the English language. The corporate name need not be English words, but must be written in English letters or Arabic or Roman numerals.	NPA 132(1)
ARTICLE 1	
The name must be checked for availability. The following must be considered in doing so:	
1. The corporate name may not indicate or imply that the corporation is engaged in an activity other than that provided in the purposes.	NPA 212(1)(a)
2. The corporate name must be distinguishable from any active name of a corporation, limited partnership, or limited liability company, including:	NPA 212(1)(b) Guideline adopted 1-28-83
 a) a corporate name b) a limited partnership name c) a limited liability company name d) an assumed name for a corporation, limited partnership or limited liability company e) a reserved name f) a name registered by a foreign corporation 	Policy statement C-40
 The corporate name shall not contain a word or phrase or the abbreviation or derivative of a word or phrase, which is prohibited or restricted by any other state statute unless the restriction is complied with. 	NPA 212(1)(c)
 Various state and federal statutes prohibit or restrict the use of certain words or abbreviations in names of corporations. The NAMES 	See RESTRICTED WORD list
program in the computer system searches for any of these words which have been identified when inquiry regarding name availability is made and displays a message that the proposed name contains a word or abbreviation which may be prohibited or restricted from use.	Policy Statement C-48

SPECIFIC DOCUMENT ITEMS	STATUTORY CITE
5. BIDCO (Business and Industrial Development Corporation)	Policy Statement C-15 See separate BIDCO section
6. The word "medicare" could be misleading in a corporate name.	Special Opinion 184 42 USC 1320b-10
7. A foundation may, but is not required to, use the word "foundation" in its corporate title.	NPA 212(3)

SPECIFIC DOCUMENT ITEMS	STATUTORY CITE
ARTICLE II	
The purpose for which the corporation is organized. An "all purpose" statement to the effect the corporation may engage in any activity within the purposes for which corporations may be formed under the Act is not permitted.	NPA 202(b) Policy Statement C-8 Policy Statement C-10 Policy Statement C-15 Policy Statement C-33 External Policy re: Banks & Fiduciaries External Policy re: MSHDA Release No. 93-1-C A.G. Opinion 6770 (dated 9-17-93) (Our No. 269)
 Educational corporations must state their educational system and include the degrees, honors, diplomas, or certificates which will be granted. They must also obtain approval from the Department of Education before filing can be completed. 	NPA 202(b) GCA 173 See separate EDUCATIONAL CORPORATIONS section
 Corporations organized for the purpose of teaching religious beliefs and principles are ecclesiastical corporations incorporated pursuant to Sections 178 through 185, Act 327, P.A. 1931. 	see separate review procedures for C&S 503
Section 186 of Act 327, P.A. 1931 concerns ecclesiastical corporations in the form of Sunday schools and religious societies, other than a church, whose object is the teaching of religious principles or the associating together for religious work. Although considered ecclesiastical corporations, their articles are drafted pursuant to Act 162, P.A. 1982 by using form C&S 502. In addition to the information required by Act 162, P.A. 1982, the articles must contain the following:	GCA 186
a) A statement that it is an ecclesiastical corporation pursuant to Section 186, Act 327, P.A. 1931 OR a modification of the preamble to include a reference to that section and act. (The data entry sheet must be noted to reflect the act of incorporation as 162-1982 and 327-1931).	
b) Any special conditions or distinguishing principles upon which the corporation is founded.	
c) The name of the organized church with which it is affiliated, if any.	
 d) A statement of the extent to which the organized church may exercise superintendence over the affairs of or discipline of the members of the corporation. 	
4. Public body corporations.	See separate section

SPECIFIC DOCUMENT ITEMS	STATUTORY CITE
 Hospitals: Nonprofit hospitals and other corporations incorporated under Act P.A. 1982 may provide medical care services through employed physicians. 	AG Opinion 6770 dated 9-17-93 (our # 269)
b) A hospital authority provided for in Act 47, P.A. 1945 can sell, lease, or transfer a public hospital owned by the hospital board to a nonprofit corporation incorporated under Act 162, P.A. 1982. The purposes of the corporation must be "to own and operate a hospital".	Section 9(2) and (14), Act 47, P.A. 1945
 Legal Services: A nonprofit corporation may incorporate for the purpose of providing legal services to indigent persons without charge, and, in aid of furnishing such services, may lawfully accept federally funded grants. 	Special Opinion 368 Policy Statement C-8 Act 354, P.A. 1917
 Additional information is required to determine if pre-paid legal services constitute insurance. 	Special Opinion 340 Special Opinion 319
 A nonprofit corporation whose purposes fall within the foundation sections of statute must incorporate as a foundation. 	Special Opinon 142
It is not sufficient for the language in Section 212(3) to be reflected as the purposes of a foundation. The purposes of a foundation must provide for the receiving and administering of funds and describe the specific activities for which the funds will be used. These activities must fall within the categories reflected in Section 212(3).	
 A nonprofit corporation may be organized for the purpose of receiving and disbursing funds collected by the members to be used exclusively for a defense fund and needs. 	Special Opinion 288
9. A nonprofit corporation may not be formed for the purpose of taking memberships from owners of animals and then upon the death of an animal, the other member owners would be billed an assessment previously agreed upon which is then forwarded to the member owner who suffered the loss. The foregoing purposes would be that of an insurer and would come under the jurisdiction of the Insurance Bureau.	Special Opinion 293
10. So long as no local government unit funds are used for financing, a nonprofit corporation can be formed to carry out the purposes of Sections 1203 and 1204 of the Emergency Medical Services Act of 1973 (U.S. Public Law 93-154).	Special Opinion 301
11. State universities created by the Constitution may form corporations.	Special Opinion 318
12. Foreign trade zone can be formed as corporations.	Special Opinion 342

SPECIFIC DOCUMENT ITEMS	STATUTORY CITE
Section 51 of the Banking Code of 1969 (MCLA 487.351) provides that a non-banking corporation shall not act as a fiduciary. Articles which infer a corporation is operating as a bank or is engaging in banking activities will not be filed. Documents for corporations whose purposes infer the corporation may be engaging in a fiduciary activity other than banking may be filed. These corporations will be advised by letter of the requirements of Section 51 of the Banking Code. The letter should be mailed to the remitter of the form with the filed document. A copy of the filed document, including the letter, must also be forwarded to the Financial Institutions Bureau. The examiner is responsible for seeing that the letter is sent and for the copy of the articles and letter being forwarded to the Financial Institutions Bureau. b) Section 501a, Act 642, P.A. 1978, the probate code (MCLA)	Section 501a, Act 642,
700.501a) states a court may appoint a non-profit corporation incorporated under Act 162, P.A. 1982 as a guardian, limited guardian, or conservator. Articles of incorporation which state that the corporation will act in a fiduciary capacity as a guardian or conservator will be accepted so long as reference to appointment by the probate court is included.	PA 1978
A private nonprofit corporation incorporated by private individuals may conduct an economic development program.	A.G. Opinion 6563 dated 1-26-89 (our #260)

SPECIFIC DOCUMENT ITEMS	STATUTORY CITE
ARTICLE III	
If organized on a stock basis:	
1. the number of shares the corporation wishes to be able to issue.	NPA 202(c) 303(1)
If there is more than one class of shares, the number of shares in each class and the class title are required.	NPA 202(d)
 If there is more than one class of shares, a statement of the relative rights, preferences and limitations of the shares of each class, to the extent they have been determined, is required. 	NPA 202(d) 303(2) Policy Statement C-1
 All shares in a class must be identical to every other share of the same class. 	NPA 303(2)
If organized on a nonstock basis:	
 The value and a description of the real and personal property owned. 	NPA 202(e)
2. The general scheme of financing the corporation. This cannot include appropriated public money. Public money is funds appropriated by federal, state, or local governments and are collected through taxes. Grants, contributions, membership fees or assessments, contracts, and funds received as a result of services provided, are not considered public money.	NPA 202(e) AG Opinion 5333 dated 7-12-78 (our #275 AG Opinion 5212 dated 8-17-77 (our #272
A corporation incorporated to promote convention business and tourism may be financed by assessing not more than 2% of room charges.	Act 395, PA 1980 amended by Act 59, PA 1984
 A statement designating whether a corporation is organized on a membership or on a directorship basis. 	NPA 202(f) 1131

SPECIFIC DOCUMENT ITEMS	STATUTORY CITE
ARTICLE IV	
 The address of the registered office must be completed. This address is a physical location and must include number, street, city and zip code. The route, suite, or apartment number must also be included if applicable. Except for the exceptions cited in policy statement C-32, this address must be in Michigan and cannot be a post office box. 	NPA 202(g) 241(a) Policy Statement C-32
 It is permissible to have a mailing address of the registered office that differs from the street address. Except for the exceptions cited in policy statement C-32, the mailing address must be a Michigan address. A post office box is permitted. 	NPA 202(g) Policy Statement C-32
The name of the resident agent must be completed. Each domestic corporation must name and continuously maintain a resident agent, who must be one of the following:	NPA 202(g) 241(b)
 a) An individual resident of Michigan whose business office or residence is identical with the registered office. 	
 A domestic corporation having a business office identical with the registered office. 	
 A foreign corporation authorized to transact business in Michigan having a business office identical with the registered office. 	
4. The following are not acceptable as resident agents:	
a) Dissolved or withdrawn corporations	
b) Limited partnerships	
c) Partnerships generally	
d) Limited Liability companies	
e) Limited Liability partnerships	

SPECIFIC DOCUMENT ITEMS	STATUTORY CITE
ARTICLE V	
The names and addresses of incorporators must be reflected. Except for educational corporations, one incorporator is sufficient. Educational corporations require at least three.	NPA 201 202(h) GCA 170
The incorporator may be an individual, a partnership, a domestic or foreign corporation, or any other association, corporation, trust, or legal entity, limited liability company, professional limited liability company, limited liability partnership who signs the articles of incorporation.	NPA 108(4) 201(1)
Minors may not act as incorporators, officers or directors of corporations.	AG Opinion 5893 dated 5-8-81 (our #254)
3. If there are three or more incorporators, they may adopt a resolution at the organizational meeting, or prepare a written instrument, designating one of them to sign on behalf of all incorporators. A copy of the resolution or written statement must be made part of the articles and must be certified by the person acting as secretary at the organizational meeting.	NPA 201(2)
If such a resolution or written statement is made part of the articles, all incorporators must be listed but, only the person designated need sign.	
4. Incorporators select the first board of directors and may adopt bylaws.	NPA 223

SPECIFIC DOCUMENT ITEMS	STATUTORY CITE		
ADDITIONAL ARTICLES			
The space may be used to continue previous Articles or to reflect additional provisions permitted or required to be part of the articles of incorporation. Examples of such provisions are:			
1. Corporate Term, if other than perpetual.	NPA 202(i)		
If the term is reflected as a specific number of years, compute the term expiration date from the date of filing the articles or, if there is an effective date, from the effective date.	AG Opinion dated 3-24-33 (our # 121) Special Opinion 170 Special Opinion 291		
Proposed compromise, arrangement, or reorganization between corporation and creditors or shareholders	NPA 204		
3. Limited Liability	NPA 209(c)(d) & (e) 541		
a) Exemption from personal liability of volunteer directors volunteer officers. The provision may not provide for exemption from liability beyond that provided for in the Act nor may it provide for limited liability on a date earlier than the effective date of the document which originally contained the provision.	NPA 209(c)		
The provision may not include a reference to the Uniform Management of Institutional Funds Act. Provisions in the Nonprofit Act do not affect, amend, expand or place limits on other statutes. Unless the Management of Institutional Funds Act is amended to provide for limitations or exemptions of liability of directors, the reference to that Act is not acceptable in a provision providing for limiting the liability of a volunteer director.			
 b) Corporation assumes liability for volunteer directors. This statement may include any date between 1-1-88 and the current date. 	NPA 209(d)		
c) Corporation assumes liability for volunteer directors, volunteer officers and other volunteers.	NPA 209(e)		
4. By-Laws	NPA 231		
5. Powers	NPA 261		
6. Dividends	NPA 301(3)		
7. SHARES / SHAREHOLDERS			
a) Dividends	NPA 301(3)		
b) Transfer of shares	NPA 303(4)		
c) Rules of qualification and government of shareholders	NPA 303(5)		

SPECIFIC DOCUMENT ITEMS	STATUTORY CITE
d) Shareholder eligibility	NPA 313(1)
e) Nonassessability of shares	NPA 315(4)
f) Redemption of shares	NPA 361, 363
g) Cancellation of shares	NPA 371(1), 371(3)
h) Participation in meeting of shareholders by conference telephone or similar communication equipment	NPA 405
i) Taking corporate action without a meeting	NPA 407
j) Quorum at meeting	NPA 415
k) Voting	NPA 421, 1144(1)
 Each share entitled to 1 vote unless the articles or bylaws provide that each shareholder shall have only 1 vote regardless of the number of shares held. The articles can provide, in the case of 2 or more classes, that a class shall not have voting rights. They cannot provide that all shares are non-voting. 	NPA 303(3)
2) voting as a class	NPA 442
3) cumulative (for directors only)	NPA 451
 supermajority (vote of more than a majority of issued shares required) 	NPA 455
5) proxies	NPA 421 1144(1)
I) Treasury shares	
1) issuance of	NPA 481
2) disposition of	NPA 312(2)
3) reacquired shares classified as	NPA 371(2)
m) Pre-emptive rights	NPA 481
8. MEMBERS / MEMBERSHIP	
 a) Prescribing the number, qualifications, liquidation, rights, preferences and limitations on members. 	NPA 304(1), 304(2), 1133
b) Transfer of membership	NPA 304(6)
c) Rules of qualification and government of members	NPA 304(7)

TATUTORY CITE
313(1)
1139(1) & (2)
1139(4) & (7)
391
405
407
415
304(3)
304(4)
304(5)
451
455 1145
421 1144(1)
442 443 1144(2)
481
501(1)
Opinion 5893 date 1 (our #254) ial Opinion 105
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c) Fixing number of directors d) Term of office of directors e) Election or appointment of directors 7 NPA 505(2) 8 Election or appointment of directors 7 NPA 505(2) 8 NPA 505(3) 7 Division of directors into classes 8 NPA 506 9 Removal of directors 8 NPA 511 8 NPA 515 9 Board of directors action without a meeting 9 NPA 525 9 Quorum at meeting of directors 8 NPA 527 9 NPA 523 9 NPA 527 1 Indemnification (Cannot exceed statutory limits as to who, the types of actions, etc. which can be covered.) 7 NPA 527 9 NPA 527 10 NPA 527 10 NPA 527 11 Participation in meeting by conference telephone or similar communication equipment 10. OFFICERS 10 Election or appointment of officers 10 Minors may not act as incorporators, officers, or directors of corporations 10 NPA 531 11 NPA 531 12 Cooperatives 13 Additional information required 14 NPA 805 15 See separate COOPERATIVES section NPA 1121 16 NPA 1135 17 NPA 1135 18 NPA 1147	SPECIFIC DOCUMENT ITEMS	STATUTORY CITE
e) Election or appointment of directors (NPA 505(2) 505(3) f) Division of directors into classes (Removal of directors (Removal of directors action without a meeting (Removal of directors action without a meeting (Removal of directors (Removal of directors action without a meeting (Removal of directors (Removal	c) Fixing number of directors	NPA 505(1)
f) Division of directors into classes g) Removal of directors h) Filling vacancies on board of directors i) Board of directors action without a meeting j) Quorum at meeting of directors k) Committees of board of directors l) Indemnification (Cannot exceed statutory limits as to who, the types of actions, etc. which can be covered.) m) Weighed votes not permitted n) Participation in meeting by conference telephone or similar communication equipment 10. OFFICERS a) Election or appointment of officers b) Minors may not act as incorporators, officers, or directors of corporations c) Indemnification (cannot exceed statutory limits as to who, the types of action, etc. which can be covered) 11. Dissolution 12. Cooperatives a) Additional information required b) Net savings	d) Term of office of directors	NPA 505(2)
g) Removal of directors h) Filling vacancies on board of directors i) Board of directors action without a meeting j) Quorum at meeting of directors k) Committees of board of directors l) Indemnification (Cannot exceed statutory limits as to who, the types of actions, etc. which can be covered.) m) Weighed votes not permitted n) Participation in meeting by conference telephone or similar communication equipment l) OFFICERS a) Election or appointment of officers b) Minors may not act as incorporators, officers, or directors of corporations c) Indemnification (cannot exceed statutory limits as to who, the types of action, etc. which can be covered) l) NPA 531 NPA 531 NPA 531 NPA 531 NPA 531 NPA 531 NPA 561	e) Election or appointment of directors	
h) Filling vacancies on board of directors i) Board of directors action without a meeting j) Quorum at meeting of directors k) Committees of board of directors NPA 523 NPA 527 l) Indemnification (Cannot exceed statutory limits as to who, the types of actions, etc. which can be covered.) m) Weighed votes not permitted Special Opinion 251 n) Participation in meeting by conference telephone or similar communication equipment lo. OFFICERS a) Election or appointment of officers b) Minors may not act as incorporators, officers, or directors of corporations c) Indemnification (cannot exceed statutory limits as to who, the types of action, etc. which can be covered) NPA 561 NPA 531 AG Opinion 5893 dated 5-8-81 (our #254) NPA 561 NPA 561 NPA 561 NPA 561 NPA 561 NPA 805 See separate COOPERATIVES section NPA 1121 b) Net savings	f) Division of directors into classes	NPA 506
i) Board of directors action without a meeting j) Quorum at meeting of directors k) Committees of board of directors NPA 523 NPA 527 NPA 527 NPA 527 NPA 527 NPA 561 of actions, etc. which can be covered.) m) Weighed votes not permitted Special Opinion 251 n) Participation in meeting by conference telephone or similar communication equipment 10. OFFICERS a) Election or appointment of officers b) Minors may not act as incorporators, officers, or directors of corporations c) Indemnification (cannot exceed statutory limits as to who, the types of action, etc. which can be covered) 11. Dissolution NPA 805 See separate COOPERATIVES section NPA 1121 b) Net savings NPA 1135	g) Removal of directors	NPA 511
j) Quorum at meeting of directors k) Committees of board of directors l) Indemnification (Cannot exceed statutory limits as to who, the types of actions, etc. which can be covered.) m) Weighed votes not permitted special Opinion 251 n) Participation in meeting by conference telephone or similar communication equipment 10. OFFICERS a) Election or appointment of officers b) Minors may not act as incorporators, officers, or directors of corporations c) Indemnification (cannot exceed statutory limits as to who, the types of action, etc. which can be covered) 11. Dissolution NPA 805 See separate COOPERATIVES section NPA 1121 b) Net savings NPA 1135	h) Filling vacancies on board of directors	NPA 515
k) Committees of board of directors I) Indemnification (Cannot exceed statutory limits as to who, the types of actions, etc. which can be covered.) m) Weighed votes not permitted Special Opinion 251 n) Participation in meeting by conference telephone or similar communication equipment 10. OFFICERS a) Election or appointment of officers b) Minors may not act as incorporators, officers, or directors of corporations c) Indemnification (cannot exceed statutory limits as to who, the types of action, etc. which can be covered) 11. Dissolution NPA 805 See separate COOPERATIVES section NPA 1121 b) Net savings	i) Board of directors action without a meeting	NPA 525
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of actions, etc. which can be covered.) m) Weighed votes not permitted special Opinion 251 n) Participation in meeting by conference telephone or similar communication equipment 10. OFFICERS a) Election or appointment of officers b) Minors may not act as incorporators, officers, or directors of corporations c) Indemnification (cannot exceed statutory limits as to who, the types of action, etc. which can be covered) 11. Dissolution NPA 805 12. Cooperatives a) Additional information required b) Net savings NPA 1135	k) Committees of board of directors	NPA 527
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· · · · · · · · · · · · · · · · · · ·	a) Additional information required	
c) Dispute resolution body NPA 1147	b) Net savings	NPA 1135
	c) Dispute resolution body	NPA 1147

SPECIFIC DOCUMENT ITEMS	STATUTORY CITE
13. Other	
a) Information required by the Internal Revenue Service for tax exempt corporation	
 b) Property owned and occupied by nonprofit religious or educational organizations and used exclusively for religious or educational purposes, as defined by law, are exempt from real and personal property taxes. 	State Constitution Art. 9, Sec. 4
EFFECTIVE DATE	
An effective date, not more than 90 days after the date of receipt is permitted. The desired effective date must be reflected in the body of the document. Inserting it in the "Bureau Use Only" area is not sufficient.	NPA 131(2) Policy Statement C-19
SIGNATURE	
Must be signed in ink by at least one of the incorporators named in Article V. At least three signatures are required for educational corporations.	NPA 201(1) GCA 170
If there are three or more incorporators, they may adopt a resolution at the organizational meeting, or prepare a written instrument, designating one of them to sign on behalf of all incorporators. A copy of the resolution or written statement must be made part of the articles and must be certified by the person acting as secretary at the organizational meeting.	NPA 201(2)
If such a resolution or written statement is made part of the articles, only the person named in the resolution need sign.	
The person signing on behalf of a corporation acting as an incorporator must be that of the president or a vice-president of the corporation, chairperson or vice-chairperson of the board of directors.	NPA 132(2)
A person may sign on behalf of an individual if he has a specific power-of- attorney to do so. An indication that the signature is that of an attorney- in-fact is not required.	Procedure re: Signatures
<u>FEES</u>	
Filing fee - \$10.00	NPA 1060(1)(a) Policy Statement C-9 Policy Statement C-33
Organization fee - \$10.00	NPA 1061 Policy Statement C-9

MISCELLANEOUS 1. The phrase "except as otherwise provided in the articles of incorporation" or "unless otherwise provided in the articles" is interpreted to mean the provision is not mandatory and the articles may state the provision does not apply. 2. Payment of death benefits. 3. The Small Business Investment Act allows a small business investment company to incorporate as a profit or nonprofit corporation or may organize as a limited partnership. 4. A nonprofit corporation may borrow money from its members and pay interest on those loans. 5. A nonprofit corporation may sell real property to its shareholders, among others, if the nonprofit corporation receives the fair market value of the real estate in consideration for the conveyance and if the proceeds from the sale are used for lawful corporate purposes only. 6. It is illegal for a trustee to engage in self-dealing in the State of Michigan. Therefore, the articles of incorporation may not contain a provision which results in a trustee (officer or director) dealing with himself (a corporation). It is a breach of the duty of loyalty and thus improper and illegal. 7. Section 128 of the Insurance Code of 1956 (500.128) provides that the Insurance Code does not apply to nonprofit corporations or organizations which are purely philanthropic or social and which may issue death benefits of \$150.00 and sick benefits of \$6.00 per week upon compliance with the provisions of the Corporation Act permits them to do the same. The Corporation Act does not permit this. 8. Blue Cross and Blue Shield of Michigan may enter into joint ventures and form subsidiaries so long as the purpose of the joint venture or subsidiary is an activity Blue Cross and Blue Shield could conduct by itself. Contact the Attorney General's office for an opinion before filing documents containing evidence Blue Cross and Blue Shield is involved.	STATUTORY CITE
incorporation" or "unless otherwise provided in the articles" is interpreted to mean the provision is not mandatory and the articles may state the provision does not apply. 2. Payment of death benefits. 3. The Small Business Investment Act allows a small business investment company to incorporate as a profit or nonprofit corporation or may organize as a limited partnership. 4. A nonprofit corporation may borrow money from its members and pay interest on those loans. 5. A nonprofit corporation may sell real property to its shareholders, among others, if the nonprofit corporation receives the fair market value of the real estate in consideration for the conveyance and if the proceeds from the sale are used for lawful corporate purposes only. 6. It is illegal for a trustee to engage in self-dealing in the State of Michigan. Therefore, the articles of incorporation may not contain a provision which results in a trustee (officer or director) dealing with himself (a corporation). It is a breach of the duty of loyalty and thus improper and illegal. 7. Section 128 of the Insurance Code of 1956 (500.128) provides that the Insurance with the provisions of the Corporation Code. The important thing that Section 128 says is simply that they are not insurance corporations and do not have to comply with the requirements of the Insurance Code; however, this does not mean that they are able to do these things unless the Corporation Act permits them to do the same. The Corporation Act does not permit this. 8. Blue Cross and Blue Shield of Michigan may enter into joint ventures and form subsidiaries so long as the purpose of the joint venture or subsidiary is an activity Blue Cross and Blue Shield could conduct by itself. Contact the Attorney General's office for an opinion before filing documents containing evidence Blue Cross and Blue Shield is	
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	Special Opinion 371

SPECIFIC DOCUMENT ITEMS	STATUTORY CITE
9. The Act provides it does not apply to certain types of entities. Consequently, the form cannot be used by any of the following:	NPA 123(3)
Insurance companies (see Insurance Code of 1956)	
Surety companies (see Insurance Code of 1956)	
Credit Unions (see Banking Code)	
Savings and Loan Associations (see Banking Code)	
Fraternal Benefit Societies (see Insurance Code of 1956 and NPA 262)	
Railroad, bridge and tunnel companies (see Act 354, P.A. 1993)	
Union depot companies	
Banking corporations (see Banking Code)	
The Act also provides that unless otherwise provided or inconsistent with the act under which a corporation is formed, it does apply. The form may be used by the following provided it is adjusted to conform to the law under which it is being incorporated:	NPA 123(1) & (2)
Cooperative corporations classified as nonprofit by section 98 of Act 327, P.A. 1931	
Secret society or lodge (see Fraternal Associations)	
Trustee corporations (see General Corporation Act)	
Ecclesiastical corporations (See General Corporation Act)	
Public building corporations (See General Corporation Act)	
Special Acts	

Exhibit 2 – Employer Identification Number

Release Date: September 2008

Groups must obtain a federal employer identification FORM SS-4 with the IRS. No filing fee is required.	number	by	filing

Form SS-4

(Rev. July 2007)

Department of the Treasury Internal Revenue Service

Application for Employer Identification Number

(For use by employers, corporations, partnerships, trusts, estates, churches, government agencies, Indian tribal entities, certain individuals, and others.)

► See separate instructions for each line.
► Keep a copy for your records.

OMB No. 1545-0003

	1 Legal name of entity (or individual) for whom the EIN is being requested									
arly.	2 T	rade name of business (if different from name on line 1) 3 Executor, administrator, trustee,					"care of"	name		
print clearly.	4a N	Mailing address (roc	om, apt., suite no. and str	reet, or P.O. box)	5a Stre	eet address (if differ	rent) (Do	not enter a	P.O. box.)	
or pri	4b C	City, state, and ZIP	code (if foreign, see ins	tructions)	5b City	y, state, and ZIP co	de (if fore	ign, see in	structions)	
Type or	6 C	County and state w	rhere principal business	is located						
	7a N	lame of principal of	ficer, general partner, gran	tor, owner, or trus	tor	7b SSN, ITIN, or	EIN			
8a			nited liability company (LL		☐ No	8b If 8a is "Yes, LLC member			of ▶	
8c			LLC organized in the Un						. Yes	☐ No
9a	Туре	of entity (check of	only one box). Caution. I	f 8a is "Yes," see	the instru	ctions for the corre	ct box to	check.		
	\square s	Sole proprietor (SSI	N)			☐ Estate (SSN of	f deceden	t)		
		artnership	•			☐ Plan administra				
		Corporation (enter fo	orm number to be filed)			☐ Trust (TIN of g	rantor)			
	□ P	Personal service co	rporation			☐ National Guard	d _	State/loc	cal government	
		Church or church-c	ontrolled organization			☐ Farmers' coope	erative _	Federal g	government/milita	ary
		Other nonprofit orga	anization (specify) ▶			REMIC			oal governments/	enterprises
		Other (specify)				Group Exemption I			>	
9b		corporation, name plicable) where inc	the state or foreign cour corporated	ntry State	9		Foreigr	country		
10	Reas	on for applying (ch	neck only one box)	□в	anking pu	rpose (specify purp	ose) ►_			
	\square s	Started new busine	ss (specify type) >	_		pe of organization				
				_		going business				
	□н	lired employees (C	heck the box and see lin			trust (specify type)				
			S withholding regulation	_		pension plan (specif				
		Other (specify)								
11	Date	business started of	or acquired (month, day,	year). See instruc	tions.	12 Closing mo	onth of ac	counting y	/ear	
						14 Do you exp	oect your	employmen	t tax liability to I	oe \$1,000
13	Highe	est number of emplo	yees expected in the nex	t 12 months (enter	-0- if none	e). or less in a	full calen	dar year?	Yes No	(If you
	Ag	gricultural	Household	Oth	er				total wages in a	full
						calendar ye				
15			uities were paid (month,				agent, en	ter date in	come will first b	e paid to
			h, day, year)			· · · · •				
16			describes the principal ac		_	Health care & socia			holesale-agent/l	
			Ŭ	sportation & wareh	nousing L		tood servi	ce L Wh	nolesale-other	Retail
-			<u>-</u>	ince & insurance		Other (specify)				
17	Indica	ate principal line o	f merchandise sold, spec	cific construction	work done	e, products produce	ed, or ser	vices provi	ded.	
18		the applicant entity es," write previous	shown on line 1 ever a EIN here ► ¦	oplied for and rec	eived an I	EIN? Yes	No			
		Complete this secti	on only if you want to authoriz	e the named individual	to receive th	ne entity's EIN and answe	er questions	about the cor	npletion of this forn	١.
Th	ird	Designee's name	•					Designee's te	elephone number (incl	ude area code
Party								()	
De	esigne	e Address and ZIP	code					Designee's	fax number (includ	e area code
								()	
	•		I have examined this application, a	nd to the best of my kno	wledge and b	elief, it is true, correct, and	complete.	Applicant's te	elephone number (incli	ude area code
Nam	e and tit	tle (type or print clear	iy) ►					()	
								Applicant's	fax number (includ	e area code
Sign	ature 🕨					Date ►		()	

Cat. No. 16055N

Form SS-4 (Rev. 7-2007) Page **2**

Do I Need an EIN?

File Form SS-4 if the applicant entity does not already have an EIN but is required to show an EIN on any return, statement, or other document. See also the separate instructions for each line on Form SS-4.

IF the applicant	AND	THEN
Started a new business	Does not currently have (nor expect to have) employees	Complete lines 1, 2, 4a-8a, 8b-c (if applicable), 9a, 9b (if applicable), and 10-14 and 16-18.
Hired (or will hire) employees, including household employees	Does not already have an EIN	Complete lines 1, 2, 4a–6, 7a–b (if applicable), 8a, 8b–c (if applicable), 9a, 9b (if applicable), 10–18.
Opened a bank account	Needs an EIN for banking purposes only	Complete lines 1–5b, 7a–b (if applicable), 8a, 8b–c (if applicable), 9a, 9b (if applicable), 10, and 18.
Changed type of organization	Either the legal character of the organization or its ownership changed (for example, you incorporate a sole proprietorship or form a partnership) ²	Complete lines 1–18 (as applicable).
Purchased a going business ³	Does not already have an EIN	Complete lines 1–18 (as applicable).
Created a trust	The trust is other than a grantor trust or an IRA trust ⁴	Complete lines 1–18 (as applicable).
Created a pension plan as a plan administrator ⁵	Needs an EIN for reporting purposes	Complete lines 1, 3, 4a-5b, 9a, 10, and 18.
Is a foreign person needing an EIN to comply with IRS withholding regulations	Needs an EIN to complete a Form W-8 (other than Form W-8ECI), avoid withholding on portfolio assets, or claim tax treaty benefits ⁶	Complete lines 1–5b, 7a–b (SSN or ITIN optional), 8a, 8b–c (if applicable), 9a, 9b (if applicable), 10, and 18.
Is administering an estate	Needs an EIN to report estate income on Form 1041	Complete lines 1–6, 9a, 10–12, 13–17 (if applicable), and 18.
Is a withholding agent for taxes on non-wage income paid to an alien (i.e., individual, corporation, or partnership, etc.)	Is an agent, broker, fiduciary, manager, tenant, or spouse who is required to file Form 1042, Annual Withholding Tax Return for U.S. Source Income of Foreign Persons	Complete lines 1, 2, 3 (if applicable), 4a–5b, 7a–b (if applicable), 8a, 8b–c (if applicable), 9a, 9b (if applicable), 10 and 18.
Is a state or local agency	Serves as a tax reporting agent for public assistance recipients under Rev. Proc. 80-4, 1980-1 C.B. 581 ⁷	Complete lines 1, 2, 4a–5b, 9a, 10 and 18.
Is a single-member LLC	Needs an EIN to file Form 8832, Classification Election, for filing employment tax returns, or for state reporting purposes ⁸	Complete lines 1–18 (as applicable).
Is an S corporation	Needs an EIN to file Form 2553, Election by a Small Business Corporation ⁹	Complete lines 1–18 (as applicable).

¹ For example, a sole proprietorship or self-employed farmer who establishes a qualified retirement plan, or is required to file excise, employment, alcohol, tobacco, or firearms returns, must have an EIN. A partnership, corporation, REMIC (real estate mortgage investment conduit), nonprofit organization (church, club, etc.), or farmers' cooperative must use an EIN for any tax-related purpose even if the entity does not have employees.

² However, do not apply for a new EIN if the existing entity only (a) changed its business name, (b) elected on Form 8832 to change the way it is taxed (or is covered by the default rules), or (c) terminated its partnership status because at least 50% of the total interests in partnership capital and profits were sold or exchanged within a 12-month period. The EIN of the terminated partnership should continue to be used. See Regulations section 301.6109-1(d)(2)(iii).

³ Do not use the EIN of the prior business unless you became the "owner" of a corporation by acquiring its stock.

⁴ However, grantor trusts that do not file using Optional Method 1 and IRA trusts that are required to file Form 990-T, Exempt Organization Business Income Tax Return, must have an EIN. For more information on grantor trusts, see the Instructions for Form 1041.

⁵ A plan administrator is the person or group of persons specified as the administrator by the instrument under which the plan is operated.

⁶ Entities applying to be a Qualified Intermediary (QI) need a QI-EIN even if they already have an EIN. See Rev. Proc. 2000-12.

⁷ See also Household employer on page 4 of the instructions. **Note.** State or local agencies may need an EIN for other reasons, for example, hired employees.

⁸ Most LLCs do not need to file Form 8832. See Limited liability company (LLC) on page 4 of the instructions for details on completing Form SS-4 for an LLC.

⁹ An existing corporation that is electing or revoking S corporation status should use its previously-assigned EIN.

Exhibit 3 – By-laws.

Release Date: September 2008

Groups must adopt a set of by-laws. By-laws and Articles of Incorporation are to be submitted with Form 1023 (Exhibit 4).

Middle School Parent Teacher Organization Bylaws

ARTICLE I: NAME

The name of this organization is the the PTO.

Parent Teacher Organization," hereinafter referred to as

ARTICLE II: ARTICLES OF ORGANIZATION

The PTO exists as an unincorporated association of its members. The Articles of Organization comprise these bylaws, as amended from time to time.

ARTICLE III: OBJECTIVES

Section 1

A. To bring into closer relation the home and the school, that parents and teachers may cooperate in the education of children.

To develop between educators and the general public such united efforts as will secure for all children the highest advantage in physical, mental, and social education.

Section 2.

The above purposes are promoted through an educational program directed towards parents, teachers and the general public. They are developed through conferences, committees, projects, and programs: and are governed by the basic policies set forth in Article IV.

ARTICLE IV: BASIC POLICIES

The following are basic policies of this organization:

- A. The PTO shall be noncommercial, nonsectarian, and nonpartisan.
- B. The name of the organization or the names of any members in their official capacities shall not be used in connection with a commercial or political concern or with any partisan interest or for any purpose not appropriately related to promotion of the purposes of the organization.

- The PTO may engage in activities which influence legislation and matters that affect the welfare and education of children. The organization shall not directly or indirectly participate or intervene in any political campaign on behalf of or in opposition to any candidate for public office.
- D. The PTO shall cooperate with school to support the improvement of education in ways that will not interfere with the administration of the school and shall not seek to control their policies.
- E. The PTO may cooperate with other organizations and agencies concerned with child welfare, but persons representing the PTO in such matters shall make no commitments that bind the PTO.
- F. In the event of the dissolution of the PTO, its assets shall be distributed for one or more of the exempt purposes specified in Section 501 (c) (3) of the Internal Revenue Code of 1954, as from time to time amended.

ARTICLE V: MEMBERSHIPS & DUES

- Section 1. Membership in the Parent Teacher Organization shall be made available to any individual who has a child enrolled at , or is a staff member. These individuals shall also subscribe to the Purpose and Basic Policies of the organization. Membership shall not be denied on the basis of race, color, creed or national origin.
- Section 2. All members of the organization shall be eligible to participate in the business meetings, or to serve in any of its elective or appointive positions.
- Section 3. Annual dues shall be \$5.00 per family, payable to the PTO treasurer at the beginning of the school year. A family directory will be included with the membership.
- Section 4. Persons may be admitted membership at any time during the school year.
- Section 5. The membership year shall follow the Troy School District calendar.

ARTICLE VI: OFFICERS & ELECTIONS

Section 1. Officers

A. The officers of the PTO shall consist of President, 1st Vice President, 2nd Vice President, Secretary and Treasurer. One teacher representative and the Principal of the school shall also be officers. This group shall be the Executive Board of the PTO.

- B. Officers shall be elected by ballot annually in the month of May, hereinafter referred to as the "Annual Meeting." However, if there is but one nominee for any office it shall be in order that the Secretary cast the elective ballot for the nominee.
- C. Officers, except for the Treasurer, shall assume their official duties the day following the last day of the school year. The Treasurer shall assume his/her official duties on July 1 following the last day of the school year or until the election to determine successors.
- D. A person shall not be eligible to serve for more than two consecutive terms in the same elective office.

Section 2. Nominations

- A. There shall be a nominating committee selected by the PTO, composed of one person from the Executive Board, one from the general membership, and one from the professional school staff.
- B. The nominating committee shall nominate a minimum of one eligible person for each office to be filled. The nominating committee shall report its nominees to the general membership at least one month prior to the Annual Meeting. Additional nominations may be taken from the floor at the Annual Meeting.
- C. Only those persons who have indicated a willingness to serve if elected shall be nominated for an office.

Section 3. Vacancies

A vacancy occurring in any office shall be filled for the unexpired term by a person elected by a majority of the executive board, notice of such election having been given. In case a vacancy occurs in the office of the President, the 1st Vice President shall serve notice of the election.

ARTICLE VII: DUTIES OF OFFICERS

Section 1. President

- A: Shall prepare an agenda and preside at all meetings of the organization and of the executive board.
- B: Shall perform such other duties as may be prescribed in these by laws or assigned to him/her by the organization or by the executive board.
- C: Shall coordinate the work of the officers and committees of the organization.

D: Shall not vote at meetings of the membership at large or of the executive board, except to break a tie.

E: Shall have his/her own name on the PTO checking account.

Section 2. 1st Vice President

A: Shall act as an aide to the president.

B: Shall perform the duties of an officer in the absence or disability of that officer to act.

C: Shall be responsible for volunteers and over seeing all committees,

D: Shall perform such other duties as may be delegated to him/her.

Section 3. 2nd Vice President

A: Shall act as an aide to the president.

B: Shall act as a public relations liaison to ensure that pertinent information is distributed to the membership at large.

C: Shall perform such other duties as may be delegated to him/her.

Section 4. Secretary

A: Shall record the minutes of all meetings of the organization and of the Executive Board.

B: Shall take attendance at all meetings.

C: Shall perform such other duties as may be delegated to him/her.

Section 5. Treasurer

A: Shall have custody of all of the funds of the PTO.

B: Shall keep a full and accurate account of receipts and expenditures.

C: Shall at the start of the school year, prepare a proposed written annual budget as outlined by the Executive Board.

- D: Shall make disbursements as authorized by the Executive Board or the membership at large.
- E: Shall present a financial statement at every meeting of the PTO and at other times when requested by the Executive Board.
- F: Shall honor expenditures up to \$100.00 upon the authorization of the President. Expenditures over \$100.00 must have prior approval by either the Executive Board or the membership at large.
- G: Shall prepare at the end of the school year an annual written year-end financial report of income, expenditures and any remaining balance to be carried forward.
- H: The Treasurer's accounts shall be examined annually by an auditor or an auditing committee of not less than three members, who, satisfied that the Treasurer's annual report is correct, shall sign a statement of that fact at the end of the report. The auditor or auditing committee shall be appointed by the Executive Board at the Executive Board meeting following the Annual Meeting.

Section 6: All Officers

- A: Shall perform the duties prescribed in the parliamentary authority in addition to those outlined in these bylaws and those assigned from time to time.
- B: Shall deliver to their successors all official material no later than the day following the last day of the school year. The Treasurer is excluded from this, and shall deliver all official material to his/her successor on July 1st.

ARTICLE VIII: MEETINGS

Section 1

- A: Regular meetings of the PTO or the Executive Board shall be held as designated by the President. Public notice of each meeting shall be given.
- B: Special meetings may be called by the President or by a majority of the elected members with three (3) days notice having been given.
- C: Members in attendance shall constitute a quorum for the transaction of business in any meeting of this organization.
- D: There shall be an annual meeting of the PTO in the month of May.

E: Order of Business:

- A. Call to order
- B. Reading and approval of minutes
- C. Report of Treasurer
- D. Reading of Communications
- E. Unfinished Business
- F. New Business
- G. Teacher Representative's Report
- H. Principal's Report
- I. Announcements
- J. Adjournment

ARTICLE IX: FISCAL YEAR

The fiscal year of the organization shall begin on July 1st and end on the following June 30th.

ARTICLE X: PARLIAMENTARY AUTHORITY

Robert's Rules of Order, Revised, shall govern the organization in all cases in which they are applicable and in which they are not in conflict with these rules.

ARTICLE XI: AMENDMENTS

- Section 1. These bylaws may be amended at any regular meeting of the PTO by a two-thirds majority of the members present and voting, provided that notice of the proposed amendment shall have been given at the previous meeting.
- Section 2. A committee may be appointed to submit a revised set of bylaws as a substitute for the existing bylaws only by a majority vote at a meeting of the PTO, or by a two-thirds majority of the executive Board. The requirements for adoption of a revised set of bylaws shall be the same as in the case of an amendment.

Es'	tab	lis	hed	and	appro	ved:	

Exhibit 4 – Apply for Tax-Exempt Status:

Groups must apply for recognition of tax-exempt status by filing **Form 1023** with the IRS. The filing fee is based on average annual gross receipts. See page 12 of the application.

Form **1023** (Rev. June 2006)

(Rev. June 2006) 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

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

Use the instructions to complete this application and for a definition of all **bold** items. For additional help, call IRS Exempt Organizations Customer Account Services toll-free at 1-877-829-5500. Visit our website at **www.irs.gov** for forms and publications. If the required information and documents are not submitted with payment of the appropriate user fee, the application may be returned to you.

Attach additional sheets to this application if you need more space to answer fully. Put your name and EIN on each sheet and identify each answer by Part and line number. Complete Parts I - XI of Form 1023 and submit only those Schedules (A through H) that apply to you.

Pai	rt I Identification of Applicant				
1	Full name of organization (exactly as it appears in your organizing	document)	2 c/o Name (if applica	able)	
3	Mailing address (Number and street) (see instructions)	Room/Suite	4 Employer Identification N	umber (EIN)	
	City or town, state or country, and ZIP + 4		5 Month the annual accoun	iting period end	ls (01 – 12)
6	Primary contact (officer, director, trustee, or authorized represa Name:	sentative)	b Phone:		
			c Fax: (optional)		
8	Are you represented by an authorized representative, such as a provide the authorized representative's name, and the name ar representative's firm. Include a completed Form 2848, Power of Representative, with your application if you would like us to complete the structure or activities of your officers, directors, trusted the structure or activities of your organization, or about your firm.	nd address of to address of the addr	the authorized Declaration of h your representative. or an authorized ge, or advise you about natters? If "Yes,"	☐ Yes	□ No
	provide the person's name, the name and address of the person promised to be paid, and describe that person's role.	on's firm, the a	mounts paid or		
9a	Organization's website:				
b	Organization's email: (optional)				
10	Certain organizations are not required to file an information retu are granted tax-exemption, are you claiming to be excused fro "Yes," explain. See the instructions for a description of organiz Form 990-EZ.	m filing Form 9	990 or Form 990-EZ? If	☐ Yes	□ No
11	Date incorporated if a corporation, or formed, if other than a co	orporation. (N	MM/DD/YYYY) /	′ /	
12	Were you formed under the laws of a foreign country? If "Yes," state the country.			☐ Yes	□ No
For F	Paperwork Reduction Act Notice, see page 24 of the instructions.	Cat.	No. 17133K	Form 1023	(Rev. 6-2006)

Form	1023 (Rev	. 6-20	06)	Name:			EIN: -			Page 2
Par			anization							
You (See	must be instruct	e a co	orporation .) DO NOT	(including	g a limited liability comp form unless you can o	oany), an ur check "Yes	incorporated association, or a trust on lines 1, 2, 3, or 4.	to be	tax ex	empt.
1	of filing	g wit	h the appro	opriate s			incorporation showing certification amendments to your articles and	n 🗆	Yes	□ No
2	certifica a copy.	ation Inclu	of filing with ude copies o	n the app of any an	ropriate state agency. Als nendments to your article	so, if you ad	your articles of organization showing opted an operating agreement, attaching they show state filing certification. It is own exemption application.		Yes	☐ No
3	constitu	ution	, or other s	imilar or	sociation? If "Yes," attaganizing document that es of any amendments.	ach a copy is dated ar	of your articles of association, and includes at least two signatures.		Yes	□ No
	and da	ted c	copies of ar	ny amen	dments.		trust agreement. Include signed		Yes	□ No
					· · · · · · · · · · · · · · · · · · ·		anything of value placed in trust.		Yes	□ No
	how yo	our of	fficers, dire	ctors, or	trustees are selected. in Your Organizing		ng date of adoption. If "No," explair	ı <u></u>	Yes	☐ No
							tion, your organizing document contain	o the r	aquirad	l provinions
to me does	eet the o	rganizet the	zational test organizatior	under se nal test. [ection 501(c)(3). Unless you OO NOT file this applicati	u can check i on until you	the boxes in both lines 1 and 2, your or have amended your organizing doc if you are a corporation or an LLC) with	rganizi <mark>ument</mark> .	ng doci Submi	ument t your
1	religiou meets a refere	is, ec this r ence	lucational, equirement to a partic	and/or s t. Descri ular artic	cientific purposes. Chec be specifically where yo	ck the box to our organizing ganizing doo	ur exempt purpose(s), such as char to confirm that your organizing docting document meets this requirement cument. Refer to the instructions for a Paragraph):	ument it, such		
2a	Section 501(c)(3) requires that upon dissolution of your organization, your remaining assets must be used exclusively for exempt purposes, such as charitable, religious, educational, and/or scientific purposes. Check the box on line 2a to confirm that your organizing document meets this requirement by express provision for the distribution of assets upon dissolution. If you rely on state law for your dissolution provision, do not check the box on line 2a and go to line 2c.									
2b					2a, specify the location checked box 2a.	of your dis	solution clause (Page, Article, and I	Paragra	aph).	
2c					ation about the operation aw for your dissolution		aw in your particular state. Check that indicate the state:	nis box	if	
Par	t IV	Nar	rative Des	scriptio	n of Your Activities					
this ir applic detail	nformation for story	on in r sup narra	response to porting deta ative. Remer	other pa ils. You r nber that	rts of this application, you nay also attach representa if this application is appro	may summative copies oved, it will b	narrative. If you believe that you have a arize that information here and refer to of newsletters, brochures, or similar do be open for public inspection. Therefore tions for information that must be inclu	the specument	ecific pa ts for su narrativ	arts of the upporting e
Par					Other Financial Arrai ependent Contractor		With Your Officers, Directors	, Trus	tees,	
1a	total an	nual ositio	compensatin. Use actu	t ion , or p	roposed compensation, f	for all service" if no com	rectors, and trustees. For each persones to the organization, whether as an pensation is or will be paid. If addition that to include as compensation.	officer,	emplo	yee, or
Name					Title		Mailing address			amount or estimated

orm	1023 (Rev. 6-2006) Name:		EIN: -		Page 3
Par		Other Financial Arrange dependent Contractors (ments With Your Officers, Directors, Continued)	Trustees,	
b	List the names, titles, and marreceive compensation of more	iling addresses of each of yoe than \$50,000 per year. Use	ur five highest compensated employees when the actual figure, if available. Refer to the include officers, directors, or trustees listed in	nstructions fo	
Name		Title	Mailing address	Compensation (annual actual of	
С		mpensation of more than \$50	les of your five highest compensated indep 1,000 per year. Use the actual figure, if avaisation.		
Name		Title	Mailing address	Compensation a	
The f	ollowing "Yes" or "No" questions tors, trustees, highest compensate	relate to past, present, or plant ed employees, and highest com	ned relationships, transactions, or agreements was spensated independent contractors listed in line	vith your officers 1a, 1b, and	rs, 1c.
	Are any of your officers, direct relationships? If "Yes," identif		ach other through family or business the relationship.	☐ Yes	□ No
	Do you have a business relation	onship with any of your office	ers, directors, or trustees other than "Yes," identify the individuals and describe	☐ Yes	□ No
С		ndent contractors listed on lin	our highest compensated employees or uses 1b or 1c through family or business the relationship.	☐ Yes	□ No
3a		ntractors listed on lines 1a, 1	b, or 1c, attach a list showing their name,		
b	Do any of your officers, direct compensated independent co other organizations, whether t control? If "Yes," identify the organization, and describe the	☐ Yes	□ No		
4	employees, and highest comp	pensated independent contract mended, although they are n	s, trustees, highest compensated ctors listed on lines 1a, 1b, and 1c, the ot required to obtain exemption. Answer		
	-		ngements follow a conflict of interest policy? advance of paying compensation?	☐ Yes ☐ Yes	□ No □ No
		-	of approved compensation arrangements?		☐ No

Form 1023 (Rev. 6-2006) Name: Page 4 Compensation and Other Financial Arrangements With Your Officers, Directors, Trustees, Part V **Employees, and Independent Contractors** (Continued) d Do you or will you record in writing the decision made by each individual who decided or voted on ☐ Yes No compensation arrangements? e Do you or will you approve compensation arrangements based on information about compensation paid by ☐ No ☐ Yes similarly situated taxable or tax-exempt organizations for similar services, current compensation surveys compiled by independent firms, or actual written offers from similarly situated organizations? Refer to the instructions for Part V, lines 1a, 1b, and 1c, for information on what to include as compensation. No f Do you or will you record in writing both the information on which you relied to base your decision Yes and its source? g If you answered "No" to any item on lines 4a through 4f, describe how you set compensation that is reasonable for your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed in Part V, lines 1a, 1b, and 1c. 5a Have you adopted a conflict of interest policy consistent with the sample conflict of interest policy No Yes in Appendix A to the instructions? If "Yes," provide a copy of the policy and explain how the policy has been adopted, such as by resolution of your governing board. If "No," answer lines 5b and 5c. b What procedures will you follow to assure that persons who have a conflict of interest will not have influence over you for setting their own compensation? c What procedures will you follow to assure that persons who have a conflict of interest will not have influence over you regarding business deals with themselves? Note: A conflict of interest policy is recommended though it is not required to obtain exemption. Hospitals, see Schedule C, Section I, line 14. ☐ Yes No Do you or will you compensate any of your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed in lines 1a, 1b, or 1c through non-fixed payments, such as discretionary bonuses or revenue-based payments? If "Yes," describe all non-fixed compensation arrangements, including how the amounts are determined, who is eligible for such arrangements, whether you place a limitation on total compensation, and how you determine or will determine that you pay no more than reasonable compensation for services. Refer to the instructions for Part V, lines 1a, 1b, and 1c, for information on what to include as compensation. b Do you or will you compensate any of your employees, other than your officers, directors, trustees, ☐ Yes No or your five highest compensated employees who receive or will receive compensation of more than \$50,000 per year, through non-fixed payments, such as discretionary bonuses or revenue-based payments? If "Yes," describe all non-fixed compensation arrangements, including how the amounts are or will be determined, who is or will be eligible for such arrangements, whether you place or will place a limitation on total compensation, and how you determine or will determine that you pay no more than reasonable compensation for services. Refer to the instructions for Part V, lines 1a, 1b, and 1c, for information on what to include as compensation. ■ No Yes 7a Do you or will you purchase any goods, services, or assets from any of your officers, directors, trustees, highest compensated employees, or highest compensated independent contractors listed in lines 1a, 1b, or 1c? If "Yes," describe any such purchase that you made or intend to make, from whom you make or will make such purchases, how the terms are or will be negotiated at arm's length, and explain how you determine or will determine that you pay no more than fair market value. Attach copies of any written contracts or other agreements relating to such purchases. b Do you or will you sell any goods, services, or assets to any of your officers, directors, trustees, Yes No highest compensated employees, or highest compensated independent contractors listed in lines 1a, 1b, or 1c? If "Yes," describe any such sales that you made or intend to make, to whom you make or will make such sales, how the terms are or will be negotiated at arm's length, and explain how you determine or will determine you are or will be paid at least fair market value. Attach copies of any written contracts or other agreements relating to such sales. 8a Do you or will you have any leases, contracts, loans, or other agreements with your officers, directors, Yes No trustees, highest compensated employees, or highest compensated independent contractors listed in lines 1a, 1b, or 1c? If "Yes," provide the information requested in lines 8b through 8f. **b** Describe any written or oral arrangements that you made or intend to make. c Identify with whom you have or will have such arrangements. **d** Explain how the terms are or will be negotiated at arm's length. e Explain how you determine you pay no more than fair market value or you are paid at least fair market value. f Attach copies of any signed leases, contracts, loans, or other agreements relating to such arrangements. Yes ■ No 9a Do you or will you have any leases, contracts, loans, or other agreements with any organization in

which any of your officers, directors, or trustees are also officers, directors, or trustees, or in which any individual officer, director, or trustee owns more than a 35% interest? If "Yes," provide the

information requested in lines 9b through 9f.

Part V Compensation and Other Financial Arrangements With Your Officers, Directors, Trustees, Employees, and Independent Contractors (Continued)

- **b** Describe any written or oral arrangements you made or intend to make.
- c Identify with whom you have or will have such arrangements.
- d Explain how the terms are or will be negotiated at arm's length.
- **e** Explain how you determine or will determine you pay no more than fair market value or that you are paid at least fair market value.
- f Attach a copy of any signed leases, contracts, loans, or other agreements relating to such arrangements.

•	The state of the s			
Pai	rt VI Your Members and Other Individuals and Organizations That Receive Benefits Fr	om You		
	following "Yes" or "No" questions relate to goods, services, and funds you provide to individuals and or our activities. Your answers should pertain to past, present, and planned activities. (See instructions.)	rganizations	as pa	art
1a	In carrying out your exempt purposes, do you provide goods, services, or funds to individuals? If "Yes," describe each program that provides goods, services, or funds to individuals.	☐ Yes		No
b	In carrying out your exempt purposes, do you provide goods, services, or funds to organizations? If "Yes," describe each program that provides goods, services, or funds to organizations.	☐ Yes		No
2	Do any of your programs limit the provision of goods, services, or funds to a specific individual or group of specific individuals? For example, answer "Yes," if goods, services, or funds are provided only for a particular individual, your members, individuals who work for a particular employer, or graduates of a particular school. If "Yes," explain the limitation and how recipients are selected for each program.	☐ Yes		No
3	Do any individuals who receive goods, services, or funds through your programs have a family or business relationship with any officer, director, trustee, or with any of your highest compensated employees or highest compensated independent contractors listed in Part V, lines 1a, 1b, and 1c? If "Yes," explain how these related individuals are eligible for goods, services, or funds.	☐ Yes		No
	rt VII Your History			
The	following "Yes" or "No" questions relate to your history. (See instructions.)			
1	Are you a successor to another organization? Answer "Yes," if you have taken or will take over the activities of another organization; you took over 25% or more of the fair market value of the net assets of another organization; or you were established upon the conversion of an organization from for-profit to non-profit status. If "Yes," complete Schedule G.	∐ Yes		No
2	Are you submitting this application more than 27 months after the end of the month in which you were legally formed? If "Yes," complete Schedule E.	☐ Yes		No
Par	rt VIII Your Specific Activities			
The	following "Yes" or "No" questions relate to specific activities that you may conduct. Check the approprivers should pertain to past, present, and planned activities. (See instructions.)	ate box. Yo	ur	
1	Do you support or oppose candidates in political campaigns in any way? If "Yes," explain.	☐ Yes		No
2a	Do you attempt to influence legislation ? If "Yes," explain how you attempt to influence legislation and complete line 2b. If "No," go to line 3a.	☐ Yes		No
b	Have you made or are you making an election to have your legislative activities measured by expenditures by filing Form 5768? If "Yes," attach a copy of the Form 5768 that was already filed or attach a completed Form 5768 that you are filing with this application. If "No," describe whether your attempts to influence legislation are a substantial part of your activities. Include the time and money spent on your attempts to influence legislation as compared to your total activities.	☐ Yes		No
3a	Do you or will you operate bingo or gaming activities? If "Yes," describe who conducts them, and list all revenue received or expected to be received and expenses paid or expected to be paid in operating these activities. Revenue and expenses should be provided for the time periods specified in Part IX, Financial Data.	☐ Yes		No
b	Do you or will you enter into contracts or other agreements with individuals or organizations to conduct bingo or gaming for you? If "Yes," describe any written or oral arrangements that you made or intend to make, identify with whom you have or will have such arrangements, explain how the terms are or will be negotiated at arm's length, and explain how you determine or will determine you pay no more than fair market value or you will be paid at least fair market value. Attach copies or any written contracts or other agreements relating to such arrangements.	☐ Yes		No
С	List the states and local jurisdictions, including Indian Reservations, in which you conduct or will conduct gaming or bingo.			

orm	1023 (Rev. 6-2006) Name:	EIN: -		Page	(
Pai	rt VIII Your Specific Activities (Continued)				
4a	Do you or will you undertake fundraising ? If "Yes," check all the fund conduct. (See instructions.)	Iraising programs you do or will	☐ Yes	□ N	C
	☐ mail solicitations ☐ phone solicit	ations			
	☐ email solicitations ☐ accept donate	ions on your website			
	☐ personal solicitations ☐ receive dona	tions from another organization's	website		
	· · · · · · · · · · · · · · · · · · ·	grant solicitations			
	☐ foundation grant solicitations ☐ Other				
	Attach a description of each fundraising program.				
b	Do you or will you have written or oral contracts with any individuals	or organizations to raise funds	☐ Yes	□ N	O
	for you? If "Yes," describe these activities. Include all revenue and ex				
	and state who conducts them. Revenue and expenses should be pro- specified in Part IX, Financial Data. Also, attach a copy of any contract				
	specified in Fart IX, Financial Data. Also, attach a copy of any contract	ots or agreements.	_	_	
С	Do you or will you engage in fundraising activities for other organization	ons? If "Yes," describe these	☐ Yes	□ N	O
	arrangements. Include a description of the organizations for which yo of all contracts or agreements.	u raise funds and attach copies			
	-				
d	List all states and local jurisdictions in which you conduct fundraising jurisdiction listed, specify whether you fundraise for your own organization.				
	organization, or another organization fundraises for you.	ation, you fund alse for another			
_			□ v		_
е	Do you or will you maintain separate accounts for any contributor und the right to advise on the use or distribution of funds? Answer "Yes"			□ N	С
	on the types of investments, distributions from the types of investment	its, or the distribution from the			
	donor's contribution account. If "Yes," describe this program, includir				
	be provided and submit copies of any written materials provided to d	onors.			
5	Are you affiliated with a governmental unit? If "Yes," explain.		☐ Yes	□ N	C
6a	Do you or will you engage in economic development? If "Yes," desc	ribe your program.	☐ Yes	□ N	c
b	Describe in full who benefits from your economic development activiti	es and how the activities			
	promote exempt purposes.				_
7a	Do or will persons other than your employees or volunteers develop y		☐ Yes	□ N	C
	each facility, the role of the developer, and any business or family reladeveloper and your officers, directors, or trustees.	ationship(s) between the			
L		volum potivition on facilities? If	☐ Yes	ПМ	_
D	Do or will persons other than your employees or volunteers manage "Yes," describe each activity and facility, the role of the manager, and		⊔ Yes	∐ N	С
	relationship(s) between the manager and your officers, directors, or tri				
С	If there is a business or family relationship between any manager or c	eveloper and your officers.			
	directors, or trustees, identify the individuals, explain the relationship,	describe how contracts are			
	negotiated at arm's length so that you pay no more than fair market v	alue, and submit a copy of any			
	contracts or other agreements.				_
8	Do you or will you enter into joint ventures, including partnerships or		☐ Yes	□ N	C
	treated as partnerships, in which you share profits and losses with pa 501(c)(3) organizations? If "Yes," describe the activities of these joint				
	participate.	ventures in which you			
02	Are you applying for exemption as a childcare organization under sec	tion 501/k)2 If "Vee " answer	☐ Yes	N	_
Ja	lines 9b through 9d. If "No," go to line 10.	tion 301(k): It les, answer	□ 163		٠
b	Do you provide child care so that parents or caretakers of children yo	ou care for can be gainfully	☐ Yes	□ N	c
	employed (see instructions)? If "No," explain how you qualify as a chi				
	in section 501(k).				
С	Of the children for whom you provide child care, are 85% or more of		☐ Yes	□ N	O
	enable their parents or caretakers to be gainfully employed (see instru	ctions)? If "No," explain how			
_	you qualify as a childcare organization described in section 501(k).				
d	Are your services available to the general public? If "No," describe the whom your activities are available. Also, see the instructions and expl			□ N	C
	childcare organization described in section 501(k).	an now you quality as a			
10	Do you or will you publish, own, or have rights in music, literature, tag	pes, artworks, choreography	☐ Yes	N	_
. •	scientific discoveries, or other intellectual property? If "Yes," explain	. Describe who owns or will	03		-
	own any copyrights, patents, or trademarks, whether fees are or will be				
	determined, and how any items are or will be produced, distributed, a	ina marketed.			

orm	1023 (Rev. 6-2006) Name: EIN: -			Page 7
Par	rt VIII Your Specific Activities (Continued)			
11	Do you or will you accept contributions of: real property; conservation easements; closely held securities; intellectual property such as patents, trademarks, and copyrights; works of music or art; licenses; royalties; automobiles, boats, planes, or other vehicles; or collectibles of any type? If "Yes, describe each type of contribution, any conditions imposed by the donor on the contribution, and any agreements with the donor regarding the contribution.		Yes	□ No
12a	Do you or will you operate in a foreign country or countries? If "Yes," answer lines 12b through 12d. If "No," go to line 13a.		Yes	☐ No
С	Name the foreign countries and regions within the countries in which you operate. Describe your operations in each country and region in which you operate. Describe how your operations in each country and region further your exempt purposes.			
	7 7 7 7 1 1 1			
	Do you or will you make grants, loans, or other distributions to organization(s)? If "Yes," answer lines 13b through 13g. If "No," go to line 14a.	s	Yes	∐ No
	Describe how your grants, loans, or other distributions to organizations further your exempt purposes.			
	Do you have written contracts with each of these organizations? If "Yes," attach a copy of each contract.		Yes	□ No
	Identify each recipient organization and any relationship between you and the recipient organization	١.		
_	Describe the records you keep with respect to the grants, loans, or other distributions you make. Describe your selection process, including whether you do any of the following:			
f	(i) Do you require an application form? If "Yes," attach a copy of the form.		Yes	□ No
	(ii) Do you require all application form? If "Yes," attach a copy of the form. (iii) Do you require a grant proposal? If "Yes," describe whether the grant proposal specifies your responsibilities and those of the grantee, obligates the grantee to use the grant funds only for the purposes for which the grant was made, provides for periodic written reports concerning the use of grant funds, requires a final written report and an accounting of how grant funds were used, and acknowledges your authority to withhold and/or recover grant funds in case such funds are, or appear to be, misused.	Э	Yes	□ No
g	Describe your procedures for oversight of distributions that assure you the resources are used to further your exempt purposes, including whether you require periodic and final reports on the use of resources.	f		
14a	Do you or will you make grants, loans, or other distributions to foreign organizations? If "Yes," answer lines 14b through 14f. If "No," go to line 15.		Yes	☐ No
b	Provide the name of each foreign organization, the country and regions within a country in which each foreign organization operates, and describe any relationship you have with each foreign organization.			
С	Does any foreign organization listed in line 14b accept contributions earmarked for a specific countr or specific organization? If "Yes," list all earmarked organizations or countries.	у 🗆	Yes	☐ No
d	Do your contributors know that you have ultimate authority to use contributions made to you at you discretion for purposes consistent with your exempt purposes? If "Yes," describe how you relay this information to contributors.		Yes	□ No
е	Do you or will you make pre-grant inquiries about the recipient organization? If "Yes," describe these inquiries, including whether you inquire about the recipient's financial status, its tax-exempt status under the Internal Revenue Code, its ability to accomplish the purpose for which the resources are provided, and other relevant information.	е 🗌	Yes	□ No
f	Do you or will you use any additional procedures to ensure that your distributions to foreign organizations are used in furtherance of your exempt purposes? If "Yes," describe these procedures including site visits by your employees or compliance checks by impartial experts, to verify that granfunds are being used appropriately.		Yes	□ No

Form	1023 (Rev. 6-2006) Name:	EIN: -		Page 8
Pai	rt VIII Your Specific Activities (Continued)			
15	Do you have a close connection with any organizations? If "Yes," explain.		☐ Yes	☐ No
16	Are you applying for exemption as a cooperative hospital service organization under \$ 501(e)? If "Yes," explain.	ection	☐ Yes	□ No
17	Are you applying for exemption as a cooperative service organization of operating ed organizations under section 501(f)? If "Yes," explain.	ucational	☐ Yes	☐ No
18	Are you applying for exemption as a charitable risk pool under section 501(n)? If "Yes,"	explain.	☐ Yes	☐ No
19	Do you or will you operate a school ? If "Yes," complete Schedule B. Answer "Yes," whe operate a school as your main function or as a secondary activity.	ther you	☐ Yes	☐ No
20	Is your main function to provide hospital or medical care? If "Yes," complete Schedule	C.	☐ Yes	☐ No
21	Do you or will you provide low-income housing or housing for the elderly or handicapp "Yes," complete Schedule F.	ed? If	☐ Yes	☐ No
22	Do you or will you provide scholarships, fellowships, educational loans, or other education individuals, including grants for travel, study, or other similar purposes? If "Yes," completed Schedule H.		○ □ Yes	□ No
	Note: Private foundations may use Schedule H to request advance approval of individu procedures.	al grant		

Part IX Financial Data

For purposes of this schedule, years in existence refer to completed tax years. If in existence 4 or more years, complete the schedule for the most recent 4 tax years. If in existence more than 1 year but less than 4 years, complete the statements for each year in existence and provide projections of your likely revenues and expenses based on a reasonable and good faith estimate of your future finances for a total of 3 years of financial information. If in existence less than 1 year, provide projections of your likely revenues and expenses for the current year and the 2 following years, based on a reasonable and good faith estimate of your future finances for a total of 3 years of financial information. (See instructions.)

			A. Statement	of Revenues and	Expenses		
		Type of revenue or expense	Current tax year	•	years or 2 succeeding	-	
		Office avanta and	(a) From			(d) From	(e) Provide Total for (a) through (d)
	1	Gifts, grants, and contributions received (do not include unusual grants)					
	2	Membership fees received					
	3	Gross investment income					
	4	Net unrelated business income					
	5	Taxes levied for your benefit					
Revenues	6	Value of services or facilities furnished by a governmental unit without charge (not including the value of services generally furnished to the public without charge)					
Rev	7	Any revenue not otherwise listed above or in lines 9–12 below (attach an itemized list)					
	8	Total of lines 1 through 7					
	9	Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to your exempt purposes (attach itemized list)					
	10	Total of lines 8 and 9					
	11	Net gain or loss on sale of capital assets (attach schedule and see instructions)					
	12	Unusual grants					
	13	Total Revenue Add lines 10 through 12					
	14	Fundraising expenses					
	15	Contributions, gifts, grants, and similar amounts paid out (attach an itemized list)					
	16	Disbursements to or for the benefit of members (attach an itemized list)					
Expenses	17	Compensation of officers, directors, and trustees					
en	18	Other salaries and wages					
Ä	19	Interest expense					
_	20	Occupancy (rent, utilities, etc.)					
	21	Depreciation and depletion					
	22	Professional fees					
	23	Any expense not otherwise classified, such as program services (attach itemized list)					
	24	Total Expenses Add lines 14 through 23					

Pa	rt IX Financial Data (Continued)			
	B. Balance Sheet (for your most recently completed tax year)		Year End	
	Assets		(Whole	e dollars)
1	Oasii	1		
2	Accounts receivable, net	2		
3		3		
4	Bolido and notes receivable (attach an itemized list)	4		
5		5		
6	Loans receivable (attach an itemized list)	7		
7				
8	boproblable and depotable debots (attach an itemzed liet)	9		
9		9 10		
10		11		
11	Total Assets (add lines i tillodgii 10)	''		
10	Liabilities	12		
12	Accounts payable	13		
13 14		14		
15	mortgages and notes payable (attach an itemized not)	15		
16		16		
10	Fund Balances or Net Assets	•		
17		17		
18		18		
19	Have there been any substantial changes in your assets or liabilities since the end of the period		Yes	☐ No
	shown above? If "Yes," explain.			
Pa	rt X Public Charity Status			
is a dete	X is designed to classify you as an organization that is either a private foundation or a public charity . more favorable tax status than private foundation status. If you are a private foundation, Part X is designated in the private operating foundation. (See instructions.)	ned	to furth	er
1a	Are you a private foundation? If "Yes," go to line 1b. If "No," go to line 5 and proceed as instructed. If you are unsure, see the instructions.	Ш	Yes	∐ No
b	As a private foundation, section 508(e) requires special provisions in your organizing document in addition to those that apply to all organizations described in section 501(c)(3). Check the box to confirm that your organizing document meets this requirement, whether by express provision or by reliance on operation of state law. Attach a statement that describes specifically where your organizing document meets this requirement, such as a reference to a particular article or section in your organizing document or by operation of state law. See the instructions, including Appendix B, for information about the special provisions that need to be contained in your organizing document. Go to line 2.			
2	Are you a private operating foundation? To be a private operating foundation you must engage directly in the active conduct of charitable, religious, educational, and similar activities, as opposed to indirectly carrying out these activities by providing grants to individuals or other organizations. If "Yes," go to line 3. If "No," go to the signature section of Part XI.		Yes	□ No
3	Have you existed for one or more years? If "Yes," attach financial information showing that you are a private operating foundation; go to the signature section of Part XI. If "No," continue to line 4.		Yes	☐ No
4	Have you attached either (1) an affidavit or opinion of counsel, (including a written affidavit or opinion from a certified public accountant or accounting firm with expertise regarding this tax law matter), that sets forth facts concerning your operations and support to demonstrate that you are likely to satisfy the requirements to be classified as a private operating foundation; or (2) a statement describing your proposed operations as a private operating foundation?		Yes	□ No
5	If you answered "No" to line 1a, indicate the type of public charity status you are requesting by checking one You may check only one box.	e of	the cho	ices below
	The organization is not a private foundation because it is:			
	509(a)(1) and 170(b)(1)(A)(i)—a church or a convention or association of churches. Complete and attach Sc	hed	ule A.	
b	509(a)(1) and 170(b)(1)(A)(ii)—a school. Complete and attach Schedule B.			
С	509(a)(1) and 170(b)(1)(A)(iii)—a hospital , a cooperative hospital service organization, or a medical reserving organization operated in conjunction with a hospital. Complete and attach Schedule C.	arch	1	
d	509(a)(3)—an organization supporting either one or more organizations described in line 5a through c, for a publicly supported section 501(c)(4), (5), or (6) organization. Complete and attach Schedule D.	f, g,	or h	

Form	1023 (Rev. 6-2006)	Name:	EIN: -	Page 11
Par	rt X Public	Charity Status (Contin	ued)	
	509(a)(1) and 1	= =	operated exclusively for testing for public safety. ation operated for the benefit of a college or university that is owned or	
g			ation that receives a substantial part of its financial support in the form organizations, from a governmental unit, or from the general public.	
h	investment in	come and receives more t	receives not more than one-third of its financial support from gross than one-third of its financial support from contributions, membership elated to its exempt functions (subject to certain exceptions).	
i	A publicly suppledecide the cor		nsure if it is described in 5g or 5h. The organization would like the IRS to	
6			above, you must request either an advance or a definitive ruling by the instructions to determine which type of ruling you are eligible to receive.	
а	the Code you excise tax und at the end of the years to 8 years the extension the Assessment Person make. You make. You toll-free 1-800-	request an advance ruling ler section 4940 of the Cooke 5-year advance ruling press, 4 months, and 15 days to a mutually agreed-upon eriod, provides a more det umay obtain Publication 1-829-3676. Signing this co	ing this box and signing the consent, pursuant to section 6501(c)(4) of and agree to extend the statute of limitations on the assessment of de. The tax will apply only if you do not establish public support status period. The assessment period will be extended for the 5 advance ruling beyond the end of the first year. You have the right to refuse or limit period of time or issue(s). Publication 1035, Extending the Tax ailed explanation of your rights and the consequences of the choices 035 free of charge from the IRS web site at www.irs.gov or by calling nsent will not deprive you of any appeal rights to which you would o extend the statute of limitations, you are not eligible for an advance	
	For Organiz	Officer, Director, Trustee, or other	(Type or print title or authority of signer) (Type or print title or authority of signer)	
	For IRS Us	o Only	· · · · · · · · · · · · · · · · · · ·	
	101111003	io Only		
	IRS Director, E	Exempt Organizations	(Date)	
b	you are reques g in line 5 abo	sting a definitive ruling. To	his box if you have completed one tax year of at least 8 full months and confirm your public support status, answer line 6b(i) if you checked box u checked box h in line 5 above. If you checked box i in line 5 above,	
	(b) Attach	a list showing the name ar	Part IX-A. Statement of Revenues and Expensesnd amount contributed by each person, company, or organization whose nount. If the answer is "None," check this box.	
	Expens	ch year amounts are includ es, attach a list showing the is "None," check this box	led on lines 1, 2, and 9 of Part IX-A. Statement of Revenues and the name of and amount received from each disqualified person. If the	
	a list sh paymer	nowing the name of and ar nts were more than the lar	led on line 9 of Part IX-A. Statement of Revenues and Expenses, attach mount received from each payer, other than a disqualified person, whose ger of (1) 1% of line 10, Part IX-A. Statement of Revenues and swer is "None," check this box.	
7	Did you receive Revenues and	e any unusual grants durir Expenses? If "Yes," attac	ng any of the years shown on Part IX-A. Statement of ha list including the name of the contributor, the date and of the grant, and explain why it is unusual.	□ No

Part XI User Fee Information

You must include a user fee payment with this application. It will not be processed without your paid user fee. If your average annual gross receipts have exceeded or will exceed \$10,000 annually over a 4-year period, you must submit payment of \$750. If your gross receipts have not exceeded or will not exceed \$10,000 annually over a 4-year period, the required user fee payment is \$300. See instructions for Part XI, for a definition of **gross receipts** over a 4-year period. Your check or money order must be made payable to the United States Treasury. User fees are subject to change. Check our website at www.irs.gov and type "User Fee" in the keyword box, or call Customer Account Services at 1-877-829-5500 for current information.

Fee"	in the ke	eyword box, or call Customer Account Services at	1-877-829-5500 for current information.		
1		ur annual gross receipts averaged or are they expect check the box on line 2 and enclose a user fee payn		☐ Yes	☐ No
		check the box on line 3 and enclose a user fee paym	, , ,		
2	Check th	ne box if you have enclosed the reduced user fee pay	yment of \$300 (Subject to change).		
3	Check th	ne box if you have enclosed the user fee payment of	\$750 (Subject to change).		
applic Plea	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				
Sigr Here		(Signature of Officer, Director, Trustee, or other authorized official)	(Type or print name of signer)	(Date)	
			(Type or print title or authority of signer)		

Reminder: Send the completed Form 1023 Checklist with your filled-in-application.

Form **1023** (Rev. 6-2006)

·OIIII	1023 (Rev. 6-2006) Name: EIN: —		Page	e IJ
	Schedule A. Churches			
1a	Do you have a written creed, statement of faith, or summary of beliefs? If "Yes," attach copies of relevant documents.	Yes		No
b	Do you have a form of worship? If "Yes," describe your form of worship.	Yes		No
2a	Do you have a formal code of doctrine and discipline? If "Yes," describe your code of doctrine and discipline.	Yes		No
b	Do you have a distinct religious history? If "Yes," describe your religious history.	Yes		No
С	Do you have a literature of your own? If "Yes," describe your literature.	Yes		No
3	Describe the organization's religious hierarchy or ecclesiastical government.			
4a	Do you have regularly scheduled religious services? If "Yes," describe the nature of the services and provide representative copies of relevant literature such as church bulletins.	Yes		No
b	What is the average attendance at your regularly scheduled religious services?			
5a	Do you have an established place of worship? If "Yes," refer to the instructions for the information required.	Yes		No
b	Do you own the property where you have an established place of worship?	Yes		No
6	Do you have an established congregation or other regular membership group? If "No," refer to the instructions.	Yes		No
7	How many members do you have?			
	Do you have a process by which an individual becomes a member? If "Yes," describe the process and complete lines 8b–8d, below.	Yes		No
b	If you have members, do your members have voting rights, rights to participate in religious functions, or other rights? If "Yes," describe the rights your members have.	Yes		No
С	May your members be associated with another denomination or church?	Yes		No
d	Are all of your members part of the same family ?	Yes		No
9	Do you conduct baptisms, weddings, funerals, etc.?	Yes		No
10	Do you have a school for the religious instruction of the young?	Yes		No
	Do you have a minister or religious leader? If "Yes," describe this person's role and explain whether the minister or religious leader was ordained, commissioned, or licensed after a prescribed course of study.	 Yes		No
b	Do you have schools for the preparation of your ordained ministers or religious leaders?	Yes		No
12	Is your minister or religious leader also one of your officers, directors, or trustees?	Yes		No
13	Do you ordain, commission, or license ministers or religious leaders? If "Yes," describe the requirements for ordination, commission, or licensure.	Yes		No
14	Are you part of a group of churches with similar beliefs and structures? If "Yes," explain. Include the name of the group of churches.	Yes		No
15	Do you issue church charters? If "Yes," describe the requirements for issuing a charter.	Yes		No
16	Did you pay a fee for a church charter? If "Yes," attach a copy of the charter.	Yes		No
17	Do you have other information you believe should be considered regarding your status as a church? If "Yes," explain.	 Yes		No

Form	1023 (Rev. 6-2006) Name: EIN: -		Page	14
	Schedule B. Schools, Colleges, and Universities			
C •	If you operate a school as an activity, complete Schedule B			
	Do you normally have a regularly scheduled curriculum, a regular faculty of qualified teachers, a regularly enrolled student body, and facilities where your educational activities are regularly carried on? If "No," do not complete the remainder of Schedule B.	Yes		No
b	Is the primary function of your school the presentation of formal instruction? If "Yes," describe your school in terms of whether it is an elementary, secondary, college, technical, or other type of school. If "No," do not complete the remainder of Schedule B.	Yes		No
2a	Are you a public school because you are operated by a state or subdivision of a state? If "Yes," explain how you are operated by a state or subdivision of a state. Do not complete the remainder of Schedule B.	Yes		No
b	Are you a public school because you are operated wholly or predominantly from government funds or property? If "Yes," explain how you are operated wholly or predominantly from government funds or property. Submit a copy of your funding agreement regarding government funding. Do not complete the remainder of Schedule B.	Yes		No
3	In what public school district, county, and state are you located?			
4	Were you formed or substantially expanded at the time of public school desegregation in the above school district or county?	Yes		No
5	Has a state or federal administrative agency or judicial body ever determined that you are racially discriminatory? If "Yes," explain.	Yes		No
6	Has your right to receive financial aid or assistance from a governmental agency ever been revoked or suspended? If "Yes," explain.	Yes		No
7	Do you or will you contract with another organization to develop, build, market, or finance your facilities? If "Yes," explain how that entity is selected, explain how the terms of any contracts or other agreements are negotiated at arm's length, and explain how you determine that you will pay no more than fair market value for services.	Yes		No
	Note. Make sure your answer is consistent with the information provided in Part VIII, line 7a.			
8	Do you or will you manage your activities or facilities through your own employees or volunteers? If "No," attach a statement describing the activities that will be managed by others, the names of the persons or organizations that manage or will manage your activities or facilities, and how these managers were or will be selected. Also, submit copies of any contracts, proposed contracts, or other agreements regarding the provision of management services for your activities or facilities. Explain how the terms of any contracts or other agreements were or will be negotiated, and explain how you determine you will pay no more than fair market value for services.	Yes		No
	Note. Answer "Yes" if you manage or intend to manage your programs through your own employees or by using volunteers. Answer "No" if you engage or intend to engage a separate organization or independent contractor. Make sure your answer is consistent with the information provided in Part VIII, line 7b.			
Se	ction II Establishment of Racially Nondiscriminatory Policy			
	Information required by Revenue Procedure 75-50.			
1	Have you adopted a racially nondiscriminatory policy as to students in your organizing document, bylaws, or by resolution of your governing body? If "Yes," state where the policy can be found or supply a copy of the policy. If "No," you must adopt a nondiscriminatory policy as to students before submitting this application. See Publication 557.	Yes		No
2	Do your brochures, application forms, advertisements, and catalogues dealing with student admissions, programs, and scholarships contain a statement of your racially nondiscriminatory policy?	Yes		No
a b	If "Yes," attach a representative sample of each document. If "No," by checking the box to the right you agree that all future printed materials, including website content, will contain the required nondiscriminatory policy statement.	١		
3	Have you published a notice of your nondiscriminatory policy in a newspaper of general circulation that serves all racial segments of the community? (See the instructions for specific requirements.) If "No," explain.	Yes		No
4	Does or will the organization (or any department or division within it) discriminate in any way on the basis of race with respect to admissions; use of facilities or exercise of student privileges; faculty or administrative staff; or scholarship or loan programs? If "Yes," for any of the above, explain fully.	Yes		No

Form 1023 (Rev. 6-2006)	Name:	EIN:	_	Page 1	5
FORTH 1023 (Rev. 6-2006)	name:	EIIN:	_	rade I.	v

<u> </u>	<u> </u>	<u> </u>		1.1	(0 1)
Schedule B.	Schools.	Colleges.	and Univer	rsities	(Continued)

5	Complete the table below to show the racial composition for the current academic year and projected for the next
	academic year, of: (a) the student body, (b) the faculty, and (c) the administrative staff. Provide actual numbers rather than
	percentages for each racial category.

If you are not operational, submit an estimate based on the best information available (such as the racial composition of the community served).

Racial Category	(a) Stude	ent Body	(b) Fa	aculty	(c) Administrative Staff			
	Current Year Next Year C		Current Year	Next Year	Current Year	Next Year		
Total								

6 In the table below, provide the number and amount of loans and scholarships awarded to students enrolled by racial categories.

Racial Category	Number of Loans		Amount of Loans		Number of Scholarships		Amount of Scholarships	
	Current Year Next Year		Current Year	Next Year	Current Year	Next Year	Current Year	Next Year
Total								

7a	Attach a list of you whether individual	, ,	board member	ers, and donc	ors of land or	buildings,			
b	Do any of these in private school edu	0	have an objec	tive to mainta	ain segregated	d public or	☐ Yes	s 🗆	No
8	Will you maintain Procedure 75-50?	0		ion provision	s contained ir	Revenue	☐ Yes	s 🗆	No
								_	

Form **1023** (Rev. 6-2006)

Form	1023 (Rev. 6-2006) Name: EIN: -		Page	e 1
	Schedule C. Hospitals and Medical Research Organizations			
inclu	ck the box if you are a hospital . See the instructions for a definition of the term "hospital," which ides an organization whose principal purpose or function is providing hospital or medical care . uplete Section I below.			
the i	ck the box if you are a medical research organization operated in conjunction with a hospital. See instructions for a definition of the term "medical research organization," which refers to an initiation whose principal purpose or function is medical research and which is directly engaged in the inuous active conduct of medical research in conjunction with a hospital. Complete Section II.			
Sec	ction I Hospitals			
1a	Are all the doctors in the community eligible for staff privileges? If "No," give the reasons why and explain how the medical staff is selected.	Yes		No
2 a	Do you or will you provide medical services to all individuals in your community who can pay for themselves or have private health insurance? If "No," explain.	Yes		No
b	Do you or will you provide medical services to all individuals in your community who participate in Medicare? If "No," explain.	Yes		No
	Do you or will you provide medical services to all individuals in your community who participate in Medicaid? If "No," explain.	Yes		No
3a	Do you or will you require persons covered by Medicare or Medicaid to pay a deposit before receiving services? If "Yes," explain.	Yes		No
b	Does the same deposit requirement, if any, apply to all other patients? If "No," explain.	Yes		No
4a	Do you or will you maintain a full-time emergency room? If "No," explain why you do not maintain a full-time emergency room. Also, describe any emergency services that you provide.	Yes		No
b	Do you have a policy on providing emergency services to persons without apparent means to pay? If "Yes," provide a copy of the policy.	Yes		No
С	Do you have any arrangements with police, fire, and voluntary ambulance services for the delivery or admission of emergency cases? If "Yes," describe the arrangements, including whether they are written or oral agreements. If written, submit copies of all such agreements.	Yes		No
5a	Do you provide for a portion of your services and facilities to be used for charity patients? If "Yes," answer 5b through 5e.	Yes		No
b	Explain your policy regarding charity cases, including how you distinguish between charity care and bad debts. Submit a copy of your written policy.			
С	Provide data on your past experience in admitting charity patients, including amounts you expend for treating charity care patients and types of services you provide to charity care patients.			
d	Describe any arrangements you have with federal, state, or local governments or government agencies for paying for the cost of treating charity care patients. Submit copies of any written agreements.			
е	Do you provide services on a sliding fee schedule depending on financial ability to pay? If "Yes," submit your sliding fee schedule.	Yes		No
6a	Do you or will you carry on a formal program of medical training or medical research? If "Yes," describe such programs, including the type of programs offered, the scope of such programs, and affiliations with other hospitals or medical care providers with which you carry on the medical training or research programs.	Yes		No
b	Do you or will you carry on a formal program of community education? If "Yes," describe such programs, including the type of programs offered, the scope of such programs, and affiliation with other hospitals or medical care providers with which you offer community education programs.	Yes		No
7	Do you or will you provide office space to physicians carrying on their own medical practices? If "Yes," describe the criteria for who may use the space, explain the means used to determine that you are paid at least fair market value, and submit representative lease agreements.	Yes		No
8	Is your board of directors comprised of a majority of individuals who are representative of the community you serve? Include a list of each board member's name and business, financial, or professional relationship with the hospital. Also, identify each board member who is representative of the community and describe how that individual is a community representative.	Yes		No
9	Do you participate in any joint ventures? If "Yes," state your ownership percentage in each joint venture, list your investment in each joint venture, describe the tax status of other participants in each joint venture (including whether they are section 501(c)(3) organizations), describe the activities of each joint venture, describe how you exercise control over the activities of each joint venture, and describe how each joint venture furthers your exempt purposes. Also, submit copies of all agreements.	Yes		No
	Note. Make sure your answer is consistent with the information provided in Part VIII. line 8.			

orm	1023 (Rev. 6-2006) Name: EIN: -		Page 17
	Schedule C. Hospitals and Medical Research Organizations (Continued)		
Se	ction I Hospitals (Continued)		
10	Do you or will you manage your activities or facilities through your own employees or volunteers? If "No," attach a statement describing the activities that will be managed by others, the names of the persons or organizations that manage or will manage your activities or facilities, and how these managers were or will be selected. Also, submit copies of any contracts, proposed contracts, or other agreements regarding the provision of management services for your activities or facilities. Explain how the terms of any contracts or other agreements were or will be negotiated, and explain how you determine you will pay no more than fair market value for services. Note. Answer "Yes" if you do manage or intend to manage your programs through your own employees or by using volunteers. Answer "No" if you engage or intend to engage a separate organization or independent contractor. Make sure your answer is consistent with the information provided in Part VIII, line 7b.	☐ Yes	□ No
11	Do you or will you offer recruitment incentives to physicians? If "Yes," describe your recruitment incentives and attach copies of all written recruitment incentive policies.	☐ Yes	□ No
12	Do you or will you lease equipment, assets, or office space from physicians who have a financial or professional relationship with you? If "Yes," explain how you establish a fair market value for the lease.	☐ Yes	□ No
13	Have you purchased medical practices, ambulatory surgery centers, or other business assets from physicians or other persons with whom you have a business relationship, aside from the purchase? If "Yes," submit a copy of each purchase and sales contract and describe how you arrived at fair market value, including copies of appraisals.	☐ Yes	□ No
14	Have you adopted a conflict of interest policy consistent with the sample health care organization conflict of interest policy in Appendix A of the instructions? If "Yes," submit a copy of the policy and explain how the policy has been adopted, such as by resolution of your governing board. If "No," explain how you will avoid any conflicts of interest in your business dealings.	☐ Yes	□ No
Se	ction II Medical Research Organizations		
1	Name the hospitals with which you have a relationship and describe the relationship. Attach copies of written agreements with each hospital that demonstrate continuing relationships between you and the hospital(s).		
2	Attach a schedule describing your present and proposed activities for the direct conduct of medical research; describe the nature of the activities, and the amount of money that has been or will be spent in carrying them out.		
3	Attach a schedule of assets showing their fair market value and the portion of your assets directly devoted to medical research.		

Page 18 Form 1023 (Rev. 6-2006) Name: Schedule D. Section 509(a)(3) Supporting Organizations Identifying Information About the Supported Organization(s) Section I State the names, addresses, and EINs of the supported organizations. If additional space is needed, attach a separate sheet. Name **Address EIN** Are all supported organizations listed in line 1 public charities under section 509(a)(1) or (2)? If "Yes," Yes No go to Section II. If "No," go to line 3. ■ No Do the supported organizations have tax-exempt status under section 501(c)(4), 501(c)(5), or Yes 501(c)(6)? If "Yes," for each 501(c)(4), (5), or (6) organization supported, provide the following financial information: • Part IX-A. Statement of Revenues and Expenses, lines 1-13 and • Part X, lines 6b(ii)(a), 6b(ii)(b), and 7. If "No," attach a statement describing how each organization you support is a public charity under section 509(a)(1) or (2). Section II Relationship with Supported Organization(s)—Three Tests To be classified as a supporting organization, an organization must meet one of three relationship tests: Test 1: "Operated, supervised, or controlled by" one or more publicly supported organizations, or Test 2: "Supervised or controlled in connection with" one or more publicly supported organizations, or Test 3: "Operated in connection with" one or more publicly supported organizations. Information to establish the "operated, supervised, or controlled by" relationship (Test 1) Is a majority of your governing board or officers elected or appointed by the supported ☐ Yes No organization(s)? If "Yes," describe the process by which your governing board is appointed and elected; go to Section III. If "No," continue to line 2. Information to establish the "supervised or controlled in connection with" relationship (Test 2) Does a majority of your governing board consist of individuals who also serve on the governing Yes No board of the supported organization(s)? If "Yes," describe the process by which your governing board is appointed and elected; go to Section III. If "No," go to line 3. Information to establish the "operated in connection with" responsiveness test (Test 3) Are you a trust from which the named supported organization(s) can enforce and compel an ☐ Yes ☐ No accounting under state law? If "Yes," explain whether you advised the supported organization(s) in writing of these rights and provide a copy of the written communication documenting this; go to Section II, line 5. If "No," go to line 4a. Information to establish the alternative "operated in connection with" responsiveness test (Test 3) a Do the officers, directors, trustees, or members of the supported organization(s) elect or appoint one Yes No or more of your officers, directors, or trustees? If "Yes," explain and provide documentation; go to line 4d, below. If "No," go to line 4b. b Do one or more members of the governing body of the supported organization(s) also serve as your ☐ Yes ☐ No officers, directors, or trustees or hold other important offices with respect to you? If "Yes," explain and provide documentation; go to line 4d, below. If "No," go to line 4c. No c Do your officers, directors, or trustees maintain a close and continuous working relationship with the Yes officers, directors, or trustees of the supported organization(s)? If "Yes," explain and provide documentation.

d Do the supported organization(s) have a significant voice in your investment policies, in the making

and provide documentation.

organization(s) aware of your supporting activities.

and timing of grants, and in otherwise directing the use of your income or assets? If "Yes," explain

e Describe and provide copies of written communications documenting how you made the supported

☐ Yes

☐ No

orm	1023 (Rev. 6-2006) Name: EIN: -			Page	e 19
	Schedule D. Section 509(a)(3) Supporting Organizations (Continued)				
Sec	ction II Relationship with Supported Organization(s)—Three Tests (Continued)				
5	Information to establish the "operated in connection with" integral part test (Test 3) Do you conduct activities that would otherwise be carried out by the supported organization(s)? If "Yes," explain and go to Section III. If "No," continue to line 6a.		Yes		No
6 a	Information to establish the alternative "operated in connection with" integral part test (Test 3) Do you distribute at least 85% of your annual net income to the supported organization(s)? If "Yes," go to line 6b. (See instructions.)		Yes		No
	If "No," state the percentage of your income that you distribute to each supported organization. Also explain how you ensure that the supported organization(s) are attentive to your operations.				
	How much do you contribute annually to each supported organization? Attach a schedule. What is the total annual revenue of each supported organization? If you need additional space, attach a list.				
d	Do you or the supported organization(s) earmark your funds for support of a particular program or activity? If "Yes," explain.		Yes		No
	Does your organizing document specify the supported organization(s) by name? If "Yes," state the article and paragraph number and go to Section III. If "No," answer line 7b.		Yes		No
	Attach a statement describing whether there has been an historic and continuing relationship between you and the supported organization(s).				
Sec	ction III Organizational Test				
1a	If you met relationship Test 1 or Test 2 in Section II, your organizing document must specify the supported organization(s) by name, or by naming a similar purpose or charitable class of beneficiaries. If your organizing document complies with this requirement, answer "Yes." If your organizing document does not comply with this requirement, answer "No," and see the instructions.		Yes		No
b	If you met relationship Test 3 in Section II, your organizing document must generally specify the supported organization(s) by name. If your organizing document complies with this requirement, answer "Yes," and go to Section IV. If your organizing document does not comply with this requirement, answer "No," and see the instructions.		Yes		No
Sec	ction IV Disqualified Person Test				
as c	do not qualify as a supporting organization if you are controlled directly or indirectly by one or more d defined in section 4946) other than foundation managers or one or more organizations that you supportagers who are also disqualified persons for another reason are disqualified persons with respect to you	t. Fo	lified undati	perso on	ns
1a	Do any persons who are disqualified persons with respect to you, (except individuals who are disqualified persons only because they are foundation managers), appoint any of your foundation managers? If "Yes," (1) describe the process by which disqualified persons appoint any of your foundation managers, (2) provide the names of these disqualified persons and the foundation managers they appoint, and (3) explain how control is vested over your operations (including assets and activities) by persons other than disqualified persons.		Yes		No
b	Do any persons who have a family or business relationship with any disqualified persons with respect to you, (except individuals who are disqualified persons only because they are foundation managers), appoint any of your foundation managers? If "Yes," (1) describe the process by which individuals with a family or business relationship with disqualified persons appoint any of your foundation managers, (2) provide the names of these disqualified persons, the individuals with a family or business relationship with disqualified persons, and the foundation managers appointed, and (3) explain how control is vested over your operations (including assets and activities) in individuals other than disqualified persons.		Yes		No
С	Do any persons who are disqualified persons, (except individuals who are disqualified persons only because they are foundation managers), have any influence regarding your operations, including your assets or activities? If "Yes," (1) provide the names of these disqualified persons, (2) explain how influence is exerted over your operations (including assets and activities), and (3) explain how control is vested over your operations (including assets and activities) by individuals other than disqualified persons.		Yes		No

Schedule E. Organizations Not Filing Form 1023 Within 27 Months of F	Formation
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Schedule E is intended to determine whether you are eligible for tax exemption under section 501(c)(3) from the postmark date of your application or from your date of incorporation or formation, whichever is earlier. If you are not eligible for tax exemption under section 501(c)(3) from your date of incorporation or formation, Schedule E is also intended to determine whether you are eligible for tax exemption under section 501(c)(4) for the period between your date of incorporation or formation and the postmark date of your application.

	and the state of t		
1	Are you a church, association of churches, or integrated auxiliary of a church? If "Yes," complete Schedule A and stop here. Do not complete the remainder of Schedule E.	Yes	No
2a	Are you a public charity with annual gross receipts that are normally \$5,000 or less? If "Yes," stop here. Answer "No" if you are a private foundation, regardless of your gross receipts.	Yes	No
b	If your gross receipts were normally more than \$5,000, are you filing this application within 90 days from the end of the tax year in which your gross receipts were normally more than \$5,000? If "Yes," stop here.	Yes	No
За	Were you included as a subordinate in a group exemption application or letter? If "No," go to line 4.	Yes	No
b	If you were included as a subordinate in a group exemption letter, are you filing this application within 27 months from the date you were notified by the organization holding the group exemption letter or the Internal Revenue Service that you cease to be covered by the group exemption letter? If "Yes," stop here.	Yes	No
С	If you were included as a subordinate in a timely filed group exemption request that was denied, are you filing this application within 27 months from the postmark date of the Internal Revenue Service final adverse ruling letter? If "Yes," stop here.	Yes	No
4	Were you created on or before October 9, 1969? If "Yes," stop here. Do not complete the remainder of this schedule.	Yes	No
5	If you answered "No" to lines 1 through 4, we cannot recognize you as tax exempt from your date of formation unless you qualify for an extension of time to apply for exemption. Do you wish to request an extension of time to apply to be recognized as exempt from the date you were formed? If "Yes," attach a statement explaining why you did not file this application within the 27-month period. Do not answer lines 6, 7, or 8. If "No," go to line 6a.	Yes	No
6a	If you answered "No" to line 5, you can only be exempt under section 501(c)(3) from the postmark date of this application. Therefore, do you want us to treat this application as a request for tax exemption from the postmark date? If "Yes," you are eligible for an advance ruling. Complete Part X, line 6a. If "No," you will be treated as a private foundation.	Yes	No
b	Note. Be sure your ruling eligibility agrees with your answer to Part X, line 6. Do you anticipate significant changes in your sources of support in the future? If "Yes," complete line 7 below.	Yes	No

Schedule E. Organizations Not Filing Form 1023 Within 27 Months of Formation (Continued)

7 Complete this item only if you answered "Yes" to line 6b. Include projected revenue for the first two full years following the current tax year.

	Type of Revenue	nue Projected revenue for 2 years following current tax year				
		(a) From To	(b) From To	(c) Total		
1	Gifts, grants, and contributions received (do not include unusual grants)					
2	Membership fees received					
3	Gross investment income					
4	Net unrelated business income					
5	Taxes levied for your benefit					
6	Value of services or facilities furnished by a governmental unit without charge (not including the value of services generally furnished to the public without charge)					
7	Any revenue not otherwise listed above or in lines 9–12 below (attach an itemized list)					
8	Total of lines 1 through 7					
9	Gross receipts from admissions, merchandise sold, or services performed, or furnishing of facilities in any activity that is related to your exempt purposes (attach itemized list)					
10	Total of lines 8 and 9					
11	Net gain or loss on sale of capital assets (attach an itemized list)					
12	Unusual grants					
13	Total revenue. Add lines 10 through 12					
post 501(sect cont	ording to your answers, you are only eligible for taxtemark date of your application. However, you may (c)(4) from your date of formation to the postmark of ion 501(c)(4) allows exemption from federal income tributions under Code section 170. Check the box lest for exemption under 501(c)(4) from your date of	be eligible for tax exem date of the Form 1023. tax, but generally not at right if you want us t	ption under section Tax exemption under deductibility of o treat this as a	▶ □		

Attach a completed Page 1 of Form 1024, Application for Recognition of Exemption Under Section

8

501(a), to this application.

orm	1023 (Rev. 6-2006) Name: EIN: —		Page 22
	Schedule F. Homes for the Elderly or Handicapped and Low-Income Housi	ng	
Se	ction I General Information About Your Housing		
1	Describe the type of housing you provide.		
2	Provide copies of any application forms you use for admission.		
3	Explain how the public is made aware of your facility.		
	Provide a description of each facility. What is the total number of residents each facility can accommodate?		
С	What is your current number of residents in each facility? Describe each facility in terms of whether residents rent or purchase housing from you.		
5	Attach a sample copy of your residency or homeownership contract or agreement.		
6	Do you participate in any joint ventures? If "Yes," state your ownership percentage in each joint venture, list your investment in each joint venture, describe the tax status of other participants in each joint venture (including whether they are section 501(c)(3) organizations), describe the activities of each joint venture, describe how you exercise control over the activities of each joint venture, and describe how each joint venture furthers your exempt purposes. Also, submit copies of all joint venture agreements.	☐ Yes	□ No
	Note. Make sure your answer is consistent with the information provided in Part VIII, line 8.		
7	Do you or will you contract with another organization to develop, build, market, or finance your housing? If "Yes," explain how that entity is selected, explain how the terms of any contract(s) are negotiated at arm's length, and explain how you determine you will pay no more than fair market value for services.	☐ Yes	□ No
	Note. Make sure your answer is consistent with the information provided in Part VIII, line 7a.		
8	Do you or will you manage your activities or facilities through your own employees or volunteers? If "No," attach a statement describing the activities that will be managed by others, the names of the persons or organizations that manage or will manage your activities or facilities, and how these managers were or will be selected. Also, submit copies of any contracts, proposed contracts, or other agreements regarding the provision of management services for your activities or facilities. Explain how the terms of any contracts or other agreements were or will be negotiated, and explain how you determine you will pay no more than fair market value for services.	☐ Yes	□ No
	Note. Answer "Yes" if you do manage or intend to manage your programs through your own employees or by using volunteers. Answer "No" if you engage or intend to engage a separate organization or independent contractor. Make sure your answer is consistent with the information provided in Part VIII, line 7b.		
9	Do you participate in any government housing programs? If "Yes," describe these programs.	☐ Yes	☐ No
10a	Do you own the facility? If "No," describe any enforceable rights you possess to purchase the facility in the future; go to line 10c. If "Yes," answer line 10b.	☐ Yes	□ No
b	How did you acquire the facility? For example, did you develop it yourself, purchase a project, etc. Attach all contracts, transfer agreements, or other documents connected with the acquisition of the facility.		
С	Do you lease the facility or the land on which it is located? If "Yes," describe the parties to the lease(s) and provide copies of all leases.	☐ Yes	☐ No

orm	1023 (Rev. 6-2006) Name: EIN: -			Pag	e 23
	Schedule F. Homes for the Elderly or Handicapped and Low-Income Housing (Co	ontin	ued)		
Sec	ction II Homes for the Elderly or Handicapped				
1a	Do you provide housing for the elderly? If "Yes," describe who qualifies for your housing in terms of age, infirmity, or other criteria and explain how you select persons for your housing.		Yes		No
b	Do you provide housing for the handicapped? If "Yes," describe who qualifies for your housing in terms of disability, income levels, or other criteria and explain how you select persons for your housing.		Yes		No
2 a	Do you charge an entrance or founder's fee? If "Yes," describe what this charge covers, whether it is a one-time fee, how the fee is determined, whether it is payable in a lump sum or on an installment basis, whether it is refundable, and the circumstances, if any, under which it may be waived.		Yes		No
b	Do you charge periodic fees or maintenance charges? If "Yes," describe what these charges cover and how they are determined.		Yes		No
С	Is your housing affordable to a significant segment of the elderly or handicapped persons in the community? Identify your community . Also, if "Yes," explain how you determine your housing is affordable.		Yes		No
3а	Do you have an established policy concerning residents who become unable to pay their regular charges? If "Yes," describe your established policy.		Yes		No
b	Do you have any arrangements with government welfare agencies or others to absorb all or part of the cost of maintaining residents who become unable to pay their regular charges? If "Yes," describe these arrangements.		Yes		No
4	Do you have arrangements for the healthcare needs of your residents? If "Yes," describe these arrangements.		Yes		No
5	Are your facilities designed to meet the physical, emotional, recreational, social, religious, and/or other similar needs of the elderly or handicapped? If "Yes," describe these design features.		Yes		No
Se	ction III Low-Income Housing				
1	Do you provide low-income housing? If "Yes," describe who qualifies for your housing in terms of income levels or other criteria, and describe how you select persons for your housing.		Yes		No
2	In addition to rent or mortgage payments, do residents pay periodic fees or maintenance charges? If "Yes," describe what these charges cover and how they are determined.		Yes		No
За	Is your housing affordable to low income residents? If "Yes," describe how your housing is made affordable to low-income residents.		Yes		No
	Note. Revenue Procedure 96-32, 1996-1 C.B. 717, provides guidelines for providing low-income housing that will be treated as charitable. (At least 75% of the units are occupied by low-income tenants or 40% are occupied by tenants earning not more than 120% of the very low-income levels for the area.)				
b	Do you impose any restrictions to make sure that your housing remains affordable to low-income residents? If "Yes," describe these restrictions.		Yes		No
4	Do you provide social services to residents? If "Yes," describe these services.		Yes		No

orm	1023 (Rev. 6-2006) Name:	EIN:				Pag	e 24
	Schedul	e G. Successors to Other Organizations					
1a	Are you a successor to a for-profit org predecessor organization that resulted i	anization? If "Yes," explain the relationship with the n your creation and complete line 1b.			Yes		No
b	Explain why you took over the activities for-profit to nonprofit status.	or assets of a for-profit organization or converted from					
b	taken or will take over the activities of ar or more of the fair market value of the ne relationship with the other organization the Provide the tax status of the predecessor Did you or did an organization to which yunder section 501(c)(3) or any other sect		5%		Yes Yes		No No
d		exemption of an organization to which you are a success Include a description of the corrections you made to	sor		Yes		No
е	Explain why you took over the activities	or assets of another organization.					
3	Provide the name, last address, and EIN	of the predecessor organization and describe its activitie	es.				
	Name:		EIN:		-		
	Address:						
4	Attach a separate sheet if additional spa-	cholders, officers, and governing board members of the process is needed.	redece	SSO	r orgar	nizatio	n.
	Name	Address	Share/	Inte	rest (If a	for-pr	ofit)
5	describe the relationship in detail and inc	e 4, maintain a working relationship with you? If "Yes," clude copies of any agreements with any of these persons these persons own more than a 35% interest.			Yes		No
6a	If "Yes," provide a list of assets, indicate	gift or sale, from the predecessor organization to you? the value of each asset, explain how the value was vailable. For each asset listed, also explain if the transfer.			Yes		No
b	Were any restrictions placed on the use	or sale of the assets? If "Yes," explain the restrictions.			Yes		No
С	Provide a copy of the agreement(s) of sa	le or transfer.					
7	If "Yes," provide a list of the debts or lial	rom the predecessor for-profit organization to you? bilities that were transferred to you, indicating the amount and the name of the person to whom the debt or liability	t of		Yes		No
8	for-profit organization, or from persons lipersons own more than a 35% interest?	uipment previously owned or used by the predecessor sted in line 4, or from for-profit organizations in which the If "Yes," submit a copy of the lease or rental agreement the property or equipment was determined.	ese		Yes		No
9	in which these persons own more than a	nent to persons listed in line 4, or to for-profit organization 35% interest? If "Yes," attach a list of the property or rental agreement(s), and indicate how the lease or rental determined.			Yes		No

Schedule H. Organizations Providing Scholarships, Fellowships, Educational Loans, or Other Educational Grants to Individuals and Private Foundations Requesting Advance Approval of Individual Grant Procedures Names of individual recipients are not required to be listed in Schedule H. Section I Public charities and private foundations complete lines 1a through 7 of this section. See the instructions to Part X if you are not sure whether you are a public charity or a private foundation. 1a Describe the types of educational grants you provide to individuals, such as scholarships, fellowships, loans, etc. b Describe the purpose and amount of your scholarships, fellowships, and other educational grants and loans that you c If you award educational loans, explain the terms of the loans (interest rate, length, forgiveness, etc.). **d** Specify how your program is publicized. e Provide copies of any solicitation or announcement materials. f Provide a sample copy of the application used. No ☐ Yes Do you maintain case histories showing recipients of your scholarships, fellowships, educational loans, or other educational grants, including names, addresses, purposes of awards, amount of each grant, manner of selection, and relationship (if any) to officers, trustees, or donors of funds to you? If "No," refer to the instructions. Describe the specific criteria you use to determine who is eligible for your program. (For example, eligibility selection criteria could consist of graduating high school students from a particular high school who will attend college, writers of scholarly works about American history, etc.) 4a Describe the specific criteria you use to select recipients. (For example, specific selection criteria could consist of prior academic performance, financial need, etc.) **b** Describe how you determine the number of grants that will be made annually. **c** Describe how you determine the amount of each of your grants. d Describe any requirement or condition that you impose on recipients to obtain, maintain, or qualify for renewal of a grant. (For example, specific requirements or conditions could consist of attendance at a four-year college, maintaining a certain grade point average, teaching in public school after graduation from college, etc.) Describe your procedures for supervising the scholarships, fellowships, educational loans, or other educational grants. Describe whether you obtain reports and grade transcripts from recipients, or you pay grants directly to a school under an arrangement whereby the school will apply the grant funds only for enrolled students who are in good standing. Also, describe your procedures for taking action if the terms of the award are violated. Who is on the selection committee for the awards made under your program, including names of current committee members, criteria for committee membership, and the method of replacing committee members? ☐ Yes ☐ No Are relatives of members of the selection committee, or of your officers, directors, or substantial contributors eligible for awards made under your program? If "Yes," what measures are taken to ensure unbiased selections? Note. If you are a private foundation, you are not permitted to provide educational grants to disqualified persons. Disqualified persons include your substantial contributors and foundation managers and certain family members of disqualified persons. Private foundations complete lines 1a through 4f of this section. Public charities do not Section II complete this section. 1a If we determine that you are a private foundation, do you want this application to be Yes ☐ No □ N/A considered as a request for advance approval of grant making procedures? **b** For which section(s) do you wish to be considered? 4945(g)(1)—Scholarship or fellowship grant to an individual for study at an educational institution 4945(q)(3)—Other grants, including loans, to an individual for travel, study, or other similar purposes, to enhance a particular skill of the grantee or to produce a specific product 2 Do you represent that you will (1) arrange to receive and review grantee reports annually Yes ☐ No and upon completion of the purpose for which the grant was awarded, (2) investigate diversions of funds from their intended purposes, and (3) take all reasonable and appropriate steps to recover diverted funds, ensure other grant funds held by a grantee are used for their intended purposes, and withhold further payments to grantees until you obtain grantees' assurances that future diversions will not occur and that grantees will take extraordinary precautions to prevent future diversions from occurring? Do you represent that you will maintain all records relating to individual grants, including Yes ☐ No information obtained to evaluate grantees, identify whether a grantee is a disqualified person, establish the amount and purpose of each grant, and establish that you

undertook the supervision and investigation of grants described in line 2?

Schedule H. Organizations Providing Scholarships, Fellowships, Educational Loans, or Other Educational Grants to Individuals and Private Foundations Requesting Advance Approval of Individual Grant Procedures (Continued)

Sec	Private foundations complete lines 1a through 4f of this section. Pu complete this section. (Continued)	blic	charit	ties do no	t
4a	Do you or will you award scholarships, fellowships, and educational loans to attend an educational institution based on the status of an individual being an <i>employee of a particular employer?</i> If "Yes," complete lines 4b through 4f.		Yes	□ No	
b	Will you comply with the seven conditions and either the percentage tests or facts and circumstances test for scholarships, fellowships, and educational loans to attend an educational institution as set forth in Revenue Procedures 76-47, 1976-2 C.B. 670, and 80-39, 1980-2 C.B. 772, which apply to inducement, selection committee, eligibility requirements, objective basis of selection, employment, course of study, and other objectives? (See lines 4c, 4d, and 4e, regarding the percentage tests.)		Yes	□ No	
С	Do you or will you provide scholarships, fellowships, or educational loans to attend an educational institution to employees of a particular employer?		Yes	☐ No	□ N/A
	If "Yes," will you award grants to 10% or fewer of the eligible applicants who were actually considered by the selection committee in selecting recipients of grants in that year as provided by Revenue Procedures 76-47 and 80-39?		Yes	□ No	
d	Do you provide scholarships, fellowships, or educational loans to attend an educational institution to children of employees of a particular employer?		Yes	☐ No	□ N/A
	If "Yes," will you award grants to 25% or fewer of the eligible applicants who were actually considered by the selection committee in selecting recipients of grants in that year as provided by Revenue Procedures 76-47 and 80-39? If "No," go to line 4e.		Yes	□ No	
е	If you provide scholarships, fellowships, or educational loans to attend an educational institution to children of employees of a particular employer, will you award grants to 10% or fewer of the number of employees' children who can be shown to be eligible for grants (whether or not they submitted an application) in that year, as provided by Revenue Procedures 76-47 and 80-39?		Yes	□ No	□ N/A
	If "Yes," describe how you will determine who can be shown to be eligible for grants without submitting an application, such as by obtaining written statements or other information about the expectations of employees' children to attend an educational institution. If "No," go to line 4f.				
	Note. Statistical or sampling techniques are not acceptable. See Revenue Procedure 85-51, 1985-2 C.B. 717, for additional information.				
f	If you provide scholarships, fellowships, or educational loans to attend an educational institution to <i>children of employees of a particular employer</i> without regard to either the 25% limitation described in line 4d, or the 10% limitation described in line 4e, will you award grants based on facts and circumstances that demonstrate that the grants will not be considered compensation for past, present, or future services or otherwise provide a significant benefit to the particular employer? If "Yes," describe the facts and circumstances that you believe will demonstrate that the grants are neither compensatory nor a significant benefit to the particular employer. In your explanation, describe why you cannot satisfy either the 25% test described in line 4d or the 10% test described in line 4d		Yes	□ No	

Form 1023 Checklist

(Revised June 2006)

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

Note. Retain a copy of the completed Form 1023 in your permanent records. Refer to the General Instructions regarding Public Inspection of approved applications.

Check each box to finish your application (Form 1023). Send this completed Checklist with your filled-in application. If you have not answered all the items below, your application may be returned to you as incomplete

cor	npiete.
	Assemble the application and materials in this order:
	• Form 1023 Checklist
	• Form 2848, Power of Attorney and Declaration of Representative (if filing)
	• Form 8821, Tax Information Authorization (if filling)
	• Expedite request (if requesting)
	Application (Form 1023 and Schedules A through H, as required) Articles of averagination.
	Articles of organization Amendments to articles of organization in obvenelogical order.
	 Amendments to articles of organization in chronological order Bylaws or other rules of operation and amendments
	 Documentation of nondiscriminatory policy for schools, as required by Schedule B
	• Form 5768, Election/Revocation of Election by an Eligible Section 501(c)(3) Organization To Make
	Expenditures To Influence Legislation (if filing)
	• All other attachments, including explanations, financial data, and printed materials or publications. Label each page with name and EIN.
	User fee payment placed in envelope on top of checklist. DO NOT STAPLE or otherwise attach your check or money order to your application. Instead, just place it in the envelope.
	Employer Identification Number (EIN)
	Completed Parts I through XI of the application, including any requested information and any required Schedules A through H.
	 You must provide specific details about your past, present, and planned activities.
	• Generalizations or failure to answer questions in the Form 1023 application will prevent us from recognizing you as tax exempt.
	 Describe your purposes and proposed activities in specific easily understood terms.
	Financial information should correspond with proposed activities.
	Schedules. Submit only those schedules that apply to you and check either "Yes" or "No" below.
	Schedule A Yes No Schedule E Yes No
	Schedule B Yes No Schedule F Yes No
	Schedule C Yes No Schedule G Yes No No
	Schedule D Yes No Schedule H Yes No

	An exact copy of your complete articles of organization (creating document). Absence of the proper purpose and dissolution clauses is the number one reason for delays in the issuance of determination letters.
	• Location of Purpose Clause from Part III, line 1 (Page, Article and Paragraph Number)
	 Location of Dissolution Clause from Part III, line 2b or 2c (Page, Article and Paragraph Number) or by operation of state law
	Signature of an officer, director, trustee, or other official who is authorized to sign the application. • Signature at Part XI of Form 1023.
	Your name on the application must be the same as your legal name as it appears in your articles of organization.
Sen	d completed Form 1023, user fee payment, and all other required information, to:
Inter	rnal Revenue Service
_	Box 192
Cov	ington, KY 41012-0192
If yo	ou are using express mail or a delivery service, send Form 1023, user fee payment, and attachments to:
201 Attn	rnal Revenue Service West Rivercenter Blvd. : Extracting Stop 312 ington, KY 41011



Departmen of the Treasury

Internal Revenue Service **Publication 557**

(Rev. March 2005) Cat. No. 46573C

Tax-Exempt Status for Your Organization



Form 1023, Application for Exemption Under Section 501(c)(3) of the Internal Revenue Code (Rev. October 2004),

has been substantially revised. Changes to Form 1023 are not reflected in the text of this publication. However, the major changes to Form 1023 are briefly discussed on this cover page.



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The information requested on the revised Form 1023 has substantially increased, thereby minimizing the need for additional information from the filer during the approval process. Specific changes to the form include the following:

- Form 8718, User Fee for Exempt Organization Determination Letter Request, has been incorporated into Part X of Form 1023. Therefore, when filing the new Form 1023 you will not need to file Form 8718 to determine the correct user fee.
- The automatic 27-month retroactive exemption rule pursuant to Rev. Proc. 92-85, 1992-2 C.B. 490 has been incorporated into the application.
- You can no longer submit Form SS-4, Application for Employer Identification Number, with the application. You must have an Employer Identification Number (EIN) prior to filing Form 1023.
- Limited liability companies have been added as a type of organization eligible to apply for tax-exempt status under section 501(c)(3) of the Code.
- Questions about compensation and other financial arrangements with officers, directors, trustees, highly compensated employees, and highly compensated independent contractors aimed at determining whether benefits are appropriate have been added to Part V.
- Form 872-C, Consent Fixing Period of Limitation Upon Assessment of Tax Under Section 4940 of the Internal Revenue Code, has been obsoleted and the required information has been incorporated into *Part X*. Therefore, when filing the new Form 1023, you will not need to submit Form 872-C.
- A new Schedule E. Organizations Not Filing Form 1023 Within 27 Months of Formation was created to consolidate questions and financial data in one place that relates to whether an exemption can be made retroactive to the organization's date of formation.
- Schedule H incorporates advance ruling procedures for private foundations requesting advance approval of individual grant procedures.

Caution. Organizations that have begun completing the prior revision (Rev. September 1998) may file it until April 30, 2005. Beginning May 1, 2005, only the Form 1023 (Rev. October 2004) will be accepted.

Item to note. Section 317 of the American Jobs Creation Act of 2004, provides that a farmer's cooperative is eligible for declaratory judgment relief with respect to the initial classification or continuing classification as an organization exempt under section 521(a) of the Code.

Exhibit 5 – Register with State as a Charitable Organization:

Groups must register with the State of Michigan Attorney General's Office as a charitable organization by filing an **Initial Charitable Trust/Charitable Solicitation Questionnaire.** No filing fee is required.

www.michigan.gov (To Print: use your browser's print function) Release Date: September 04, 2002 Last Update: September 19, 2007

How to E-File or Mail Your Forms

FORMS

E-filing -- You can now e-file your IRS Form 990 or 990-EZ and the most commonly used Charitable Trust Section forms. See instructions below.

Mailing -- You may also print and complete the Charitable Trust Section forms and mail them in. Scroll down for instructions and print forms from the Related Content column on the right of this page.

E-FILING FORMS

The following forms may now be e-filed to the Charitable Trust Section:

- Application for License to Solicit Donations (both initial filing and renewals)
- IRS Form 990 and 990-EZ
- Initial Charitable Trust / Charitable Solicitation Questionnaire
- Charitable Trust Registration Statement and Inventory forms (with Initial Charitable Trust / Charitable Solicitation Questionnaire only)

License to Solicit -- You may now renew your solicitation license by e-filing your application to the Charitable Trust Section.

- If you have not yet filed your Form 990 with the IRS You may complete and e-file your 990 or 990-EZ to the IRS as well as to the Charitable
 Trust Section. Most of the license application form will be automatically completed using
 your entries from the IRS return. (Note -- there is no fee for e-filing the Michigan
 application. However, if your organization has gross receipts over \$100,000, there will be a
 small fee charged by the outside provider to prepare the Form 990 on the system.)
- If your IRS return has already been filed with the IRS --Simply complete the application form by entering information from your already prepared Form 990 or 990-EZ and uploading a PDF version of your return. There is no fee.

New organizations -- Organizations that have never applied for a solicitation license in Michigan or registered as a charitable trust may now complete and e-file the Initial Charitable Trust / Charitable Solicitation Questionnaire. There is no fee. After you complete the Questionnaire, you will be advised if you need to also complete other forms to apply for a license or register as a charitable trust.

IRS 990 or 990-EZ Annual Reports -- If your organization is already registered as a charitable trust and is not required to be licensed for solicitations, you may e-file your IRS 990 or 990-EZ to the IRS. Then, simply select Michigan as another recipient of the return so that it will be e-filed with the Charitable Trust Section as your charitable trust annual report. (Note -- if your organization has gross receipts over \$100,000, there will be a small fee charged by the outside provider to prepare the Form 990 on the system.)

Click here to e-file your Michigan forms or IRS 990 or 990-EZ.

MAILING FORMS

To complete by hand and mail in, simply click on the form you want under Related Content on the right side of this page and print the form. To complete the form using your computer keyboard, follow the steps below:

- 1. Click on the form you want under Related Content on the right side of this page to open the form.
- 2. Use your mouse to click in the first field and type in your entry. Use the Tab key to proceed from one field to the next.
- On the *File* menu, use *Save as* to save a copy of the completed form.
- 4. Print the completed form and sign it.
- 5. Send the form to the Charitable Trust Section, along with all required attachments.

Charitable Trust Section PO Box 30214 Lansing, MI 48909-7714

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DAG 009-002 AUTHORITY 1975 PA 169 1961 PA 101 COMPLIANCE: Voluntary PENALTY: Non-Licensure

PLEASE TYPE OR PRINT IN INK

STATE OF MICHIGAN DEPARTMENT OF ATTORNEY GENERAL

INITIAL CHARITABLE TRUST / CHARITABLE SOLICITATION QUESTIONNAIRE

Official Name of Organization Attorney General File # (CS/CT/T) if applicable Address of Organization City County State Zip Area Code Telephone Number Date Created (MM/DD/YYYY) Fiscal Year End (MM/DD/) What State Employer Identification No. (EIN) Organization Web Site Organization Email Address Organization Fax Number Yes No 1. Are you incorporated?

If yes, attach a complete copy of Articles of Incorporation that show a dated "FILED" stamp from the appropriate state agency and Constitution and/or Bylaws.

If no, attach a copy of your Constitution and/or Bylaws, or Trust Agreement.

Yes No

2. Does your organization supervise and control a local, county or area chapter in Michigan?

A. If yes, do you intend to have these chapters included in your solicitation license?

B. If yes, attach a listing of names and addresses of all chapters to be included in your solicitation license and attach a copy of your IRS Group Determination Letter. If your organization is an out-of-state corporation, attach a copy of your Certificate of Authority to Transact Business that has been filed with the Corporations Division of the Department of Consumer & Industry Services

3. What is your purpose? Describe the specific program(s) the organization will conduct.

4.	Do you h	ave a tax exemption under IRS 501(c)(3)?	Yes No
		ach a copy of the IRS determination letter.	
		lave you applied, or do you intend to apply, for 501(c)(3) status? lave you been turned down?	А. ППП В. ППП
		f yes, explain:	
	C. L	ist any other exemption you have obtained or that is pending from the IRS:	
			Yes No
5.		lan to solicit or receive contributions from Michigan sources? Solicit or receive funds from the general public (this includes corporations, individuals groups, etc.) or hold or sponsor fund raising events?	5.
	В.	Solicit or receive unrestricted grants from non-government sources? If yes, from whom?	В. 🗌 📗
	С	Solicit or receive funds from members of your organization? If yes, provide a reference to the articles or sections in the articles of incorporation or bylaws that define the membership classes.	C
	D	Receive operating funds from United Way? If yes, identify specific United Way office:	D. 🗌 🗍
		If (D) is yes, provide total dollar amount received from United Way during the most recently completed fiscal year:	
	E.	Solicit or receive funds from any other source? If yes, explain:	E. 🗌 📗
			Yes No
6.		nticipate soliciting or receiving contributions of more than \$8,000 per year from the funding dentified in question 5?	
7.		itations be confined to drives, held not more than quarterly, among members only, where the ublic is not invited to become a member?	Yes No
	contribut	so answer YES if you are a private foundation for IRS tax purposes and will receive ons solely from incorporators, directors, or members of the families of those individuals or onsoring business, even if they are not "members" of the organization.	
		ach an explanation of your membership requirements, your solicitation activities, and/or ionship with expected contributors.	

8.	Are persons, whether employees, contractors, or consultants, compensated for planning, managing, consulting or carrying on fund raising activities on your behalf? If yes, explain fully and give name and address of any professional fund raiser, consultant or commercial coventurer: (You must submit, with this form, copies of current contracts with professional fund raisers,	Yes No
_	consultants or commercial coventurers.)	
9.	Do you request contributions only for the relief or benefit of a named <u>individual</u> , with all fund raising conducted by persons who are unpaid for their service? If yes, give name, address, and telephone number of the named beneficiary:	Yes No
10	. Are you approved as an educational institution by the Michigan Department of Education? If yes, attach a copy of the verification from the Department.	Yes No
11	. If a veteran's organization, do you hold a charter under federal law? If yes, give name of national organization that received the Federal Charter and the State of Michigan Council or Department:	Yes No
12	Is your sole source of contributions derived from a charitable organization which is licensed with this office to solicit donations? If yes, give name and license number of said organization:	Yes No
13	Are you a licensed hospital, hospital-based foundation or hospital auxiliary? If yes, give name of parent hospital, if applicable:	Yes No
14	. Are you a nonprofit service club with other than 501(c)(3) designation from the IRS? A. If yes, is your principal purpose charitable?	Yes No 14.
15	. Are you a nonprofit corporation whose purpose is the owning and operating of facilities for the aged and chronically ill whose stock is wholly owned by a religious or fraternal society?	Yes No
16	Is more than 50% of the organization's activities licensed by the State of Michigan to serve children and families? If yes, give license number	Yes No
17	. Are you a school booster organization operating with the knowledge and approval of an educational institution for the support or promotion of artistic, educational, musical, or athletic programs or events?	Yes No

18. Are you a governmental unit or instrumentality?	Yes No		
19. Do you function as an advocacy or lobbying organization, or are you associated with any advocacy organization, political party, candidate or committee?	Yes No		
20. Are you an amateur theatre, band, orchestra, chorale or dance corporation?	Yes No		
21. Are you a duly organized church, religious organization, institution or society with religious purposes, or a charity, agency or organization operated, supervised or controlled by a church or religious organization? If yes, explain fully:	Yes No		
22. Do you hold any assets in Michigan (cash, savings accounts, stocks and bonds, land, building equipment, etc.)? If yes, please describe:	Yes No		
23. Do you hold property as the trustee of an inter vivos or testamentary trust? If yes, name the trust, its location, and any identifying numbers:	Yes No		
(Attach a copy of the trust instrument.)			
24. Please attach a copy of your latest IRS Form 990, 990-EZ, 990-PF or other annual financial accounting	j.		
25. Additional comments or questions:			
CERTIFICATION			
Under penalties of perjury, I certify that I am authorized to sign this document for the organization and that to the best of my knowledge and belief the information provided, including all attachments, is true, correct, and complete.			
Signature Title Date			
Print Name			

THIS IS A PUBLIC RECORD, COPIES OF WHICH ARE SENT, UPON REQUEST, TO ANY INTERESTED PERSON.

BEFORE SUBMITTING, PLEASE COMPLETE THE ATTACHED CHECKLIST ON THE NEXT PAGE.

CHECKLIST

Did yo	u:
	Answer every question completely?
-	u attach: will apply)
	(If incorporated) A $\underline{\text{complete}}$ copy of the articles of incorporation, including all assumed name certificates and amendments, NOT just the certificate page? (All documents must bear dated stamps or other endorsement showing they were filed with the appropriate state agency.)
	For Michigan corporations, documents must show that they have been filed with the Corporation Division of the Department of Consumer and Industry Services (or its predecessor agencies).
	A copy of the bylaws, constitution, and/or trust document?
	A list of all chapters to be included in the solicitation license?
	A copy of a Certificate of Authority to Transact Business in Michigan if you are incorporated in another state and have chapters in Michigan. (See question #2)
	A copy of your IRS determination letter? (See question #4)
	Copies of current contracts with professional fund raisers, consultants, or commercial coventurers? (See question #8)
	A copy of your IRS Form 990, 900-EZ, 990-PF or other annual financial accounting? (See question #24)

Department of Attorney General Charitable Trust Section PO Box 30214 Lansing MI 48909 (517)373-1152 www.michigan.gov/ag DAG 009-052 AUTHORITY: 1961 PA 101 Compliance: Required PENALTY: Nonlicensure

STATE OF MICHIGAN

INSTRUCTIONS FOR COMPLETING CHARITABLE TRUST REGISTRATION FORMS

Registration Statement

Line

- **2.** Enter <u>legal</u> name of organization. If incorporated, you must use <u>exact</u> corporate name as shown in Articles of Incorporation. If unincorporated, you must use <u>exact</u> name used in Constitution and Bylaws or Trust Agreement.
- 7. If the creating document specifies a specific date or time of termination, describe and provide reference to the paragraph or article where it is located.
- **11.** For Trusts only. If the trust instrument specifies any investment provisions, summarize and indicate where they are located in the trust instrument.

Charitable Trust Inventory

Complete Numbers 1 through 6, listing <u>all</u> assets and liabilities as of the current date or most recently completed fiscal year end.

NOTE: Fair market value of supplies, equipment and other miscellaneous property can be listed under "Other Assets".

At least one officer/trustee must sign and date form after reading the penalty clause.

REMINDERS

The most recent annual report must be submitted with the Registration Statement and Inventory unless:

- 1. this is a new organization which has not completed its first fiscal year, OR:
- 2. the organization maintains a current Solicitation License pursuant to the Charitable Organizations and Solicitations Act, 1975 PA 169, MCL 400.271, et seq, (separate financial report for trust file not required if license kept current).

Creating document (Trust Agreement, Will, Articles of Incorporation, etc.) and Initial Charitable Trust/Charitable Solicitation Questionnaire must be submitted simultaneously with these forms, unless already on file.

At least one trustee or officer must sign. Both forms must be submitted with original signatures.

COMPLETED FORMS SHOULD BE RETURNED TO THE FOLLOWING ADDRESS:

Department of Attorney General Charitable Trust Section PO Box 30214 Lansing MI 48909 DAG 009-010 AUTHORITY: 1961 PA 101 COMPLIANCE: Required PENALTY: Legal Proceedings

STATE OF MICHIGAN DEPARTMENT OF ATTORNEY GENERAL

CHARITABLE TRUST - REGISTRATION STATEMENT

1.	ENTITY TYPE ☐ Testamentary Trust 1a. If Testamentary Trust paragraph of the Will	was checked above, specify the that establishes the Trust:	ne	☐ Inter Vivos Tru☐ Corporation☐ Other		
2.	LEGAL NAME OF ENTITY:		_			
		(If incorporated, exact corporate bylaws or trust agreement must be agency must be submitted.)	name must be use be used. Copy of	ed. If unincorporated creating documents	d, exact name showing accep	on constitution and otance by appropriate
3.	ADDRESS: (Street)		(City or Town)		(State)	(Zip Code)
	(Sileet)		(City of Town)		(Glate)	(Zip Code)
	TELEPHONE NUMBER:	(Area Code)	(Number)			
4.	DATE AND STATE ENTITY	Y WAS LEGALLY ESTABLISHE				
			(Date)		(State)	
5.	PURPOSE OF ENTITY: _					
	_					
6.	TRUSTEE(S) (Officers and FULL NAME	l/or Members of Board of Directors RESIDE	s, Etc.): ENCE ADDRES	S		
7.	TERMINATION PROVISIO (See instructions)	NS: (If any)				
8.	DOES ENTITY SOLICIT FROM			YES		NO
	IF YES, IS IT LICENSED BY THE IF YES, GIVE SOLICITATION LET NO, REASON LICENSE NOT	ICENSE NUMBER: CS	L	_ YES		NO ————
9.	IF YES, UNDER 501(c) (E SERVICE DETERMINED THAT THE). THE IRS DETERMINATION LETTER		•	YES	□ NO

1 -	· 14 TRUSTS ONLY		
•			
1.	INVESTMENT PROVISIONS: (If any) (See instructions)		
2.	BENEFICIARIES (If applicable)		
3.	TRUSTEES' ATTORNEY		
	Name		
	Address		
	City, State, Zip		
	Tolonhono No		
1.	Tolonhono No	D TO, ANY ESTATE	
4.	IS THIS TRUST A PART OF, OR RELATE THAT IS CURRENTLY PENDING IN PROIF YES, SUBMIT A COPY OF THE WILL A	D TO, ANY ESTATE BATE COURT? ND THE PETITION OR APPL	☐ YES ☐ NO
4.	IS THIS TRUST A PART OF, OR RELATE THAT IS CURRENTLY PENDING IN PRO	D TO, ANY ESTATE BATE COURT? ND THE PETITION OR APPL	☐ YES ☐ NO
	Telephone No. IS THIS TRUST A PART OF, OR RELATE THAT IS CURRENTLY PENDING IN PROIF YES, SUBMIT A COPY OF THE WILL A PROCEEDINGS, UNLESS PREVIOUSLY	D TO, ANY ESTATE BATE COURT? ND THE PETITION OR APPL PROVIDED.	☐ YES ☐ NO LICATION TO COMMENCE PROBATE
	IS THIS TRUST A PART OF, OR RELATE THAT IS CURRENTLY PENDING IN PROIF YES, SUBMIT A COPY OF THE WILL A	D TO, ANY ESTATE BATE COURT? ND THE PETITION OR APPL PROVIDED.	☐ YES ☐ NO LICATION TO COMMENCE PROBATE
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Sign	Telephone No. IS THIS TRUST A PART OF, OR RELATE THAT IS CURRENTLY PENDING IN PRO IF YES, SUBMIT A COPY OF THE WILL A PROCEEDINGS, UNLESS PREVIOUSLY	D TO, ANY ESTATE BATE COURT? ND THE PETITION OR APPL PROVIDED. R TRUSTEES (At lease <u>one</u>	☐ YES ☐ NO LICATION TO COMMENCE PROBATE officer or other trustee must sign)
Sign	Telephone No. IS THIS TRUST A PART OF, OR RELATE THAT IS CURRENTLY PENDING IN PROBE IF YES, SUBMIT A COPY OF THE WILL A PROCEEDINGS, UNLESS PREVIOUSLY NATURE OF PRINCIPAL OFFICERS O	D TO, ANY ESTATE BATE COURT? ND THE PETITION OR APPL PROVIDED. R TRUSTEES (At lease <u>one</u>	☐ YES ☐ NO LICATION TO COMMENCE PROBATE officer or other trustee must sign)
SIG	IS THIS TRUST A PART OF, OR RELATE THAT IS CURRENTLY PENDING IN PROJECT OF THE WILL A PROCEEDINGS, UNLESS PREVIOUSLY NATURE OF PRINCIPAL OFFICERS Of The Will address the second of the Will and the work of the Will and the work of the Will and the work of the	D TO, ANY ESTATE BATE COURT? ND THE PETITION OR APPL PROVIDED. R TRUSTEES (At lease one Title	YES NO LICATION TO COMMENCE PROBATE officer or other trustee must sign) Date
SIG	Telephone No. IS THIS TRUST A PART OF, OR RELATE THAT IS CURRENTLY PENDING IN PROBE IF YES, SUBMIT A COPY OF THE WILL A PROCEEDINGS, UNLESS PREVIOUSLY NATURE OF PRINCIPAL OFFICERS O	D TO, ANY ESTATE BATE COURT? ND THE PETITION OR APPL PROVIDED. R TRUSTEES (At lease <u>one</u>	☐ YES ☐ NO LICATION TO COMMENCE PROBATE officer or other trustee must sign)
Sign	IS THIS TRUST A PART OF, OR RELATE THAT IS CURRENTLY PENDING IN PROJECT OF THE WILL A PROCEEDINGS, UNLESS PREVIOUSLY NATURE OF PRINCIPAL OFFICERS Of The Will address the second of the Will and the work of the Will and the work of the Will and the work of the	D TO, ANY ESTATE BATE COURT? ND THE PETITION OR APPL PROVIDED. R TRUSTEES (At lease one Title	YES NO LICATION TO COMMENCE PROBATE officer or other trustee must sign) Date

NOTE: FILE ORIGINAL COPY OF THIS DOCUMENT We will advise you of the registration number

DAG 009-011 AUTHORITY: 1961 PA 101 Compliance: Required Penalty: Legal Proceedings

STATE OF MICHIGAN DEPARTMENT OF ATTORNEY GENERAL

CHARITABLE TRUST INVENTORY

Legal name of	entity								
Fiscal Year End					Date o	f valu	ation of assets		
	Month/Day			DESCRIPTIO	N OF ASSET	rs			
	s Account (Bank ng Account (Bank Cash						nount		
					TOTAL N	o. 1 <i>-</i>	(CASH)		
No. 2 - STOCK CORPORATION N				NO. SHARES	BO0		VALUE MARKET - ————		
					TOTAL N	o. 2 <i>-</i>	(STOCK)		
No. 3 - BONDS NAME		INT.%	SERIES	YEAF	OTHE	ER	VALUE		
					TOTAL N	03-	(BONDS)		
No. 4 - REAL E LOCATION:	STATE						VALUE		
					TOTAL N		(REAL ESTATE)		
No. 5 - OTHER	ASSETS						AMOUNT		
					TOTAL N	o. 5 -	(OTHER ASSETS)		
					TOTAL ASS	SETS:	ADD 1 through 5		
No. 6 - LIABILI	TIES						AMOUNT		
					TOTAL N	o. 6 -	(LIABILITIES)		
				NET ASSETS:	Total Assets	less T	otal Liabilities		
UNDER PENALT and complete.	Y OF PERJURY:	I declare that I	have exam	ined this Inventor	y and, to th	e best	of my knowledge ar	nd belief, it is true,	correct
Date			Signature	e of Trustee/Office	cer			Title	

www.michigan.gov (To Print: use your browser's print function) Release Date: January 01, 2002 Last Update: September 04, 2002

Charitable Trust Rules and Regulations

The following information is presented on-line for informational use only and without warranty as to its accuracy, timeliness, or completeness. It does not replace any official versions of this information. (Michigan Department of Attorney General Web Site - www.michigan.gov/ag)

DEPARTMENT OF ATTORNEY GENERAL CHARITABLE TRUST RULES AND REGULATIONS

(MCL 14.256, 14.257, and 14.260; 1979 AC, R 14.11 et seq)

R 14.11 Enforcement of rules

Rule 1. These rules shall be enforced by the attorney general and his representatives to protect the interests of the people of this state in the administration, operation and disposition of the assets of all charitable trusts in this state.

R 14.12 Registration statements

Rule 2. A trustee subject to Act No. 101 of the Public Acts of 1961, as amended, within 2 months after receiving possession or control of property for charitable purposes, shall file with the attorney general a registration statement on a form which shall be supplied by the attorney general on request. Such trustee shall also file with the attorney general a copy of the instrument providing for its title, powers or duties and an inventory of the assets of the charitable trust.

R 14.13. Annual reports

- Rule 3. (1) A trustee of a charitable trust subject to Act No. 101 of the Public Acts of 1961, as amended, which solicits money from the public, within 6 months after the close of its fiscal year, shall file with the attorney general a copy of its certified audit report for such year, containing a balance sheet, a statement of receipts and disbursements, and a list of assets including securities held. In lieu of a certified audit report, such a trustee may file its sworn statement setting forth such information in accordance with the form prescribed by the attorney general.
- (2) A trustee, except a trustee of a charitable trust which solicits money from the public, subject to Act No. 101 of the Public Acts of 1961, as amended, shall file with the attorney general annual periodic written reports, in accordance with the form prescribed by the attorney general. A copy of the account filed in any court having jurisdiction of the charitable trust, if the account is substantially the same as such form, may be filed as an annual periodic report.
- (3) The first annual periodic report of a charitable trust shall cover the first calendar or fiscal year ending after the trust became subject to such act. The first annual periodic report shall be due on or before the expiration of 6 months after the close of the first calendar year or fiscal year after the trust became subject to the act. Thereafter, subsequent annual periodic reports shall be due on or before the expiration of 6 months after the close of the charitable trust calendar or fiscal year.
- (4) A charitable trust required to file annual periodic written reports with the attorney general may file in lieu thereof an audit certified as being true and correct and in accordance with generally accepted accounting principles by a certified public accountant and containing substantially the information required on the annual periodic report form of the attorney general.
- (5) A statement indicating whether or not a creator of the trust or a contributor to the trust or a trustee, in his individual capacity, or a person related either by consanguinity or by affinity to such creator, contributor or trustee, has entered into any transaction involving the purchase, sale, transfer or loan of any of the trust's assets, shall accompany the annual periodic report.

(6) Complete details regarding all transactions in which a trustee, employees of a trustee, or persons related to a trustee, or related to employees of a trustee, either by consanguinity or by affinity, have personally benefited from operating and management of the trust or received any part of the income or corpus of the trust, other than the normal and reasonable trustee fee, shall be disclosed in a statement accompanying the report.

R 14.14 Suspension of annual reports

Rule 4. A trustee of a charitable trust may be granted a suspension from the requirement of filing annual periodic reports on written application supported by good and sufficient reasons. If a suspension is granted, reports may be required on the happening of specified events or contingencies or at stipulated future report dates. Ordinarily a suspension will not be granted when reports on the operation of the charitable trust are required to be made to a court or to other governmental agencies.

R 14.15 Investigations

Rule 5. Either the attorney general or an assistant attorney general designated by the attorney general may hear information under oath and receive books, memoranda, papers, documents of title and evidence of assets, liabilities, receipts or disbursements produced pursuant to an order of the attorney general, issued by the attorney general as provided by the act.

R 14.16 Inspection of records

Rule 6. The charitable trust register, copies of instruments and the reports filed with the attorney general shall be available for inspection during regular business hours at the charitable trust division of the office of the attorney general in Lansing, Michigan, subject to the following requirements.

- (a) An individual desiring to inspect the register, copies of instruments and the reports filed with the attorney general shall submit a request in writing setting forth his name, address and indicating his interest in the charitable trust records desired to be reviewed. If such request is approved by the attorney general, the authorized review of the register, copies of instruments and reports filed with the attorney general shall be made in the presence of the attorney general or his representative.
- (b) If the charitable trust is to be used for both private and charitable purposes, only those portions of the documents pertaining to charitable purposes, and only if such charitable purposes have matured and come into being, shall be available for public inspection.

R 14.17. Repeal

Rule 7. Sections 1 to 5 of the rules relating to charitable trusts, being R 14.1 to R 14.5 of the Michigan Administrative Code, and appearing on pages 2757 to 2759 of the 1963 Annual Supplement to the Code, are repealed.

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Exhibit 6 – Register with State of Michigan Sales, Use and Withholding Tax Division

Groups must register with the State of Michigan Sales, use and Withholding tax division to collect sales tax, claim exemption from sales tax, or to report payroll taxes. There is no fee to file.

Registration can also be completed on-line at www.michigan.gov/taxes.

www.michigan.gov (To Print: use your browser's print function) Release Date: February 21, 2002 Last Update: November 03, 2006

Common Sales and Use Tax Exemptions and Requirements

501(c)(3) and **501(c)(4)** Organizations - 501(c)(3) and 501(c)(4) organizations must provide proof that they are exempt under these codes by the Internal Revenue Service. In addition to this they must provide a certificate of exemption stating that the property will be used or consumed in carrying out the operations of the organization. Revenue Administrative Bulletin 1995-3 and 1996-6 has more information on this topic.

Wholesalers claiming an exemption should provide a written statement that they are purchasing for "resale at wholesale". Sale tax licenses are not issued to wholesalers.

Retailers - Retailers purchasing for resale should provide a signed exemption certificate provided in Revenue Administrative Bulletin 1996-6 stating that the purchase is for resale. Their sales tax license number must be included on the exemption claim. However, a seller should not accept the sales tax license number alone as a claim of exemption. The department does not issue tax-exempt numbers. The exemption certificate can be obtained in Revenue Administrative Bulletin 1996-6.

Industrial Processors - An industrial processing exemption is allowed for property which is used or consumed in transforming, altering, or modifying tangible personal property by changing the form, composition, or character of the property for ultimate sale at retail or for sale to another processor for further processing and ultimate sale at retail. The industrial processing exemption does not include property which is or becomes affixed to real estate, office supplies, administrative office equipment, or vehicles licensed for public highway use, except when the vehicle is used to mix and agitate materials added at the plant or job site in the concrete manufacturing process. Industrial processing also does not include the receipt or storage of raw materials extracted by the user or consumer or the preparation of food or beverages by a retailer for retail sale. The exemption certificate can be obtained in Revenue Administrative Bulletin 1996-6.

Churches - Sales to organized churches or houses of religious worship are exempt from sales tax. These exempt sales must not involve property used in commercial enterprises. Vans or buses may be purchased exempt if the manufacturer's rated seating capacity is 10 or more and it is used primarily for transportation of persons for religious purposes. Churches may not purchase any other type of vehicle exempt. Anyone who is directly engaged in the business of constructing, altering, repairing, or improving real estate for a church or a house of religious worship is liable for the sales tax on the inventory value of the materials affixed to the property, even if the church purchases the materials. Revenue Administrative Bulletin 1995-3 and 1996-6 has more information on this topic.

Hospitals - Sales to hospitals are exempt from sales tax when the organization is not operated for profit. The income or benefit from the operation must not inure to any individual or private shareholder, directly or indirectly. Revenue Administrative Bulletin 1995-3 and 1996-6 has more information on this topic.

Schools - Sales to schools and parent cooperative preschools are exempt from sales tax when the organization is not operated for profit. The income or benefit from the operation must not inure to any individual or private shareholder, directly or indirectly. PTA, PTO, and all other groups and organizations must qualify separately for exemption when making purchases for their organizations. Sales to teachers are subject to tax. Revenue Administrative Bulletin 1995-3 and 1996-6 has more information on this topic.

Government - Sales to the United States government, the State of Michigan and its political subdivisions, departments and institutions are not subject to tax, if the sales are ordered on the government form or purchase order and are paid for directly to the seller by warrant on government funds. Sales to the American Red Cross, and its chapters and branches are exempt. All sales to other states or countries are subject to Michigan sales tax. Sales to employees of the government for their own use are subject to tax. Revenue Administrative Bulletin 1996-6 provides the exemption certificate.



PAPERWORK REDUCTION NOTICE. Forms 160 and 165 are issued under P.A. 167 of

Michigan Business Tax Estimates Sales Tax, Use Tax, Forms and Instructions Income Tax Withholding and

 $_{On\ TCC}$ services" on pages 3-4, and the instructions for percel use tax on "other services" referenced in this $New\ensuremath{^{\prime\prime}}$ book. Disregard the language for tax on "other Effect Public Act 145 of 2007 repealed the 6 percent

of Transpleting line 3a of Forms 165, 3861 and 3862. nformation Vhat's Department oses 6

Filing Requirements for Taxpayers

You are required to file each return, even if no tax is due.

Your filing frequency is determined by the Michigan Department of Treasury.

Filing Frequency	Due Date	Combined Return	Discount Voucher (Optional)	<u>EFT</u> * ACH Debit or Credit	Annual Returns
Annual Filer Only (1 Return) Total tax liability of less than \$750 for a calendar year (January – December).	February 28 (after tax year end)				~
Quarterly Filer (4 Returns) Total tax liability of \$750 - \$3,600 for a calendar year (January – December).	20 th of the month following quarter's end	~	~		V
Monthly Filer (12 Returns) Total tax liability greater than \$3,600 for a calendar year (January – December). Seasonal Filers – see Page 8.	20 th of the following month	→	~		~
Electronic Fund Transfer (EFT) Available to all taxpayers - transmissions are required on a monthly basis.	20 th of the following month			~	~
Accelerated Sales and Use Tax EFT Required for Sales or Use Tax liability of at least \$720,000 for the preceding calendar year.	Transmissions each month: • 1st payment 20th of the month • 2nd payment last day of the month • 3rd payment 20th of the subsequent month			~	~
Accelerated Withholding Tax EFT Required for Withholding Tax liability that averages \$40,000 or more each month.	Paid according to federal schedule			~	~
Accelerated Withholding Tax EFT Elect to pay Sales and Use Tax via check and return.	Paid according to federal schedule	~		~	~

^{*} EFT – Electronic Funds Transfer

	Important Due Dates
Discount Voucher	12th of the month following the tax period
Monthly/Quarterly Return	20th of the month following the tax period
Annual Return	February 28
W-2s, 1099-MISC	February 28

Important Information

You must file each return even if no tax is due.

Annual Return Label. To ensure proper credit to your account, remove the personalized address label you have been sent and place it on your annual return. Annual returns that are not properly identified cannot be processed.

Streamlined Sales and Use Tax. Streamlined Sales and Use Tax legislation resulted in changes regarding collection and filing of sales and use tax. For additional information, visit Treasury's Web site at www.michigan.gov/treasury.

Collection Schedule. Effective January 1, 2006, Form 395, *Michigan 6% Sales Tax Collection Schedule*, is no longer valid. To determine the tax, retailers must compute the tax to the third decimal place and round up to a whole cent when the third decimal place is greater than four, or down to a whole cent when the third decimal point is four or less.

Filing by EFT. Using EFT to submit your sales, use and withholding tax payments eliminates the requirement to file monthly or quarterly paper returns, with the exception of Form 165, *Annual Return for Sales, Use and Withholding Taxes*. Form 2248, *EFT Debit Application*, or Form 2328, *EFT Credit Application*, must be completed and signed by an officer giving his or her title and returned to Treasury. To find out more about the EFT process, visit **www.michigan.gov/biztaxpayments**.

Accelerated Tax Payments. Taxpayers who pay more than \$480,000 in withholding tax each year are required to pay according to their federal schedule and must pay withholding taxes by Electronic Funds Transfer (EFT). You are encouraged to file all your taxes by EFT as this will eliminate the need to file monthly paper returns. For additional information, see Form 4285, *Questions and Answers About Paying Your Withholding Tax on an Accelerated Schedule,* or go to www.michigan.gov/biztaxpayments.

Filers who pay more than \$720,000 in sales or use tax each year must pay their sales and use taxes more frequently. Payments must be made by EFT. If this applies to you and you have not been contacted by Treasury, or you would like more information about accelerated payments, see Form 2316, *Questions and Answers About Paying Your Sales and Use Tax on an Accelerated Basis*, or go to www.michigan.gov/biztaxpayments.

Filers Who Pay Once a Year. Filers with no deductions should use the simplified instructions on page 15.

Address or Business Changes. To make address or business changes, use Form 163, *Notice of Change or Discontinuance*, you have been sent. Do not write the information on the return.

Pre-Identified Returns and Vouchers. Form 160, Combined Return for Michigan Taxes, and Form 161, Discount Voucher for Sales and Use Taxes, contain specific information about your account that is processed by electronically scanning the document. Do not change, copy or use forms from another business. If you lose your booklet of return and/or voucher coupons, contact Treasury to have a new one mailed to you. Use the correct pre-identified form for the period for which you are filing.

General Information

Call (517) 636-4730 or visit Treasury's Web site at www.michigan.gov/businesstax for:

- · Existing EFT account questions
- Specific account questions (credits, assessments, penalty waivers, etc.)
- Technical questions (taxability of items, law changes, etc.).

Listen to all options on the automated phone system before making a selection. Persons who have hearing or speech impairments may call (517) 636-4999 (TTY only).

Write to Treasury

Send correspondence to:

Customer Contact Division Michigan Department of Treasury P.O. Box 30427

Lansing, Michigan 48909

Write your account number on all checks and correspondence. Returns should be sent to the address on the return.

What's New

Use Tax on Other Services. Effective December 1, 2007, Michigan's Use Tax Act has to a amended to impose 6 percent use to a unan expanded number of so vice. It businesses that provide one of the vice tristed below will be required to a sand pay use tax. Businesses currently registered for use tax will need to take no

further action involving registration. Businesses not currently registered for use tax but registered to pay other taxes in Michigan should complete and file Form 163, *Notice of Change or Discontinuance*.

The Annual Return (Form 165) and to ksheets were revised to add line "3a" for and Fig taxable services. Beginning Form at 2007, monthly and quarterly files and pay use tax on services using Form at Combined Return for Michigan Taxes. line 03 (Use Tax on Sales/Rentals).

An expanded definition of services, including exceptions to the services subject to use tax, and more detailed information on the tax law changes are available on Michigan Department of Treasury's Web site at www.michigan.gov/taxes.

List of Additional Other Services Subject to 6% Use Tax. (The following list consists solely of categories enumerated in the law. Additional review of background information should be done to insure a complete understanding of items that are included and excluded from each category.)

- · Carpet and upholstery cleaning er ices
- · Business service conter Av
- · Consulting (ev)
- · Investiga to squard and armored car services
- · Investment advice services
- · Janitorial services
- · Landscaping services
- · Office administration services
- · Other personal services
- · Other travel and reservation services
- · Scenic transportation services
- · Skiing services
- · Tour operator services
- · Warehousing and storage services
- · Packaging and labeling services
- · Specialized design services
- · Transit and ground passen or ran port services
- · Courier and mossing en solvices
- · Personal care services (except hair care services)
- Service contract services in which the seller, in exchange for the buyer's single payment, agrees to provide repair, maintenance, or replacement of one or more items of tangible personal property during a specific period of time, which services the buyer is not required to buy in connection with the purchase of tangible personal property
- · Security system services

- · Document preparation services
- · Miniwarehouse services and self-storage unit services

Form 165, Annual Return for Sales, Use and Withholding Taxes, has been updated to reflect the following:

- Removed the 4% tax rate columns for Sales Tax and for Use Tax on Sales and Rentals.
 Businesses identified as collecting tax at both the 4% and 6% rate will receive a separate mailing of instructions, monthly/quarterly worksheets, and a new annual return providing both tax rate columns.
- Added an indicator box and date field to be completed if you use this form to submit amended figures. Explain the reason for the amendment in the area provided on page 2 of the form. Additional information regarding amended returns may be found on page 7.

Form 160 is updated to allow for reporting and paying your Michigan Business Tax (MBT) Estimates. (See page 45 for additional information regarding the Michigan Business Tax.) The tax line

Before mailing your return, make sure:

- 1. The label provided is placed on Form 165.
- 2. Monthly or Quarterly copies of Form 160, are completed using tax due figures only. Gross sales figures are reported on the annual return only.
- 3. Figures entered on return correspond to the description provided for that tax line.
- 4. Subtotal amounts have not been entered on Form 160.
- 5. Account information changes have not been requested on the return. File Form 163, for these changes.
- 6. A return is submitted for each filing period required according to your filing status. This includes return periods that have zero due or no activity.
- 7. Payment for the Michigan Business Tax (MBT) estimate is enclosed with Form 160 if reporting your MBT estimate on that form.
- 8. All discounts have been calculated and reported correctly.
- 9. Appropriate pre-identified return is used for filing period indicated on that return.
- 10. Negative/credit figures have not been entered on the return.
- 11. Tax payment is enclosed with return.
- 12. Your account number is written on your check.

Michigan Sales and Use Tax Certificate of Exemption

DO NOT send to Treasury - Certificate must be retained in the Seller's Records.

This certificate is invalid unless all four sections are completed by the purchaser.

SECTION 1: CHECK ONE OF THE FOLL	OWING
One time purchase Order or Invoice #:	Blanket certificate. Expiration date, maximum of four years:
	n the purchase of tangible personal property and selected services made from the claim is based upon the purchaser's proposed use of the items or services, OR the
(Vendor's Name and Address)	
SECTION 2: ITEMS COVERED BY THIS	CERTIFICATE (Check one of the following)
All items purchased.Limited to the following items:	
For Lease - Use Tax Registration N The following exemptions DO For Resale at Wholesale Agricultural Production% Industrial Processing% Church, Government Entity, None Nonprofit Internal Revenue Code S letter with this form.) Nonprofit Organization with an au (must provide copy of letter with Rolling Stock purchased by an Int	orofit School, or Nonprofit Hospital (Circle type of organization.) Section 501(c)(3) or 501(c)(4) Exempt Organizations (must provide IRS authorized thorized letter issued by the Michigan Department of Treasury prior to June 1994 his form) Perstate Motor Carrier Paxing jurisdictions - purchaser assumes tax payment obligation)
I declare, under penalty of perjury, that the infor sources of law applicable to my exemption, and to	mation on this certificate is true, that I have consulted the statutes, administrative rules and other nat I have exercised reasonable care in assuring that my claim of exemption is valid under Michigan full responsibility for the payment of tax, penalty and any accrued interest, including, if necessary, interest.
Type of Business (see codes on page 2)	Business Name
Business Address	City, State, ZIP Code
Business Telephone Number (include area code)	Name (Print or Type)
Signature and Title	Date Signed

Instructions for Completing Form 3372, Michigan Sales and Use Tax Certificate of Exemption

The purchaser shall complete all four sections of the exemption certificate to establish a valid exemption claim. A seller must meet a "good faith" standard required by law. "Good faith" means that the seller received a completed and signed Certificate of Exemption from the purchaser. Sellers must retain the exemption certificates for a period of four years.

Michigan <u>does not</u> issue "tax exemption numbers". Sellers should not accept a number as evidence of exemption from sales or use tax. A purchaser who claims exemption for "resale at retail" or "for lease" must provide the seller with an exemption certificate **and** their sales tax license number or use tax registration number.

SECTION 1:

Place a check in the box that describes how you will use this certificate.

- a) Choose "One time purchase" and include the invoice number this certificate covers.
- b) Choose "Blanket" and enter the expiration date. The maximum is four years.

Print the vendor's name and address in the area provided.

SECTION 2:

Place a check in the box for "All items purchased" or choose "Limited to" and list the items that are covered by the exemption claim.

SECTION 3:

Place a check in the box that applies and provide the additional information requested for that exemption. The exemptions listed are the most common. If the exemption you are claiming is not listed use "Other" and enter the qualifying exemption.

SECTION 4:

Use the number that describes your business or explain any other business type not provided.

01	Accommodation	09	Transportation
02	Agricultural	10	Utilities
03	Construction	11	Wholesale
04	Manufacturing	12	Advertising, newspaper
05	Government	13	Hospital
06	Rental or leasing	14	Educational
07	Retail	15	501c3 or 501c4
08	Church	16	Other

Print the name of the business, address, city, state and zip code. Sign and provide your title (i.e. owner, president, treasurer, etc.). Provide your printed name and date the certificate.

DO NOT SEND EXEMPTION CERTIFICATE TO THE DEPARTMENT OF TREASURY.

STATE OF MICHIGAN MICHIGAN BUSINESS TAXES Registration Booklet

NEW TAX LAWS

Public Act 36 of 2007, enacted the Michigan Business Tax, effective January 1, 2008. The Michigan Business Tax will replace the Single Business Tax, which expires December 31, 2007. For more information regarding Michigan Business Tax, visit Treasury's web site at **www.michigan.gov/taxes** or call 517-636-4657

Public Act 94 of 2007, enacted an Income Tax rate change to 4.35 percent effective October 1, 2007. For more information regarding Income Tax, visit the Treasury's web site at **www.michigan.gov/taxes** or call 1-800-827-4000.

Your Responsibilities Concerning Taxes

Federal, State and Local Taxes

Employers must register with the Internal Revenue Service (IRS) and the Michigan Department of Treasury for Social Security tax (federal) and income tax withholding (federal and state). These taxes must be withheld from each employee's wages and paid to the appropriate taxing agency. Some cities also levy a city income tax. Contact the City Treasurer's office for information. Employers must report all newly hired employees. See the Michigan Income Tax Withholding Guide, visit the New Hire Reporting Web site at www.newhire-usa.com/mi or call 1-800-524-9846 for more information.

Federal Unemployment Tax (FUTA)

Most employers must pay federal unemployment taxes. Contact the IRS toll-free at 1-800-829-3676 for more information.

State Unemployment Insurance Tax

Employers must register with the Unemployment Insurance Agency (UIA) and pay state unemployment insurance taxes. Unemployment taxes are paid entirely by the employer. Employers have an ongoing obligation to inform the Agency of any transfer of assets, organization, payroll, trade or business. Contact the UIA Tax Office at P.O. Box 8068, Royal Oak, MI 48068-8068; in Michigan, call 1-800-638-3994; out of state call 313-456-2180 for account-specific information. More information can also be found on the Agency's Web site at www.michigan.gov/uia.

Workers' Disability Compensation

Most employers are required to provide workers' disability compensation coverage for their employees. A workers' disability compensation policy is purchased from a private insurance company. Contact the Workers' Compensation Agency at P.O. Box 30016, Lansing, MI 48909, or call 517-322-1195 for more information.

Health and Safety Standards

Employers must comply with health and safety standards under the federal and state Occupational Safety and Health Act (OSHA) and the Right-to-Know laws. Contact the Department of Labor and Economic Growth (DLEG), MIOSHA, P.O. Box 30643, Lansing, MI 48909-8143, or call 517-322-1845 for more information.

Immigration Law Compliance

Employers must verify the employment eligibility of all employees hired after November 6, 1986. Contact the Office of U.S. Immigration and Custom Enforcement at 313-568-6042 for forms and more information.

New Businesses

Employers are required to file tax returns on time and with the correct payment when required. Employers are responsible for the accuracy of the returns, regardless of who may be hired to prepare them. Accurate and complete records must be kept for determining tax liability properly, as required by law or department rule.

Selling or transferring all or part of your business. Whenever you sell or transfer any part of the payroll, accounts,

services or assets of a business covered under the *Michigan Employment Security (MES) Act*, you must complete Form UIA 1027, *Business Transferor's Notice to Transferee of Unemployment Tax Liability and Rate*. The seller, seller's real estate broker or other agent must deliver the completed Form UIA 1027 to the purchaser of the business at least two business days before the transfer of the business. You may obtain this form at the UIA Web site at **www.michigan.gov/uia** or by calling 1-800-638-3994 or 313-456-2180. Form UIA 1346, *Disclosure of Transferor Account*, provides the information needed to complete Form UIA 1027 and may be obtained by calling the telephone numbers listed above. If the sale to the purchaser results in the total transfer of the seller's business, Form UIA 1772, *Discontinuance or Transfer of Payroll or Assets in Whole or Part*, must be completed. This form can be obtained from the same Web site referenced above.

Delinquent taxes owed to the Michigan Department of Treasury must be paid with this registration. Submit a letter identifying the business name, address, Federal Employer Identification Number (FEIN), type of tax being paid and the period(s) the tax was due. Payment should include tax, penalty and interest owed. Go to the Web site at **www.michigan.gov/taxes**.

Corporate officers may be held liable for Treasury tax debts incurred by their corporations.

Delinquent collections. Treasury and UIA may both file tax liens against any taxpayer's real and personal property and issue a tax warrant or levy to seize and sell the property to pay delinquent taxes.

Successors (buyer or acquirer of a business). If you buy or acquire either an existing or discontinued business or its stock of goods, you can be held liable for tax debts incurred by the previous owner. You must withhold sufficient purchase money to cover these tax debts until the previous owner produces a receipt showing the taxes have been paid or a certificate stating that no taxes are due. This certificate may be obtained through the Department of Treasury, Collection Division, Tax Clearance. Upon the owner's written waiver of confidentiality, Form 3840, *Limited Power of Attorney*, Treasury will release a business's known tax liability for purposes of establishing an escrow account. The Tax Clearance office can be reached at 517-636-5260.

For unemployment tax purposes, a successor may be held liable for tax debts or the experience account incurred by the previous business. For more information, or to obtain clearance statements, call UIA Employer Customer Relations at 1-800-638-3994 or access the Agency's Web site at www.michigan.gov/uia.

--- IMPORTANT INFORMATION ---

Use Tax on Rental or Leased Property

You may elect to pay use tax on receipts from the rental or lease of the tangible personal property instead of paying the sales or use tax on the full cost of the property at the time it is acquired.

If you elect to pay use tax on receipts from the rental or lease, you must first obtain a Use Tax Registration before you acquire the property.

For additional information, contact the Michigan Department of Treasury at 517-636-4730.

Sales Tax for Concessionaires

If you will make retail sales at only one or two events in Michigan per year, do not complete Form 518. Instead, complete Form 2271, *Concessionaire's Sales Tax Return and Payment*. This form can be found on Treasury's Web site: www.michigan.gov/taxes or by calling 517-636-4660.

Helpful Information for Starting a New Business

By reading and completing the *Michigan Business Taxes Registration Booklet*, you can register for any/all of the following business taxes and licenses:

- Sales Tax
- Use Tax
- Income Tax Withholding
- Single Business Tax
- Unemployment Insurance Tax.

State unemployment insurance taxes are paid to the Unemployment Insurance Agency (UIA). All other taxes are paid to the Michigan Department of Treasury.

If you need a Motor Fuel License, call 517-636-4600. If you need a Tobacco Products License, call 517-636-4630. The following are some suggestions of other places to contact for further help.

Determine Your Business's Legal Structure

Contact an attorney, accountant or other business professional to determine the appropriate structure for your business. You may wish to contact the Michigan Department of Labor and Economic Growth, Bureau of Commercial Services, Corporation Division, at 517-241-6470 for more information about starting a business.

Register Your Business Name

Depending on the legal structure chosen, the business name may be registered with the local county clerk's office or the State of Michigan. Sole proprietorships and partnerships should contact the county clerk's office. Corporations, limited partnerships and limited liability companies (LLCs) should contact the Michigan Department of Labor and Economic Growth, Bureau of Commercial Services, Corporation Division, at 517-241-6470.

Obtain a Federal Employer Identification Number (FEIN)

This number is issued by the IRS and is required if you will have employees. It is also mandatory for your UIA registration. If you do not have an FEIN, contact the IRS at 1-800-829-3676 to request Form SS-4. You can also obtain Form SS-4 at the IRS Web site at **www.irs.ustreas.gov/formspubs/index.html**. When you have completed the form, you may call 1-800-829-4933 and provide the information from the form to the agent. The agent may assign your FEIN while you are on the telephone. To complete your FEIN registration, mail the form to the address shown on the form or fax it to 1-829-292-5760.

Obtain Special Licenses

Some occupations, professions and business activities require certification or licensing at the state or local level. An abbreviated list of state licensing contacts is provided below.

Department of Agriculture	
Food Service	1-800-292-3939

Department of Labor and Economic (Growth
Health Services	517-335-0918
Commercial Services	517-241-6470
Insurance Bureau 517-373-	0220 or 1-877-999-6442
Liquor Control Commission	517-322-1400
Plumbing	517-241-9330
Flectrical	517-241-9320

Boiler	517-241-9334
Mechanical	517-241-9325
Elevator	517-241-9337
Health Facilities	517-241-4160
Nursing Home Monitoring	517-334-8408

You may also contact your local library, chamber of commerce or the nearest Small Business Development Center for information about state licenses. You can reach the Michigan Small Business Development Center Network at 1-877-873-4567. More information can also be found on the Network's Web site at **medc.michigan.org**. Also check with your county and city clerks for information about local licenses.

Soon you will be able to register your business on-line. Visit our Web site at www.michigan.gov/taxes for frequent updates and helpful information.

Forms and Information

New business forms can be found on Treasury's Web site at **www.michigan.gov/businesstaxes** or call 517-636-4660 to have forms mailed to you. If you need assistance or more information, contact the appropriate party listed below.

Registration: Call 517-636-4660 or e-mail your questions to treasreg@michigan.gov.

UIA: In Michigan, call toll-free 1-800-638-3994. Questions may also be faxed to 313-456-2130. For questions regarding a specific account number, call 313-456-2180. More information can also be found on UIA's Web site at **www.michigan.gov/uia**.

Unemployment Insurance Agency - Tax Office

Employers may now register for a UIA Account Number using an on-line e-Registration application found on UIA's Web site.

The process is easy, secure, convenient and much faster than registering by mail. After completing the on-line registration, you can receive your new UIA Account Number in as little as three days!

www.michigan.gov/uia-ereg

Unemployment Insurance Agency - Tax Office

Whenever you write or call for tax information or help with an unemployment insurance tax problem, the same group of tax office employees, familiar with your account, will assist you with the full range of Tax Office services. Your Employer Service Team is determined by the LAST THREE DIGITS of your seven-digit UIA Account Number, or if you do not have a UIA Account Number, then the LAST THREE DIGITS of your Federal Employer Identification Number (FEIN).

Employer Service Team	Last Three Digits	Telephone Number
Team A	000-249	313-456-2010
Team B	250-499	313-456-2020
Team C	500-749	313-456-2030
Team D	750-999	313-456-2040

Registration for Michigan Taxes

It is important that you complete all items on the Registration form. Incomplete or inaccurate information will delay processing and in some cases may subject you to a penalty. Read all instructions carefully before you begin.

This form is provided under PA 122 of 1941 and the Michigan Employment Security Act. Filing is mandatory if you are required to pay business taxes in Michigan.

Complete this Registration Form if you:

- · Start a new business or reinstate an old business.
- · Purchase or acquire an existing business.
- Need to register for any of the Michigan taxes listed below.
- Change the type of ownership of your business (e.g., change from sole proprietorship to partnership, or incorporate a sole proprietorship or partnership). Submit to the Unemployment Insurance Agency documents for changes in ownership, management or control, or change in management through arm's-length transactions.

Do not complete this Registration Form if you:

- Make sales at fewer than three events in Michigan during a calendar year. Instead, file Form 2271, Concessionaire's Sales Tax Return and Payment.
- Wish to apply for an ID number for your bank account. Use your Social Security number for this purpose.

Register for Sales Tax if you:

 Sell tangible personal property to the end user from a Michigan location (wholesalers do not need to register).

For more information regarding Sales Tax, visit Treasury's Web site at www.michigan.gov/businesstaxes or call 517-636-4730.

Register for Use Tax if you:

- · Lease tangible personal property in Michigan
- Sell telecommunication services
- · Provide transient hotel or motel room rentals
- Buy goods for your own use from out-of-state unlicensed vendors
- Launder or clean textiles under a sole rental or service agreement with a term of at least five days.

For more information regarding Use Tax, visit Treasury's Web site at www.michigan.gov/businesstaxes or call 517-636-4730.

Register for Withholding Tax if you:

- Are an employer withholding federal income tax from employee compensation (see *Federal Employer's Tax Guide Circular E*).
- Are a partnership, LLC or S Corporation with nonresident partners, members or shareholders (flow-through entity Withholding Tax).

For more information regarding Withholding Tax, visit Treasury's Web site at www.michigan.gov/businesstaxes or call 517-636-4730. Individual owners and partners may not remit withholding on their wages through their business account numbers. They must file quarterly income tax estimates. For information about quarterly estimates, call 1-800-827-4000.

Michigan Business Tax

The Michigan Business Tax (MBT) Act imposes a 4.95 percent business income tax and a modified gross receipts tax at a rate of 0.8 percent, except that insurance companies and financial institutions pay special taxes. The MBT act replaces the Single Business Tax (SBT) effective January 1, 2008.

Register for Michigan Business Tax if you:

• Have adjusted gross receipts greater than \$350,000 (with the exception of insurance companies and financial institutions).

Accounts registering for MBT with a start date prior to January 1, 2008 will be registered for SBT through December 31, 2007 and MBT starting January 1, 2008. For more information regarding business taxes, visit Treasury's Web site at www.michigan.gov/taxes or call 517-636-4657 for MBT or 517-636-4700 for SBT.

Register for Motor Fuel Tax if you:

- Operate a terminal or refinery for gasoline, diesel or aviation fuel or import from a foreign country.
- · Transport fuel across a Michigan border for hire.
- Are a position holder in a fuel terminal.
- Sell diesel fuel for use in watercraft.
- · Sell LPG for highway use.
- · Sell aviation fuel for resale.
- Operate a diesel-powered vehicle for transport across Michigan's borders, having three or more axles, or having two axles and a gross vehicle weight over 26,000 pounds.

For more information regarding Motor Fuel Tax, visit Treasury's Web site at **www.michigan.gov/taxes** or call 517-636-4600.

Register for Tobacco Products Tax if you:

- Sell cigarettes or other tobacco products for resale.
- Purchase any tobacco products from unlicensed out-of-state sources.
- Sell cigarettes or other tobacco products in a vending machine. For more information regarding Tobacco Tax, visit Treasury's Web site at www.michigan.gov/taxes or call 517-636-4630.

If, after reviewing your registration, Treasury determines that you need to file Motor Fuel or Tobacco products returns, we will send you the necessary applications.

Register for State Unemployment Tax if you:

- · Have employees performing services in Michigan.
- Plan to have employees working or performing services in Michigan.
- Have acquired all/part of the payroll, accounts, services or assets of a business having employees in Michigan.

All employers must complete UIA Schedule A, Liability Questionnaire and UIA Schedule B, Successorship Questionnaire.

For more information, visit Treasury's Web site at www.michigan.gov/taxes or UIA's Web site at www.michigan.gov/uia.

For specific information regarding missing UIA payments, reports, penalties, and/or interest, in Michigan call 1-800-638-3994. Be sure to note the last three digits of your UIA Account Number, or if you do not have a UIA Account Number, then by the last three digits of your Federal Employer Identification Number (FEIN) as you will be transferred to the appropriate tax team based on the last three digits of your number.

Mailing Instructions

Mail your completed registration and UIA schedules to:

Michigan Department of Treasury P.O. Box 30778

Lansing, MI 48909-8278

Mail your application at least six weeks, but not more than six months, before you intend to start your business to allow your registration to be processed. Treasury will forward your application to UIA. You may also fax your forms to 517-636-4520.

Treasury will mail your personalized Sales, Use and Withholding Tax returns. UIA will issue your unemployment account number.

Instructions for Completing Form 518, Registration for Michigan Taxes

Lines not listed are explained on the form.

Reason for This Application. Check the box that best describes the reason why you are completing this application.

Line 1, Federal Employer Identification Number (FEIN). The Internal Revenue Service (IRS) issues the FEIN. If you need an FEIN, contact the IRS at 1-800-829-3676 and ask for Form SS-4, or visit the IRS Web site at www.irs.ustreas.gov/formspubs/index.html to download the form.

Line 2, Company Name. If your company is a partnership or corporation, enter the appropriate indicator in this box: LLP, LLC, Corp, Inc, PC or LC. If your business is a sole proprietorship, enter the owner's name here and the business name on line 3.

Line 4, Legal Address. Enter the street address where your books and records are kept for audit purposes. You must also receive mail there.

Line 5, Mailing Address. This may be a Post Office box or any other address where you want business tax forms mailed.

Line 6, Physical Address. Enter the physical address if the actual location of your business is different from the legal address, line 4.

Line 7, Business Ownership Type Code. Using the list below, enter the business type code for which you are registering.

Sole Proprietorship	10
Husband/Wife Proprietorship	20
Flow-Through Entity Withholding	
Limited Partnership (LLP)	33
- Submit a list of all general partners – Lines	27-30.
Any Other Type of Partnership	30
Limited Liability Company (LLC, LC)	34
Michigan S Corporation	41
Michigan Professional Corporation	42
Any Other Michigan Corporation	40
Any Non-Michigan S Corporation	51
Any Other Non-Michigan Corporation	50
Trust or Estate (Fiduciary)	60
Joint Stock Club or Investment Company	70
Social Club or Fraternal Organization	80
Any Other Type of Business	90

Line 8, Michigan Department of Labor and Economic Growth (DLEG) Corporate ID Number. This item is only applicable if you have a Michigan business entity. A non-Michigan entity will not be issued a DLEG Corporate ID number.

Line 9, Business Code. Locate the three-digit code that best describes your business on the list of Standard Industry Codes (SIC) on pages 7 and 8 in this booklet and enter that code on line 9. You must supply an SIC code.

Line 10, Business Activity. Briefly describe the specific business activity or affairs the business will be transacting or conducting in Michigan.

Line 11, Products You Sell. Briefly describe what products you will sell to the final consumer.

Lines 12 to 15, Taxes. Check the box for each tax type you expect to pay. Indicate in the space next to each tax type the date your liability for that tax begins. For Sales Tax, Use Tax and Income Tax, check the box that indicates how much each month you expect to

pay of that tax. Please note that you are required to pay the Michigan Business Tax if your business' gross receipts exceed \$350,000 in a year.

Line 16, Unemployment Insurance Tax. If you will be paying this tax, you should already have received an FEIN from the IRS. Be sure to enter this number on Line 1 and complete the attached Unemployment Insurance Agency (UIA) Schedule A and Schedule B. If this is the only tax you will be paying, send these forms and other requested documents to Unemployment Insurance Agency, Tax Office at:

UIA Or Fax to: P.O. Box 8068 313-456-2130

Royal Oak, MI 48068-8068

Line 17. Check this box if your business will be selling motor fuel or if your business will include operation of a commercial transport vehicle.

Line 19, Number of Locations. Enter the number of Michigan locations that will need a Sales Tax License.

Line 20, Fiscal Year. Enter the two-digit number that corresponds to the month in which you close your tax books. For instance, if your tax year is from July to June, enter "06" for June.

Line 21, Seasonal Business. Complete this only if your business is not open the entire year. Enter two two-digit numbers corresponding to the months your business opens and closes, respectively. For example, if your business is open from October to May, enter "10" on the first line and "05" on the second line.

Do not submit this form solely for the purpose of making sales at only one or two events in Michigan per year. Instead, submit Form 2271, *Concessionaire's Sales Tax Return and Payment.* This form can be found on Treasury's Web site at www.michigan.gov/taxes, or you can call 517-636-4660 to have this form mailed to you.

Line 22, Payroll Service. This refers to you only if you contract with a company that prints payroll checks for your business (or processes EFT payments to your employees) and makes payments on your company's behalf for income tax withholding. If you contract with such a company, you must file Form 3683, *Payroll Service Provider Combined Power of Attorney Authorization and Corporate Officer Liability (COL) Certificate for Business*. This form can be found on Treasury's Web site at www.michigan.gov/taxes, or call 517-636-4660 to have this form mailed to you.

Do not check this box if you or your company produce your own paychecks for your employees and you hire an accounting firm that manages your payroll. If you do have a payroll service, provide its name so that Registration staff can assist you with this.

Line 23. If your business succeeds or replaces an existing business or businesses because of incorporation, purchase or merger, provide the names and account numbers of those previous business(es).

Lines 27 to 30. You must supply at least one name. If there are more than four owners or partners (other than non-officer shareholders), attach a separate sheet of paper.

Note: You must provide a signature certifying that the information provided on the form is true, correct and complete to the best of your knowledge and belief.

Michigan Department of Treasury 518 (Rev. 11-07) Registration for Michigan Taxes

Check the b										
	a New Business	Acquired/Trans		of a Business						
	ted an Existing Account(s)	Added a New L		▶ 1. Federa	al Employ	er Identif	fication	Numbe	r, if kno	own
	mployee / Hired Michigan Resident	Flow-thru Entity								
	rated / Purchased an Existing Busines									
2. Compa	any Name or Owner's Full Name (include, if	applicable, Corp, Inc, PC,	LC, LLC, LLP, etc	c.). Required.						
3. Busines	ss Name, Assumed Name or DBA (as regis	stered with the county)								
Legal	▶ 4. Address for all legal contacts (street	and number - no PO boxes	3)		Busi	ness Telep	hone			
Address (Required)	City			State	ZIP	Code				
Mailing	▶ 5. Address, if different from Box 4, when	e all tax forms will be sent,	unless otherwise	instructed		his addres		attach F		
Address	City			State	ZIP	Code	, ,			
Physical	6. Address of the actual Michigan location	on of the business, if differen	ent from above (s	treet and numbe	rno PO box	(es). See i	instructio	ns.		
Address	City	,		State	ZIP (Code				
0 15	Mi-bi	04 40 44 40								
Depar	are a Michigan entity and line 7 is rtment of Labor and Economic Gro Check this box if you have applied to of Incorporation	owth (DLEG) Corporal I for and not yet recei	ite ID Numbe ved your ID n	umber.	▶ 8.					
Depar Date	rtment of Labor and Economic Gro Check this box if you have applied	owth (DLEG) Corporal for and not yet recei	ite ID Numberved your ID not incorporation	r umber. on			▶ 9.			
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518, Page 2				
▶ 20. Enter the month, numeric	cally, that you close your tax l	books (for example, enter 08 for Aug	just)	▶ 20.
▶ 21. Seasonal Only: (Your base) a. Enter the month, num		usly for the entire year) ss opens		▶ 21a.
b. Enter the month, num	nerically, this seasonal busine	ss closes		> 21b.
Note: If you are register form. Instead, file a Control of the c	ering to sell at only one or to	wo events in Michigan per year, dourn and Payment (Form 2271). The by calling 1-517-636-4660.	not submit t	his registration
payments to the Sta Authorization and Co	ate and Federal Governmen orporate Officer Liability (CO	nt produces your payroll checks arts. Attach a Payroll Service Provid. L) Certificate for Business (Form 36 xes, or by calling 1-517-636-4660.	ler Combined	Power of Attorney
Enter the name of yo	our payroll service provider:			
▶ 23. If you are incorporating a addresses, if known.	n existing business, or if you	purchased an existing business, list	previous bus	iness names and
Previous Business Name and	Address			,
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Questions regarding this form should be directed to the Department at 517-636-4660. Submit this form six

MAIL TO: Michigan Department of Treasury P.O. Box 30778

FAX TO: 517-636-4520 weeks before you intend to start your business.

Lansing, MI 48909-8278

Concessionaire's Sales Tax Return and Payment

Issued under P.A. 167 of 1933 and 122 of 1941 as amended. Filing is mandatory.

Seller's Name	Telephone Number	Social Security Number
Street Address	Sales Tax License No. (if applicable)	Federal Employer ID Number
Street Address	Sales Tax License No. (II applicable)	rederal Employer ID Number
City, State, ZIP Code	Temporary Liquor License No. (if applica	ble)
Event	Location (City)	Date of Event
As a vendor operating in Michigan, you are respectaxes. You must remit sales tax on all sales of tax user ("retail sales") at the rate of 6 percent. You retail sales in your exempt from Michigan sales tax and used in your For example, prizes given for games of skill or chat	ngible personal property from an even must also remit use tax on all goods business unless you paid sales tax o	ent at a Michigan location to an enestaken from inventory or purchase
You must also remit income tax withholding for regardless of that person's state of residence. For your own employees with you.		
Complete each line below as instructed. If you	have questions, please contact the	e Sales, Use and Withholding Ta
Customer Contact Division at (517) 636-4730.		
Gross Sales. Enter the total amount of sales of		
Gross Sales. Enter the total amount of sales of tangible personal property including cash and charge.		1
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This return is due upon demand. If demand is not made, 3 business days after event. If this form and payment are not mailed to the Michigan Department of Treasury by the due date, an estimated tax assessment may be issued against you.

Make check payable to: STATE OF MICHIGAN.

Mail To: Michigan Department of Treasury Customer Contact - SUW P.O. Box 30427 Lansing, MI 48922

Return the white copy with payment. Keep the yellow copy for your files.

Sales Tax Collection

Retailers are required to remit a 6% sales tax on their taxable retail sales to the State of Michigan. Effective January 1, 2006, a retailer must calculate the amount of sales tax to collect by using the following rounding formula.

To determine the amount of tax to remit, compute the tax to the third decimal place and round up to a whole cent when the third decimal place is greater than four, or down to a whole cent when the third decimal point is four or less.

How to Compute Withholding

To calculate tax amounts to withhold, employers may use a direct percentage computation (example shown below) or use the Michigan Income Tax Withholding Table. This table is found in Form 446, *Michigan Income Tax Withholding Guide*. Additional information regarding sales, use and withholding taxes, as well as Form 446 and the income tax withholding tables, is available by visiting the Michigan Treasury Web site www.michigan.gov/businesstaxes.

	2007	2006
Payroll Period	Allowance per Exemption	Allowance per Exemption
Per Day	9.32	\$9.04
Weekly	65.38	\$63.46

Withholding Formula

[Compensation - (allowance per exemption x number of exemptions)] x Calendar Year's Withholding Tax Rate. Example: An employee with 3 exemptions earns \$600/week in 2007 - the 2007 withholding tax rate is 3.9%.

The Direct Percentage Calculation is: $[\$600 - (\$65.38 \times 3)] \times 3.9\% = \text{Amount to withhold}$ $[\$600 - \$196.14] \times .039 = \$15.75$

How to Compute Penalty and Interest

If a return is not filed or tax is not paid within three days of your event, you must include penalty and interest with your payment. Penalty is 5% of the tax due. Penalty increases by an additional 5% per month or fraction thereof, after the second month, to a maximum of 25%. Interest is charged daily using the average prime rate, plus 1 percent.

You may refer to our Web site for current interest rate information, or help in calculating late payment fees.

Exhibit 7 – Obtain Insurance (Optional)

Release Date: September 2008

	•		
to obtain Dir	rectors and On	fficers Insurance.	(See Section
	to obtain Dir		to obtain Directors and Officers Insurance.

Insurance: Do You Need It?

Print



Without insurance, your group and your officers may be at risk. Here's what you should know to assess your needs.

Written by Vanessa Parks

Related Links

PTO vs. PTA: What's the Difference?

Insurance: What You Should Know

Budget Basics for PTOs

Tackling Your PTO
Tax Return

Build Support for New Ideas

Parent Group Insurance

PTO Manager Software With a moon bounce, three-legged races, and popcorn machines, most PTO volunteers see a carnival as a festive way to boost school spirit, raise some money, and, of course, have a little fun. But from where insurance providers sit, that same carnival looks more like a little shop of horrors.

The moon bounce? A chance for someone to get hurt, perhaps seriously. Ditto the three-legged race. The popcorn machine? A fire hazard.

From the big endeavors like buying and installing playgrounds to even the seemingly innocuous ones like allowing students to buy inexpensive gifts at a holiday shop, the experts see trouble. Someone could fall off one of those swings, choke on one of those gift items. They're not being hysterical or alarmist. Those things—while infrequent—have happened.

PTOs and PTAs should be insured, not only to protect against injuries and damages at events that they sponsor but also to protect themselves against embezzlers. Even if the parent group itself is short on cash, someone filing a lawsuit may decide to name officers who seem to have more personal assets.

Many volunteers seem to take a head-in-the-sand approach, thinking, "Well, I'm a volunteer so I can't be sued" or "We're just a simple parent group. Who would embezzle from us?" The trouble is that anyone can be

sued, and parent groups across the country have been victims of theft more times than we care to remember. Lawsuits require attorneys (at \$200 per hour). Missing funds can be terribly difficult to replace.

And while many parent group leaders assume (or are told by a school administrator) that their group is covered by a school or district insurance policy, experts strongly recommend that parent leaders confirm

that assumption before taking a large risk.

Do We Really Need Insurance?

Melissa Repetski, outgoing president of the Boyette Springs Elementary School PTA in Riverview, Florida, considers insurance "a must."

"I'd be scared to hold an activity without it," she says. Because the state PTA encourages local groups to take out insurance, the Boyette Springs group has a liability policy that costs about \$300 a year and has bonded its president and treasurer at approximately an additional \$100 a year. "With all the cases of embezzlement going around, I see the point," Repetski says.

The fact is that anyone can sue anyone at any time. While not all suits have merit, in this increasingly litigious time, a modest insurance investment can certainly lead to peace of mind and—if the worst case does strike—protection.

Because insurance is regulated by states and not by the federal government, the rules vary from state to state. In some states, for instance, school districts are specifically forbidden from covering PTO events under their insurance. In other states, the decision is left up to the school districts.

The best way to find out whether your parent organization is covered under the school's policy is to ask the school district's business manager. Be specific; if your group *is* covered by a school policy, ask what that includes—parent group meetings, family events such as carnivals, and so forth—and whether it applies to activities on or off school grounds.

Your best bet, though, is to ask for written confirmation of coverage from the district's insurer. If you can't get proof of coverage during good times, what will happen on that dark day when an accident happens?

Which Policies Should We Purchase?

Once a parent teacher organization has made the decision to purchase insurance, there are several things to look for. The PTO Today Plus Insurance Program, which has a particular focus on all types coverage for school parent-teacher groups, offers five different options.

General liability insurance covers injuries that occur at events sponsored by your parent group or on equipment, such as playgrounds, owned or bought by the group. On general liability policies, be sure that all volunteers are covered.

The second type of coverage is fidelity bonds, covering the officers and protecting from embezzlement of the parent group's money. After general liability insurance, it is the most common. Some policies require the treasurer and/or president to be named individually each year, but blanket policies (such as that offered thorugh PTO Today's insurance program) don't require that.

The third category is property coverage, which protects personal property, including fundraising merchandise, against damage or loss due to theft or natural disasters. If that copier you purchase for your PTO is ruined in a flood or that \$20,000 shipment of candy melts due to a refrigerator power outage, then your relatively inexpensive property coverage could come in handy.

Next is directors and officers liability coverage. Officers liability coverage is truly an investment in the

leaders of your group. These leaders who put in so much volunteer time are also exposing themselves to greater risk. Their decisions as leaders could be called into question in a lawsuit ("Why did you decide to rent that moon bounce?"), and D&O insurance is designed to protect them in that case.

Finally, there's accident medical coverage, which helps avoid lawsuits by paying for out-of-pocket medical expenses if someone is injured. The policy also provides medical expense coverage for items that are excluded from the general liability policy, including automobiles and school buses used for field trips. (Accident medical insurance should not replace your general liability policy, however.)

The PTO Today Plus Advantage

Until the advent of PTO Today Plus, independent parent groups really only had three unattractive options for insurance:

- 1. No coverage at all
- 2. Quite expensive coverage from a local insurer (with no/little parent group experience)
- 3. Coverage from a parent group specialist, but without the benefit of a group rate or group expertise

PTO Today Plus groups, though, have a better option, through the PTO Today Plus Parent Group Insurance Program. Access to this comprehensive, deeply discounted insurance package is a key benefit of PTO Today Plus membership. Most PTO Today Plus members save more on insurance alone than the cost of an annual membership fee.

PTO Today has partnered with a carrier that's been rated A+ by A.M. Best, an independent, third-party organization that rates financial and insurance institutions. The package of protections offered through PTO Today Plus is the very same package used by thousands of PTA groups throughout the country. (Of course, those groups often pay far more in dues than the cost of Plus membership.)

It's a compelling program and a wise investment. Insuring your group, your volunteers and your leaders means that you're serious about your parent group work. Your volunteers—and especially your leaders—are putting their hearts and souls into your PTO, and they shouldn't be faced with a personal liability should the worst occur. And a quick review of PTO news in recent years shows clearly that no group is immune from the dangers of theft or embezzlement.

Being a PTO or a PTA or any other kind of community group is no shield against a lawsuit or a loss. Insurance protection—especially at a group-discounted price—can make all the difference.

Want more information about insurance? Read about the <u>PTO Today Plus Parent Group Insurance Program.</u>

Exhibit 8 – File Annual Report with IRS

Groups must file annual **Form 990** titled Return of Organization Exempt from Income Tax with the IRS. There is no tax liability unless the group engages in unrelated activities.

We have just been notified of a new Internal Revenue Service filing requirement for tax-exempt organizations. The new filing requirement applies to 501(c)(3) organizations including, but not limited to, PTO's, PTA's and booster clubs. Currently, these organizations are only required to file a Form 990 if their annual gross receipts are \$25,000 or more. Small tax-exempt organizations with annual gross receipts less than \$25,000 have previously had no filing requirement.

Beginning with tax years ending on or after December 31, 2007, tax-exempt organizations whose gross receipts are normally \$25,000 or less are required to submit Form 990-N, also known as the E-Postcard. The Pension Protection Act of 2006 added this filing requirement to ensure that the IRS and potential donors have current information about the organization.

If the organization's tax year ended on December 31, 2007, the e-Postcard is due <u>May 15, 2008</u>.

The E-Postcard is completed electronically. There is no paper form. The organization only needs the following information for filing:

- Employer Identification Number
- Tax year
- Legal name and mailing address
- Any other names the organization uses
- Name and address of a principal officer
- Confirmation that the organization's gross receipts are normally \$25,000 or less
- If applicable, a statement that the organization has terminated or is terminating (going out of business)

An organization that fails to file required E-Postcards for three consecutive years will automatically lose its tax-exempt status.

Here is the IRS link for further information: http://www.irs.gov/charities/article/0,,id=169250,00.html

Please forward this information to the appropriate organizations in your building ASAP.

Steven Barr Director of Finance Troy School District 4400 Livernois Troy, MI 48098 tel 248-823-4025 fax 248-823-4013



Annual Electronic Filing Requirement for Small Exempt Organizations — Form 990-N (e-Postcard)

Small tax-exempt organizations whose <u>oross receipts</u> are <u>normally \$25,000 or less</u> may be required to electronically submit Form 990-N, also known as the e-Postcard.

The Pension Protection Act of 2006 added this filing requirement to ensure that the IRS and potential donors have current information about your organization.

Due Date of the e-Postcard

The first e-Postcards are due in 2008 for tax years ending on or after December 31, 2007. The e-Postcard is due every year by the 15th day of the 5th month after the close of your<u>tax year</u>. For example, if your tax year ended on December 31, 2007, the e-Postcard is due May 15, 2008. You cannot file the e-Postcard until after your tax year ends.

How To File

Click <u>here</u> to file the e-Postcard. If you have trouble accessing the system using that link, you may be able to access the filing site directly by typing or pasting the following address into your Internet browser: http://epostcard.form990.org When you access the system, you will leave the IRS site and file the e-Postcard with the IRS through our trusted partner, Urban Institute. The form must be completed and filed electronically. There is no paper form.

Information You Will Need To File the e-Postcard

The e-Postcard is easy to complete. All you need is the following information about your organization. Click on any of the links below, if you need more information about the item.

- Employer identification number (EIN), also known as a Taxpayer Identification Number (TIN)).
- Tax year
- Legal name and mailing address
- Any other names the organization uses
- Name and address of a principal officer
- Web site address if the organization has one
- Confirmation that the organization's annual gross receipts are normally \$25,000 or less
- If applicable, a statement that the organization has terminated or is terminating (going out of business)

Who Must File

Most small tax-exempt organizations with gross receipts that are normally \$25,000 or less must file the e-Postcard. Exceptions to this requirement include:

- Organizations that are included in a group return, and
- <u>Churches</u>, their integrated auxiliaries, and conventions or associations of churches.

The following organizations cannot file the e-Postcard but must file different forms instead:

- Tax-exempt organizations with annual gross receipts that are normally greater than \$25,000 must file Form 990 or Form 990-EZ;
- Private foundations must file Form 990-PF;
- Section 509(a)(3) supporting organizations that are required to file Form 990 or Form 990-EZ.
- IRC section 527 (political) organizations required to file an annual exempt organization return must file Form 990 or Form 990-EZ;

Late Filing or Failure To File the e-Postcard

If you do not file your e-Postcard on time, the IRS will send you a reminder notice but you will not be assessed a penalty for late filing the e-Postcard. However, an organization that fails to file required e-Postcards (or information returns – Forms 990 or 990-EZ) for three consecutive years will automatically lose its tax-exempt status. The revocation of the organization's tax-exempt status will not take place until the filing due date of the third year.

Search for e-Postcards - Public Disclosure

To find and view an organization's e-Postcard click $\underline{\text{here}}$. To download the entire data base of e-Postcard filings click $\underline{\text{here}}$.

Note: Not all organizations that file an e-Postcard are eligible to receive charitable contributions that are tax-deductible under Internal Revenue Code section 170. See <u>Search for Charities</u>, to determine whether contributions to a particular organization are tax-deductible.

Additional Information

- Frequently Asked Questions
- Temporary Regulations (November 15, 2007)
- Educational tools: Help spread the word Help small tax-exempt organizations stay exempt!
- <u>EO Update</u>: Subscribe to Exempt Organization's regular email newsletter that highlights new information posted on the Charities and Non-Profits pages of irs.gov
- If you did not find the answer to your question about electronically filling the
 e-Postcard, you can email your question to tege-eo-efile@irs.gov. Note: This email
 address is for exempt organization electronic filing related questions only, not
 account or tax law questions. Do not send forms of any kind to this email address.
- If you did not find the answer to a question about the e-Postcard filing requirement, call Customer Account Services at 1-877-829-5500.
- News release <u>IR 2008-25</u> (February 25, 2008)

Updated: April 1, 2008

Form **990**

Return of Organization Exempt From Income Tax

OMB No. 1545-0047

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

Open to Public Inspection

Department of the Treasury Internal Revenue Service

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

Α	For th	ne 2007 ca	alendar	year, or tax year beginning		, 2007, and	d ending		, 20
В	Check if	applicable:	Please	C Name of organization				D Employ	yer identification number
	Address	s change	use IRS label or					i	
	Name c	hange	print or type.	Number and street (or P.O. box	if mail is not delivered to s	street address	s) Room/suite	E Teleph	one number
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	Termina	ation	Instruc- tions.	City or town, state or country, a	and ZIP + 4			F Accountir	•
	Amende	ed return	tions.				II and I am n		her (specify)
	Applicati	ion pending		tion 501(c)(3) organizations and sts must attach a completed Sch					e to section 527 organizations. n for affiliates? Yes No
^	Wabait.		uus	sis must attach a completed Sch	edule A (FOITH 990 OF 99	U-EZ).		-	per of affiliates ▶
G	Website	e: ▶					H(c) Are all a		
J	Organiz	zation type	(check o	nly one) ▶ ☐ 501(c) () ◀ (i	nsert no.)	or 527	(If "No,"	attach a list	t. See instructions.)
K	Check	here ▶	if the o	organization is not a 509(a)(3) sup	porting organization and	its gross	H(d) Is this a	separate retur	n filed by an
				ore than \$25,000. A return is not rec	quired, but if the organizati	on chooses			by a group ruling? Yes No
	to file a	return, be s	sure to file	e a complete return.				xemption N	
L	Gross	receipts: /	Add lines	s 6b, 8b, 9b, and 10b to line 1	2 ▶				the organization is not required form 990, 990-EZ, or 990-PF).
	art I			penses, and Changes ir		und Bala			
	1			gifts, grants, and similar am					
	│ 'a			o donor advised funds .		1a			
	b			apport (not included on line		1b			
				support (not included on lin	′	1c			
	1		•	entributions (grants) (not inc	· · · · · · · · · · · · · · · · · · ·	1d			
	е	Total (ad	dd lines	1a through 1d) (cash \$	noncash	າ \$)	. 1e	
	2	Program	service	revenue including governme	ent fees and contracts	s (from Pa	rt VII, line 93)	2	
	3	Member	ship du	ues and assessments					
	4			ngs and temporary cash in					
	5	Dividend	ds and	interest from securities .		- 1		. 5	
	6a					6a			
				penses		6b		- 60	
	l _			me or (loss). Subtract line 6	b from line 6a			. 6c	
Jue	7			nt income (describe	(A) Securities	(B) Other	, ,	
Revenue	8a	than inv		from sales of assets other	. ,	8a	,		
ď			•	er basis and sales expenses.		8b			
				attach schedule)		8c			
			. , .	s). Combine line 8c, columns				8d	
	9	•	•	nd activities (attach schedule). If	. , . ,				
	а	Gross re	evenue	(not including \$	of				
		contribu	tions re	eported on line 1b)		9a			
	b	Less: di	rect exp	penses other than fundraisi	ng expenses . L	9b			
	С			(loss) from special events.				. 9с	
	10a			inventory, less returns and	anowaneco	10a			
	b		_	oods sold		10b		100	
	C			oss) from sales of inventory (atta					
	11 12	Total re	venue	(from Part VII, line 103) . Add lines 1e, 2, 3, 4, 5, 6c, 7		1		12	
_	13			es (from line 44, column (B					
es	14	_		nd general (from line 44, column (6					
Expenses	15			om line 44, column (D)) .					
Exp	16			filiates (attach schedule)				. —	
_	17			s. Add lines 16 and 44, col					
ţ	18			cit) for the year. Subtract li				4.0	
Net Assets	19		•	und balances at beginning					
et A	20	Other cl	nanges	in net assets or fund balar	nces (attach explana	tion)		. 20	
ž	21	Net asse	ets or fu	and balances at end of year.	Combine lines 18, 19	, and 20		. 21	

Part II Statement of All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others. (See the instructions.) **Functional Expenses** Do not include amounts reported on line (B) Program (C) Management (A) Total (D) Fundraising and general 6b, 8b, 9b, 10b, or 16 of Part I. **22a** Grants paid from donor advised funds (attach schedule) (cash \$ _____ noncash \$ _____ 22a If this amount includes foreign grants, check here ightharpoonup22b Other grants and allocations (attach schedule) (cash \$ _____ noncash \$ _____ 22b If this amount includes foreign grants, check here $\triangleright \Box$ Specific assistance to individuals (attach 23 schedule) Benefits paid to or for members (attach 24 25a Compensation of current officers, directors. 25a key employees, etc. listed in Part V-A . . . **b** Compensation of former officers, directors, 25b key employees, etc. listed in Part V-B . . . c Compensation and other distributions, not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) 25c Salaries and wages of employees not included 26 on lines 25a, b, and c 27 Pension plan contributions not included on 27 lines 25a, b, and c $\ \ \, . \ \ \, . \ \ \, . \ \ \, . \ \ \, . \ \ \, .$ 28 Employee benefits not included on lines 28 25a – 27 29 29 Payroll taxes 30 Professional fundraising fees 30 31 31 32 32 Legal fees 33 33 Supplies Telephone 34 34 35 35 Postage and shipping 36 36 37 Equipment rental and maintenance . . . 37 38 38 Printing and publications 39 39 40 40 Conferences, conventions, and meetings . . . 41 41 42 42 Depreciation, depletion, etc. (attach schedule) 43 Other expenses not covered above (itemize): 43a a 43b b 43c C 43d 43e e _____ 43f 43g g _____ Total functional expenses. Add lines 22a through 43g. (Organizations completing columns (B)-(D), carry these totals to lines 13–15) . **Joint Costs.** Check ▶ ☐ if you are following SOP 98-2. Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? . \blacktriangleright \square Yes \square No If "Yes," enter (i) the aggregate amount of these joint costs \$_____ __; (ii) the amount allocated to Program services \$____

(iii) the amount allocated to Management and general \$

; and (iv) the amount allocated to Fundraising \$

Part III Statement of Program Service Accomplishments (See the instructions.)

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

All o	clients served, publications issued, etc. Discuss ac		Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)
а			
b	(Grants and allocations \$) If this amount includes foreign grants, check here ▶ □	
С	(Grants and allocations \$) If this amount includes foreign grants, check here ▶ □	
d	(Grants and allocations \$) If this amount includes foreign grants, check here ▶ □	
	(Grants and allocations \$ Other program services (attach schedule)) If this amount includes foreign grants, check here ▶ □	
	(Grants and allocations \$ Total of Program Service Expenses (should e) If this amount includes foreign grants, check here	

Form **990** (2007)

Pa	rt IV	Balance Sheets (See the instructions.)		
N	lote:	Where required, attached schedules and amounts within the description column should be for end-of-year amounts only. (A) Beginning of year		(B) End of year
	45	Cash—non-interest-bearing	45	
	46	Savings and temporary cash investments	46	
	70	Cavings and temporary cash investments , , , , , , , , .		
	47-	Accounts receivable 47a		
		7.000unto receivable	47c	
	D	Less: allowance for doubtful accounts . 47b	470	
		400		
		Pledges receivable	40-	
		Less: allowance for doubtful accounts . 48b	48c	
	49	Grants receivable	49	
	50a	Receivables from current and former officers, directors, trustees, and		
		key employees (attach schedule)	50a	
	b	Receivables from other disqualified persons (as defined under section		
		4958(f)(1)) and persons described in section 4958(c)(3)(B) (attach schedule)	50b	
	51a	Other notes and loans receivable (attach		
Assets		schedule)	1	
	b	Less: allowance for doubtful accounts . 51b	51c	
	52	Inventories for sale or use	52	
	53	Prepaid expenses and deferred charges	53	
		Investments—publicly-traded securities ▶ ☐ Cost ☐ FMV ☐ FMV	54a	
	b	Investments—other securities (attach schedule) ▶ ☐ Cost ☐ FMV ☐	54b	
	55a	Investments—land, buildings, and		
		equipment: basis		
	b	Less: accumulated depreciation (attach		
		schedule)	55c	
	56	Investments—other (attach schedule)	56	
		Land, buildings, and equipment: basis . 57a		
	b	Less: accumulated depreciation (attach		
		schedule)	57c	
	58	Other assets, including program-related investments		
	50	(describe ►	58 59	
	59	· · · · · · · · · · · · · · · · · · ·	60	
	60	Accounts payable and accrued expenses	61	
	61	Grants payable	62	
"	62	Deferred revenue	02	
Liabilities	63	Loans from officers, directors, trustees, and key employees (attach	63	
bili		schedule)	64a	
Lia		Tax-exempt bond liabilities (attach schedule)	64b	
		Mortgages and other notes payable (attach schedule) Other liabilities (describe ▶)	65	
	65	Other liabilities (describe	+ 05	
	66	Total liabilities. Add lines 60 through 65	66	
		inizations that follow SFAS 117, check here ▶ □ and complete lines		
	Orga	67 through 69 and lines 73 and 74.		
Ses	67	Unrestricted	67	
an	68	Temporarily restricted	68	
Bal	69	Permanently restricted	69	
ы		unizations that do not follow SFAS 117, check here ▶ □ and		
Net Assets or Fund Balances	Jiga	complete lines 70 through 74.		
or	70	Capital stock, trust principal, or current funds	70	
ts (71	Paid-in or capital surplus, or land, building, and equipment fund .	71	
se	72	Retained earnings, endowment, accumulated income, or other funds	72	
A	73	Total net assets or fund balances. Add lines 67 through 69 or lines		
Vet	_	70 through 72. (Column (A) must equal line 19 and column (B) must		
_		equal line 21)	73	
	74	Total liabilities and net assets/fund balances. Add lines 66 and 73	74	

Pa	rt IV-A Reconciliation of Revenue per Auc instructions.)	lited Financial Statem	ents With Rev	enue per	Return (See the
a b	Total revenue, gains, and other support per audit Amounts included on line a but not on Part I, line				а	
1	Net unrealized gains on investments		b1			
2	Donated services and use of facilities		b2			
3	Recoveries of prior year grants		b3			
4	Other (specify):					
·	outer (openity).		b4			
	Add lines b1 through b4				b	
С	Subtract line b from line a			🛓	С	
d	Amounts included on Part I, line 12, but not on li	ine a:				
1	Investment expenses not included on Part I, line	6b	d1			
2	Other (specify):					
			d2			
е	Add lines d1 and d2				d e	
	rt IV-B Reconciliation of Expenses per Au				-]
а	Total expenses and losses per audited financial	statements		🛓	а	
b	Amounts included on line a but not on Part I, line	e 17:				
1	Donated services and use of facilities		b1			
2	Prior year adjustments reported on Part I, line 20		b2			
3	Losses reported on Part I, line 20		b3			
4	Other (specify):		b4			
	Add lines b4 through b4				b	
С	Add lines b1 through b4				C	
d	Amounts included on Part I, line 17, but not on li					
1	Investment expenses not included on Part I, line		d1			
2	Other (specify):					
			d2			
е	Add lines d1 and d2	d		: : ▶ -	d e	
Pa	rt V-A Current Officers, Directors, Trustees or key employee at any time during the ye	s, and Key Employees	(List each perso	n who was		director, trustee,
	(A) Name and address	(B) Title and average hours per				(E) Expense account and other allowances
	(v)	week devoted to position	-0)	compensa	tion plans	and other anowarioes
		_				
		-				
		-				
		_				
		_				
		-				
		-				
		-				

Part V-A Current Officers, Directors, Trustees, and Key Employees (continued) Yes No 75a Enter the total number of officers, directors, and trustees permitted to vote on organization business at board b Are any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, related to each other through family or business 75b relationships? If "Yes," attach a statement that identifies the individuals and explains the relationship(s) . . . c Do any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, receive compensation from any other organizations, whether tax exempt or taxable, that are related to the organization? See the instructions for 75c If "Yes," attach a statement that includes the information described in the instructions, d Does the organization have a written conflict of interest policy? Part V-B Former Officers, Directors, Trustees, and Key Employees That Received Compensation or Other Benefits (If any former officer, director, trustee, or key employee received compensation or other benefits (described below) during the year, list that person below and enter the amount of compensation or other benefits in the appropriate column. See the instructions.) (C) Compensation (if not paid, (D) Contributions to employee (E) Expense (B) Loans and Advances benefit plans & deferred account and other (A) Name and address enter -0-) compensation plans allowances Part VI Other Information (See the instructions.) Yes No Did the organization make a change in its activities or methods of conducting activities? If "Yes," attach a 76 **77** 77 Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes. 78a Did the organization have unrelated business gross income of \$1,000 or more during the year covered by 78a 78b Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach 80a Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt 80a **b** If "Yes," enter the name of the organization ▶ and check whether it is U exempt **or** U nonexempt 81a Enter direct and indirect political expenditures. (See line 81 instructions.) . . . 81a b Did the organization file Form 1120-POL for this year?

Form 990 (2007)

Page 6

	t VI Other Information (continued)		Yes	No
	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge			
	or at substantially less than fair rental value?	82a		
b	If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.)			
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	83a		
	Did the organization comply with the disclosure requirements relating to <i>quid pro quo</i> contributions?	83b		
	Did the organization solicit any contributions or gifts that were not tax deductible?	84a		
	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	84b		
85a	501(c)(4), (5), or (6). Were substantially all dues nondeductible by members?	85a		
	Did the organization make only in-house lobbying expenditures of \$2,000 or less?	85b		
	If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.			
С	Dues, assessments, and similar amounts from members			
	Section 162(e) lobbying and political expenditures			
	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices 85e			
	Taxable amount of lobbying and political expenditures (line 85d less 85e) 85f			
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	85g		
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f			
	to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the			
	following tax year?	85h		
86	501(c)(7) orgs. Enter: a Initiation fees and capital contributions included on line 12 86a			
	Gross receipts, included on line 12, for public use of club facilities			
87	cor(o)(12) orgo: Enter: a areas means norm members of sharoholders			
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)			
88a	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX	88a		
b	At any time during the year, did the organization, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Part XI	88b		
89a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 ▶ ; section 4915 ▶ ; section 4955 ▶ ;			
b	501(c)(3) and 501(c)(4) orgs. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction	89b		
С	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958			
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization			
е	All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction?	89e		
f	All organizations. Did the organization acquire a direct or indirect interest in any applicable insurance contract?	89f		
g	For supporting organizations and sponsoring organizations maintaining donor advised funds. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	89g		
90a	List the states with which a copy of this return is filed ▶			
	Number of employees employed in the pay period that includes March 12, 2007 (See instructions.)			
91a	The books are in care of ▶			
	Located at ► ZIP + 4 ►			
b	At any time during the calendar year, did the organization have an interest in or a signature or other authority	-		
-	over a financial account in a foreign country (such as a bank account, securities account, or other financial		Yes	No
	account)?	91b		
	If "Yes," enter the name of the foreign country >			
	See the instructions for exceptions and filing requirements for Form TD F 90-22.1 , Report of Foreign Bank and Financial Accounts.			

Form 990 (2007) Page 8 Part VI Other Information (continued) Yes No c At any time during the calendar year, did the organization maintain an office outside of the United States? If "Yes," enter the name of the foreign country ▶ Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041—Check here and enter the amount of tax-exempt interest received or accrued during the tax year | 92 | Analysis of Income-Producing Activities (See the instructions.) Unrelated business income Excluded by section 512, 513, or 514 (E) Note: Enter gross amounts unless otherwise Related or indicated. exempt function Business code Amount Exclusion code Amount income 93 Program service revenue: а b C d е Medicare/Medicaid payments f Fees and contracts from government agencies Membership dues and assessments . . . 94 95 Interest on savings and temporary cash investments 96 Dividends and interest from securities 97 Net rental income or (loss) from real estate: debt-financed property а not debt-financed property b 98 Net rental income or (loss) from personal property Other investment income 99 100 Gain or (loss) from sales of assets other than inventory 101 Net income or (loss) from special events . 102 Gross profit or (loss) from sales of inventory 103 Other revenue: a ____ b С d е Subtotal (add columns (B), (D), and (E)) Total (add line 104, columns (B), (D), and (E)) Note: Line 105 plus line 1e, Part I, should equal the amount on line 12, Part I. Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See the instructions.) Line No. Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes). Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See the instructions.) (A)
Name, address, and EIN of corporation, (B) Percentage of ownership interest Fnd-of-year Nature of activities partnership, or disregarded entity assets % % % % Information Regarding Transfers Associated with Personal Benefit Contracts (See the instructions.) Part X

(a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? . Yes No (b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No

Note: If "Yes" to (b), file Form 8870 and Form 4720 (see instructions).

Part	Information Regarding 1 is a controlling organization			. Complete only if the o	organiz	ation
106	Did the reporting organization ma the Code? If "Yes," complete the			in section 512(b)(13) of	Yes	No
	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	f Amount o	D) of trans	fer
a						
b						
С						
	Totals					
107	Did the reporting organization rec 512(b)(13) of the Code? If "Yes,"				Yes	No
	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	,	D) of transf	fer
а						
b						
С						
	Totals					
108	Did the organization have a binding rents, royalties, and annuities des			covering the interest,	Yes	No
Pleas	Under penalties of perjury, I declare that I and belief, it is true, correct, and comple					
Sign Here	Signature of officer			Date		
	Type or print name and title		Date Check i	if Preparer's SSN or PTIN	(See Gen	. Inst. XI
Paid Prepare	Preparer's signature		self- employe	The part of the second of the	, 0011	
Use Onl				EIN •		



Instructions for Form 990 and Form 990-EZ

Return of Organization Exempt From Income Tax and .. Short Form Return of Organization Exempt From Income Tax

Under Section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

Caution: Form 990-EZ is for use by organizations other than sponsoring organizations and controlling organizations defined in section 512(b)(13), with gross receipts of less than \$100,000 and total assets of less than \$250,000 at the end of the year.

Section references are to the Internal Revenue Code unless otherwise noted.

	_
Contents	Page
What's New	1
• Purpose of Form	1
• Phone Help	1
• Email Subscription	1
 Photographs of Missing 	
Children	2
General Instructions	2
A Who Must File	
A WIIO Wast File	∠
B Organizations Not Required	
to File Form 990 or Form	0
990-EZ	3
C Exempt Organization	
Reference Chart	4
D Forms and Publications	5
E Use of Form 990, or Form	
990-EZ, To Satisfy State	
Reporting Requirements	6
F Other Forms as Partial	
Substitutes for Form 990 or	
Form 990-EZ	7
G Accounting Periods and	
Methods	7
H When, Where, and How to	
File	8
I Extension of Time To File	
J Amended Return/Final	
Return	8
K Failure to File Penalties	
L Contributions	
M Public Inspection of	
Returns, etc	12
N Disclosures Regarding	12
Certain Information and	
Services Furnished	15
Displacures Degarding	
Certain Transactions and	
Relationships	15
P Intermediate Sanction	13
Regulations — Excess	
Benefit Transactions	15
Q Erroneous Backup	13
	20
Withholding	∠0
R Group Return	∠0

Contents	Page
S Organizations in Foreign	_
Countries and U.S.	
Possessions	20
T Public Interest Law Firms	
U Political Organizations	
V Information Regarding	
Transfers Associated with	
Personal Benefit Contracts	20
W Prohibited Tax Shelter	
Transactions and Related	
Disclosure Requirements	21
X Requirements for a Properly	
Completed Form 990 or	
Form 990-EZ	22
Specific Instructions for Form	
990 and Table of Contents	
for These Specific	
Instructions	24
 Specific Instructions for Form 	
990-EZ and Table of	
Contents for These Specific	
Instructions	54
• Index	66
	CAZLA CAMBO MARCONIO
What's New	

wnatsnew

New annual electronic filing requirement for small tax-exempt organizations. Most small tax-exempt organizations must now file new Form 990-N, Electronic Notice (e-Postcard) for Tax-Exempt Organizations Not Required to File Form 990 or 990-EZ. See the IRS website at www.irs.gov and click on the Charities & Non-Profits tab for more information.

Purpose of Form

Form 990 and Form 990-EZ are used by tax-exempt organizations, nonexempt charitable trusts, and section 527 political organizations to

provide the IRS with the information required by section 6033.

An organization's completed Form 990, Form 990-EZ, and the Form 990-T of 501(c)(3) organizations is available for public inspection as required by section 6104. Schedule B (Form 990, 990-EZ, or 990-PF), Schedule of Contributors, is open for public inspection for section 527 organizations filing Form 990 or Form 990-EZ. For other organizations that file Form 990 or Form 990-EZ, parts of Schedule B may be open to public inspection. See the Instructions for Schedule B for more

Some members of the public rely on Form 990, or Form 990-EZ, as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, the return must be complete, accurate, and fully describe the organization's programs and accomplishments.

Use Form 990 or Form 990-EZ, to send a required election to the IRS, such as the election to capitalize costs under section 266.

Phone Help

If you have questions and/or need help completing Form 990, or Form 990-EZ, please call 1-877-829-5500. This toll-free telephone service is available Monday through Friday.

Email Subscription

The IRS has established a new subscription-based email service for tax professionals and representatives of tax-exempt organizations. Subscribers

will receive periodic updates from the IRS regarding exempt organization tax law and regulations, available services, and other information. To subscribe, visit www.irs.gov/eo.

Photographs of Missing Children

The Internal Revenue Service is a proud partner with the National Center for Missing and Exploited Children. Photographs of missing children selected by the Center may appear in instructions on pages that would otherwise be blank. You can help bring these children home by looking at the photographs and calling 1-800-THE-LOST (1-800-843-5678) if you recognize a child.

General Instructions

The *General Instructions* apply to both Form 990 and Form 990-EZ. See also the Specific Instructions for each of these forms.



Certain Form 990 filers must file electronically, see General וויסא Instruction H for who must file electronically.

A. Who Must File

Filing Tests

Organizations exempt from income tax under Internal Revenue Code section 501(a), which includes sections 501(c), 501(e), 501(f), 501(k), 501(n), and 4947(a)(1) must generally file Form 990 or Form 990-EZ based on their gross receipts for the tax year. (See General Instruction B next for exceptions to the filing requirement.) For this purpose, gross receipts is the organization's total revenues from all sources during its annual accounting period, without subtracting any costs or expenses.



However, in addition to the above filing test, 501(c)(15) CAUTION insurance companies are

subject to a separate series of tests to determine whether small insurance companies qualify as tax exempt under section 501(c)(15) for the tax year. These separate tests use a different definition for gross receipts only for purposes of determining whether such insurance companies qualify as tax exempt. See Section 501(c)(15) Organizations below for additional

If the organization does not meet any of the exceptions listed in General Instruction B, and its annual gross receipts are normally more than \$25,000, it must file Form 990 or Form 990-EZ. If the organization is a sponsoring organization, or a controlling organization within the meaning of section 512(b)(13), it must file Form 990. However, if the organization is a supporting organization described in section 509(a)(3), it generally must file Form 990 (Form 990-EZ if applicable) even if its gross receipts are normally \$25,000, or less. Supporting organizations of religious organizations need not file Form 990 (or Form 990-EZ) if their gross receipts are normally \$5,000, or less. See the gross receipts discussion in General Instruction B.

If the organization's gross receipts during the year are less than \$100,000 and its total assets at the end of the year are less than \$250,000, it may file Form 990-EZ instead of Form 990. Even if the organization meets this test, it can still file Form 990.

Organizations required to file Schedule A (Form 990 or 990-EZ), Organization Exempt Under Section 501(c)(3), that do not meet the support tests discussed in the instructions for Part IV of that schedule can contact the IRS at the following address to re-evaluate their determination-of-filing requirements.

Internal Revenue Service TE/GE EO Determinations P.O. Box 2508 Cincinnati, OH 45201

Section 501(a), (e), (f), (k), and (n) Organizations

Except for those types of organizations listed in General Instruction B, an annual return on Form 990, or Form 990-EZ, is required from every organization exempt from tax under section 501(a), including foreign organizations and cooperative service organizations described in sections 501(e) and (f); child care organizations described in section 501(k); and charitable risk pools described in section 501(n).

Section 501(c)(3), 501(e), (f), (k), and (n) organizations must also attach a completed Schedule A (Form 990 or 990-EZ) to their Form 990 or Form 990-EZ



For purposes of these instructions, the term section 501(c)(3) includes organizations

exempt under sections 501(e), (f), (k), and (n).

Section 501(c)(15) Organizations

A section 501(c)(15) organization applies the same gross receipts test as other organizations to determine whether they must file the Form 990 or

Form 990-EZ. However, section 501(c)(15) insurance companies are also subject to separate tests to determine whether they qualify as tax-exempt for the tax year. The following tests use a specific definition for gross receipts defined, below only for purposes of the following tests. Insurance companies that do not qualify as tax-exempt must file Form 1120-PC, U.S. Property and Casualty Insurance Company Income Tax Return, or Form 1120, U.S. Corporation Income Tax Return, as taxable entities. See Notice 2006-42, which is on page 878 of the Internal Revenue Bulletin 2006-19 at www.irs.gov/pub/irs-irbs/irb06-19.pdf.

Tests for section 501(c)(15) insurance companies to qualify as tax-exempt for the tax year. If any section 501(c)(15) insurance company (other than life insurance) normally has gross receipts of more than \$25,000 for the tax year and meets both parts of the following test, then the company can file Form 990 (or Form 990-EZ, if applicable).

- 1. The company's gross receipts must be equal to or less than \$600,000,
- 2. The company's premiums must be more than 50% of its gross receipts.

If the company did not meet this test and the company is a mutual insurance company, then it must meet the Alternate test to qualify to file Form 990 (or Form 990-EZ, if applicable). Otherwise, the company must file Form 1120 or Form 1120-PC, as appropriate.

Alternate test. If any section 501(c)(15) insurance company (other than life insurance) is a mutual insurance company and it did not meet the above test, then the company must meet both parts of the following alternate test.

- 1. The company's gross receipts must be equal to or less than \$150,000,
- 2. The company's premiums must be more than 35% of its gross receipts.

If the company does not meet either test, then it must file Form 1120-PC or Form 1120 (if the company is not entitled to insurance reserves) instead of Form 990 or Form 990-EZ.



The alternate test does not apply if any employee of the CAUTION mutual insurance company or a

member of the employee's family is an employee of another company that is exempt under section 501(c)(15)(or would be exempt if this provision did not apply).

Gross receipts. To determine whether a section 501(c)(15) organization satisfies either of the above tests, figure gross receipts by adding (1) premiums (including deposits and assessments) without reduction for return premiums or premiums paid for reinsurance; (2) gross investment income of a non-life insurance company (as described in section 834(b)); and (3) other items that are included in the filer's gross income under Subchapter B, Chapter 1, Subtitle A of the Code. This definition does not, however, include contributions to capital. For more information, see Notice 2006-42, which is on page 878 of the Internal Revenue Bulletin 2006-19 at www.irs.gov/pub/ irs-irbs/irb06-19.pdf.

Premiums consist of all amounts received as a result of entering into an insurance contract. For information about the reporting of premiums, see the instructions for Form 990 Part I, line 2.

Anti-abuse rule. The anti-abuse rule, found in section 501(c)(15)(C), explains how gross receipts (including premiums) from all members of a controlled group are aggregated in figuring the above tests.

Political Organizations

Tax-exempt political organizations must file Form 990 or Form 990-EZ (if applicable) unless the organization is excepted from filing under *Exemption 14* or *15* of *General Instruction B*. A qualified state or local political organization (defined below) must file Form 990 (not Form 990-EZ) only if it has gross receipts of \$100,000 or more.

Qualified state or local political organizations. A qualified political organization meets all of the following requirements.

- 1. The organization's exempt functions are solely for the purpose of influencing or attempting to influence the selection, nomination, election, or appointment of any individual to any state or local public office or office in a state or local political organization.
- 2. The organization is subject to state law that requires it to report the information that is similar to that required on Form 8872.
- 3. The organization files the required reports with the state.
- 4. The state makes such reports public and the organization makes them open to public inspection in the same manner that organizations must make Form 8872 available for public inspection.

For additional information, including the prohibition of involvement in the organization of a federal candidate or office holder, see section 527(e)(5).

Disregarded Entities

A disregarded entity, as described in Regulations sections 301.7701-1 through 301.7701-3, is treated as a branch or division of its parent organization for federal tax purposes. Therefore, financial and other information applicable to a disregarded entity must be reported as the parent organization's information.

Section 4947(a)(1) Nonexempt Charitable Trusts

Any nonexempt charitable trust (described in section 4947(a)(1)) not treated as a private foundation is also required to file Form 990, or Form 990-EZ, along with a completed Schedule A (Form 990 or 990-EZ). See the discussion in *General Instruction D* for exceptions to filing Form 1041, U.S. Income Tax Return for Estates and Trusts.

If an Organization's Exemption Application Is Pending

If the organization's application for exemption is pending, check the *Application pending* box in the heading of the return and complete the return.

Organizations That Filed a Return in the Prior Year but Are Not Required To File in the Current Year

Organizations that previously filed Form 990 or Form 990-EZ and meet exemption 15 under *General Instruction B* do not have to file a return.

Exempt organizations that filed Form 990, or Form 990-EZ, but are no longer required to file because they meet a specific exemption (other than exemption 15 in *General Instruction B*) must advise their IRS area office so their filing status can be updated.

Exempt organizations that are not sure of their area office may call the IRS at 1-877-829-5500. Exempt organizations that stop filing Form 990, or Form 990-EZ, without notifying their area office may receive service center correspondence inquiring about their returns. When responding to these inquiries, these organizations must give the specific reason for not filing.

Failure To File and Its Effect on Contributions

Organizations that are eligible to receive tax deductible contributions are listed in Publication 78, Cumulative List of Organizations described in Section 170(c) of the Internal Revenue Code of 1986. An organization may be removed from this listing if our records show that it is required to file Form 990, or Form 990-EZ, but it does not file a return or advises us that it is no longer required to file. However, contributions to such

an organization may continue to be deductible by the general public until the IRS publishes a notice to the contrary in the Internal Revenue Bulletin.

B. Organizations Not Required To File Form 990 or 990-EZ



Organizations not required to file Form 990, or Form 990-EZ with the IRS may wish to use it

to satisfy state reporting requirements. For details, see General Instruction E.

The following types of organizations exempt from tax under section 501(a) (section 527 for political organizations) do not have to file Form 990, or Form 990-EZ, with the IRS. However, if the organization chooses to file a Form 990 or Form 990-EZ, it must also attach the schedules and statements described in the instructions for these forms. In addition, an organization not required to file Form 990 or 990-EZ because it meets exceptions 12, 15, or 16 must file new Form 990-N, Electronic Notice (e-Postcard) for Tax-Exempt Organizations Not Required to File Form 990 or 990-EZ.

- A church, an interchurch organization of local units of a church, a convention or association of churches, an integrated auxiliary of a church (such as a men's or women's organization, religious school, mission society, or youth group).
- A church-affiliated organization that is exclusively engaged in managing funds or maintaining retirement programs and is described in Rev. Proc. 96-10, 1996-1 C.B. 577.
- A school below college level affiliated with a church or operated by a religious order
- 4. A mission society sponsored by, or affiliated with, one or more churches or church denominations, if more than half of the society's activities are conducted in, or directed at, persons in foreign countries.
- 5. An exclusively religious activity of any religious order.
- A state institution whose income is excluded from gross income under section 115.
- An organization described in section 501(c)(1). A section 501(c)(1) organization is a corporation organized under an Act of Congress that is:
 - An instrumentality of the United States, and
 - Exempt from federal income taxes.
- A private foundation exempt under section 501(c)(3) and described in section 509(a). Use Form 990-PF, Return of Private Foundation.

- 9. A black lung benefit trust described in section 501(c)(21). Use Form 990-BL, Information and Initial Excise Tax Return for Black Lung Benefit Trusts and Certain Related Persons.
- 10. A stock bonus, pension, or profit-sharing trust that qualifies under section 401. Use Form 5500, Annual Return/Report of Employee Benefit Plan.
- 11. A religious or apostolic organization described in section 501(d). Use Form 1065, U.S. Return of Partnership Income
- 12. A foreign organization whose annual gross receipts from sources within the U.S. are normally \$25,000 or less (Rev. Proc. 94-17, 1994-1 C.B. 579). See the \$25,000 Gross Receipts Test below.
- 13. A governmental unit or affiliate of a governmental unit described in Rev. Proc. 95-48, 1995-2 C.B. 418.
- 14. A political organization that is:
 - A state or local committee of a political
 - · A political committee of a state or local candidate:
 - · A caucus or association of state or local officials:
 - An authorized committee (as defined in section 301(6) of the Federal Election Campaign Act of 1971) of a candidate for federal office:
 - A national committee (as defined in section 301(14) of the Federal Election Campaign Act of 1971) of a political
 - · A United States House of Representatives or United States Senate campaign committee of a political party committee:
 - Required to report under the Federal Election Campaign Act of 1971 as a political committee (as defined in section 301(4) of such Act); or
 - An organization described under section 6033(g)(3)(G).
- 15. Except for supporting organizations described in section 509(a)(3), an organization whose gross receipts are normally \$25,000 or less.
- 16. A section 509(a)(3) supporting organization of a religious organization, if the supporting organization's gross receipts are normally \$5,000 or less.

How to Determine If an **Organization's Gross Receipts are Normally** \$25,000 (or \$5,000) or Less

To figure whether an organization has to file Form 990-EZ (or Form 990) apply the \$25,000 (or \$5,000) gross receipts test (below) using the following definition of gross receipts and information in Figuring Gross Receipts below.

Gross Receipts



Do not use the definition of gross receipts described in CAUTION General Instruction A, under Section 501(c)(15) Organizations to figure gross receipts.

Gross receipts are the total amounts the organization received from all sources during its annual accounting period, without subtracting any costs or expenses.

Gross receipts when acting as an agent. If a local chapter of a section 501(c)(8) fraternal organization collects insurance premiums for its parent lodge and merely sends those premiums to the parent without asserting any right to use the funds or otherwise deriving any benefit from collecting them, the local chapter does not include the premiums in its gross receipts. The parent lodge reports them instead. The same treatment applies in other situations in which one organization collects funds merely as an agent for another.

Figuring Gross Receipts

Figure gross receipts for Form 990 and Form 990-EZ as follows.

Form 990. Gross receipts are the sum of lines 1e, 2, 3, 4, 5, 6a, 7, 8a (both columns), 9a, 10a, and 11 of Part I. Gross receipts can also be figured by adding back the amounts on lines 6b. 8b (both columns), 9b, and 10b to the total revenue reported on line 12.

Form 990-EZ. Gross receipts are the sum of lines 1, 2, 3, 4, 5a, 6a, 7a, and 8 of Part I. Gross receipts can also be figured by adding back the amounts on lines 5b. 6b. and 7b to the total revenue reported on line 9.

Example. Organization M reported \$50,000 as total revenue on line 9 of its Form 990-EZ. M added back the costs and expenses it had deducted on lines 5b (\$2,000); 6b (\$1,500); and 7b (\$500) to its total revenue of \$50,000 and determined that its gross receipts for the tax year were \$54,000.

\$25,000 Gross Receipts Test

To determine if an organization's gross receipts are normally \$25,000 or less, apply the following test. An organization's gross receipts normally are considered to be \$25,000 or less if the organization is:

- 1. Up to a year old and has received, or donors have pledged to give, \$37,500 or less during its first tax vear:
- 2. Between 1 and 3 years old and averaged \$30,000 or less in gross receipts during each of its first 2 tax years; or
- 3. Three years old or more and averaged \$25,000 or less in gross receipts for the immediately preceding

3 tax years (including the year in which the return would be filed).

\$5,000 Gross Receipts Test

To determine if an organization's gross receipts are normally \$5,000 or less, apply the following test. An organization's gross receipts normally are considered to be \$5,000 or less if the organization is:

- 1. Up to a year old and has received, or donors have pledged to give, \$7,500 or less during its first tax year;
- 2. Between 1 and 3 years old and averaged \$6,000 or less in gross receipts during each of its first 2 tax years; or
- 3. Three years old or more and averaged \$5,000 or less in gross receipts for the immediately preceding 3 tax years (including the year in which the return would be filed).

C. Exempt Organization Reference Chart



To determine how the instructions for Form 990 and Form 990-EZ apply to the

organization, you must know the Code section under which the organization is

exempt.	
Type of Organization	I.R.C. Section
Corporations Organized Under Act of Congress	501(c)(1)
Title Holding Corporations	501(c)(2)
Charitable, Religious, Educational, Scientific, etc., Organizations	501(c)(3)
Civic Leagues and Social Welfare Organizations	501(c)(4)
Labor, Agricultural, and Horticultural Organizations	501(c)(5)
Business Leagues, etc	501(c)(6)
Social and Recreation Clubs	501(c)(7)
Fraternal Beneficiary and Domestic Fraternal Societies and Associations	501(c)(8) & (10)
Voluntary Employees' Beneficiary Associations	501(c)(9)
Teachers' Retirement Fund Associations	501(c)(11)
Benevolent Life Insurance Associations, Mutual Ditch or Irrigation Companies, Mutual or Cooperative Telephone Companies, etc.	501(c)(12)
Cemetery Companies	
State Chartered Credit Unions, Mutual Reserve Funds	
Insurance Companies or Associations Other Than Life	501(c)(15)
Cooperative Organizations To Finance Crop Operations	501(c)(16)
Supplemental Unemployment Benefit Trusts	501(c)(17)
Employee Funded Pension Trusts (created before 6/25/59)	501(c)(18)

SCHEDULE A

(Form 990 or 990-EZ)

Organization Exempt Under Section 501(c)(3)

(Except Private Foundation) and Section 501(e), 501(f), 501(k), 501(n), or 4947(a)(1) Nonexempt Charitable Trust

Supplementary Information—(See separate instructions.)

2007

Employer identification number

OMB No. 1545-0047

Department of the Treasury Internal Revenue Service

Name of the organization

▶ MUST be completed by the above organizations and attached to their Form 990 or 990-EZ

Part I Compensation of the Five High (See page 1 of the instructions. I				nd Trustees
(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
Total number of other employees paid over \$50,000 .				
Part II-A Compensation of the Five High (See page 2 of the instructions. Lis				
(a) Name and address of each independent contracto	·		of service	(c) Compensation
Total number of others receiving over \$50,000 for professional services ▶				
Part II-B Compensation of the Five Higher (List each contractor who perform firms. If there are none, enter "No	ned services other than p	professional serv		lividuals or
(a) Name and address of each independent contracto	r paid more than \$50,000	(b) Type	of service	(c) Compensation
Total number of other contractors receiving over \$50,000 for other services				

Pai	Statements About Activities (See page 2 of the instructions.)	Yes	No
1	During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.)		
	Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes" must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.		
2	During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)		
а	Sale, exchange, or leasing of property?		
b	Lending of money or other extension of credit?		
С	Furnishing of goods, services, or facilities?		
d	Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?		
е	Transfer of any part of its income or assets?		
3a	Did the organization make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how the organization determines that recipients qualify to receive payments.)		
b	Did the organization have a section 403(b) annuity plan for its employees?		
С	Did the organization receive or hold an easement for conservation purposes, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," attach a detailed statement 3c		
d	Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services? . 3d		
4a	Did the organization maintain any donor advised funds? If "Yes," complete lines 4b through 4g. If "No," complete lines 4f and 4g		
b	Did the organization make any taxable distributions under section 4966?		
С	Did the organization make a distribution to a donor, donor advisor, or related person?		
d	Enter the total number of donor advised funds owned at the end of the tax year		
е	Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year ▶		
f	Enter the total number of separate funds or accounts owned at the end of the tax year (excluding donor advised funds included on line 4d) where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts		
g	Enter the aggregate value of assets held in all funds or accounts included on line 4f at the end of the tax year		

Pa	rt IV	Reason for Non-Private	Foundation S	Status (See pages 4	through 8 of	the instruct	ions.)
l cer	tify that	t the organization is not a privat	te foundation bec	ause it is: (Please check	only ONE app	olicable box.)	
5	□ A	church, convention of churches	, or association o	of churches. Section 170	0(b)(1)(A)(i).		
6	A :	school. Section 170(b)(1)(A)(ii). (Also complete Pa	art V.)			
7	A	hospital or a cooperative hospit	al service organiz	zation. Section 170(b)(1)((A)(iii).		
8	A :	federal, state, or local governme	ent or governmer	ntal unit. Section 170(b)(1)(A)(v).		
9		medical research organization o					
10		n organization operated for the be lso complete the Support Sched		or university owned or op	perated by a go	vernmental un	it. Section 170(b)(1)(A)(iv)
11a		n organization that normally recei 0(b)(1)(A)(vi). (Also complete the			a governmental	unit or from th	e general public. Sectior
11b	□ A	community trust. Section 170(b))(1)(A)(vi). (Also co	omplete the Support Sc	hedule in Part	IV-A.)	
12	fro fro	n organization that normally receion activities related to its charitation gross investment income anganization after June 30, 1975.	able, etc., function ad unrelated busin	ns—subject to certain ex ness taxable income (les	ceptions, and ss section 511	(2) no more the tax) from bus	nan 331/3% of its support inesses acquired by the
13		n organization that is not contro quirements of section 509(a)(3).	Check the box the	nat describes the type of	f supporting or	ganization:	
] Type I ☐ Type II	☐Type I	II-Functionally Integrate	ed	Type III-Othe	er
		Provide the following infor	rmation about th	e supported organizat	ions. (See pag	e 8 of the inst	ructions.)
Na	ime(s) o	(a) (b) (c) (d) Employer identification number (EIN) (described in lines 5 through 12 above or IRC section) (b) (c) (d) Is the supported organization illes the supporting organization's governing documer		on listed in porting attion's	(e) Amount of support		
					Yes	No	
Γota	ıl					🕨	
14	☐ An	n organization organized and op	erated to test for	public safety. Section 5	509(a)(4). (See r	page 8 of the i	nstructions.)

	t IV-A Support Schedule (Complete: You may use the worksheet in the instruc					
Cale	ndar year (or fiscal year beginning in)	(a) 2006	(b) 2005	(c) 2004	(d) 2003	(e) Total
15	Gifts, grants, and contributions received. (Linot include unusual grants. See line 28.).	Оо				
16	Membership fees received					
17	Gross receipts from admissions, merchandisold or services performed, or furnishing facilities in any activity that is related to the organization's charitable, etc., purpose.	of				
18	Gross income from interest, dividence amounts received from payments on securitilions (section 512(a)(5)), rents, royaltie income from similar sources, and unrelate business taxable income (less section 5 taxes) from businesses acquired by the organization after June 30, 1975	es es, ed 11				
19	Net income from unrelated busine activities not included in line 18	ss				
20	Tax revenues levied for the organization benefit and either paid to it or expended its behalf.	on				
21	The value of services or facilities furnished the organization by a governmental ur without charge. Do not include the value services or facilities generally furnished to the public without charge.	nit of ne				
22	Other income. Attach a schedule. Do n include gain or (loss) from sale of capital asse					
23	Total of lines 15 through 22					
24	Line 23 minus line 17					
25	Enter 1% of line 23					
26	Organizations described on lines 10 or	11: a Enter 2% of	amount in colum	nn (e), line 24	▶ 26	а
b c d	Prepare a list for your records to show the governmental unit or publicly supported or amount shown in line 26a. Do not file this li Total support for section 509(a)(1) test: En Add: Amounts from column (e) for lines:	ganization) whose tot i st with your return. E ter line 24, column (e	al gifts for 2003 t Enter the total of a)	hrough 2006 exce Il these excess am	eded the counts ▶ 26	
е	22 26b ▶ • Public support (line 26c minus line 26d total)					
f	Public support percentage (line 26e (nu	merator) divided by	line 26c (denom	inator))	🕨 26	6f %
27	Organizations described on line 12: a person," prepare a list for your records to s Do not file this list with your return. Ent	how the name of, and	total amounts re-	ceived in each yea		
b	(2006) (2005) For any amount included in line 17 that was show the name of, and amount received for ellipse in the list organizations described in l	received from each pe each year, that was mo ines 5 through 11b, as	rson (other than "ore than the larger well as individuals	disqualified persons of (1) the amount of .) Do not file this lis	s"), prepare a lison line 25 for the st with your ret	st for your records to e year or (2) \$5,000. urn. After computing
	the difference between the amount received amounts) for each year: (2006)					
	. ,		, ,		. ,	
С	Add: Amounts from column (e) for lines: 17				▶ 27	c
d	Add: Line 27a total				I	d
e	Public support (line 27c total minus line 27					е
f	Total support for section 509(a)(2) test: En					
g	Public support percentage (line 27e (nu	merator) divided by	line 27f (denomi	inator))		g %
h	Investment income percentage (line 18,	column (e) (numera	tor) divided by li	ine 27f (denomin	ator)). ▶ 27	h %
28	Unusual Grants: For an organization des prepare a list for your records to show, for description of the nature of the grant. Do	or each year, the nan	ne of the contribu	utor, the date and	amount of the	e grant, and a brief

Part V Private School Questionnaire (See page 9 of the instructions.) (To be completed ONLY by schools that checked the box on line 6 in Part IV)

	(10 be completed one) by concold that oneofice the box on line of in 1 are 14)			
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?	29	Yes	No
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?	30		
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves?	31		
	If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.)			
32	Does the organization maintain the following:			
a b	Records indicating the racial composition of the student body, faculty, and administrative staff? Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	32a 32b		
C	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32c 32d		
d	Copies of all material used by the organization or on its behalf to solicit contributions?	024		
33	Does the organization discriminate by race in any way with respect to:			
а	Students' rights or privileges?	33a		
b	Admissions policies?	33b		
С	Employment of faculty or administrative staff?	33c		
d	Scholarships or other financial assistance?	33d		
е	Educational policies?	33e		
f	Use of facilities?	33f		
g	Athletic programs?	33g		
h	Other extracurricular activities?	33h		
	If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.)			
34a	Does the organization receive any financial aid or assistance from a governmental agency?	34a		
b	Has the organization's right to such aid ever been revoked or suspended?	34b		
35	Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05	0-		
	of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation	35		

Pa	rt VI-A Lobbying Expenditures by El (To be completed ONLY by ar				e instructions	.)
Che	ck ▶ a ☐ if the organization belongs to an affilia			you checked "a" an	d "limited control"	provisions apply.
	Limits on Lobbyi	(a) Affiliated group totals	(b) To be completed for all electing organizations			
36	Total lobbying expenditures to influence public	opinion (grassro	ots lobbying) .	36		
37	Total lobbying expenditures to influence a legis		,			
38	Total lobbying expenditures (add lines 36 and	37)		38		
39	Other exempt purpose expenditures			39		
40	Total exempt purpose expenditures (add lines	38 and 39)		40		
41	Lobbying nontaxable amount. Enter the amour					
	If the amount on line 40 is— The le					
	Not over \$500,000					
	Over \$500,000 but not over \$1,000,000 . \$100,					
	Over \$1,000,000 but not over \$1,500,000 . \$175,000 .			,00,000		
	Over \$1,500,000 but not over \$17,000,000 . \$225,0 Over \$17,000,000 \$1,000		e excess over \$1,5			
42	Grassroots nontaxable amount (enter 25% of I					
43	Subtract line 42 from line 36. Enter -0- if line 4					
44	Subtract line 41 from line 38. Enter -0- if line 4					
	Caution: If there is an amount on either line 43	or line 11 your	must file Form 17	720		
			d Under Secti	l l		
	(Some organizations that made a section See the instructions f	n 501(h) election	do not have to d	complete all of the		elow.
				res During 4-Ye	,	eriod
	Calendar year (or	(a)	(b)	(c)	(d)	(e)
	fiscal year beginning in) ▶	2007	2006	2005	2004	Total
45	Lobbying nontaxable amount					
46	Lobbying ceiling amount (150% of line 45(e))					
47	Total lobbying expenditures					
48	Grassroots nontaxable amount					
49	Grassroots ceiling amount (150% of line 48(e))					
50	Grassroots lobbying expenditures					
Pa	rt VI-B Lobbying Activity by Nonelec (For reporting only by organiza			Part VI-A) (See	page 14 of th	e instructions.)
	ng the year, did the organization attempt to influ				ny Yes No	Amount
atte	mpt to influence public opinion on a legislative n	natter or reference	lum, through the	use of:		
а	Volunteers					_
b	Paid staff or management (Include compensati			c through h.).	.	
C	Media advertisements					
d	Mailings to members, legislators, or the public Publications, or published or broadcast statem				. -	
e f	Grants to other organizations for lobbying purp					
g	Direct contact with legislators, their staffs, gov					
h	Rallies, demonstrations, seminars, conventions		_	-		
i	Total lobbying expenditures (Add lines c through	gh h.)				
	If "Yes" to any of the above, also attach a stat	ement giving a d	letailed descriptio	n of the lobbying	activities.	

Part VII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations (See page 14 of the instructions.)

51					following with any other organization describen 527, relating to political organizations?	ed in s	section
_		. ,		to a noncharitable exempt orga		Yes	No
а		•		to a nonchantable exempt orga	51a	_	
	(i) (ii)	Cash Other assets .			a(ii	-	
b	٠,	er transactions:					
D	(i)		es of assets with a	noncharitable exempt organizat	tion b(i)		
	(ii)	_		itable exempt organization			
	(iii)			ner assets	b(iii		
	(iv)				b(iv		
	`. :		_				
	(v)	0			b(vi		
_	(vi)			ship or fundraising solicitations		'	
		-		sts, other assets, or paid employ	yccs		af +la a
u	goo	ds, other assets, o	or services given by	the reporting organization. If the	 Column (b) should always show the fair mark ne organization received less than fair marke s, other assets, or services received: 		
(a	a) e no.	(b) Amount involved	Name of none	(c) charitable exempt organization	(d) Description of transfers, transactions, and sharing	arrangem	ents
						-	
							-
	des	cribed in section 50 (es," complete the	01(c) of the Code (other than section 501(c)(3)) or i	_	es [] No
		(a) Name of organiz	zation	(b) Type of organization	(c) Description of relationship		
				I control of the cont	I.		



Instructions for Schedule A (Form 990 or 990-EZ)

Section references are to the Internal

Revenue Code unless otherwise noted.
Contents Page
Part I. Compensation of the
Five Highest Paid
Employees Other Than
Officers, Directors, and
Trustees1
Part II-A. Compensation of the
Five Highest Paid
Independent Contractors for
Professional Services
Part II-B. Compensation of the
Five Highest Paid
Independent Contractors for
Other Services 2
Part III. Statements About
Activities
Part IV. Reason for
Non-Private Foundation
Status
Part IV-A. Support Schedule 8
Part V. Private School
Questionnaire9
Part VI-A. Lobbying
Expenditures by Electing
Public Charities
Part VI-B. Lobbying Activity by
Nonelecting Public Charities 14
Part VII. Information Regarding
Transfers To and
Transactions and
Relationships With
Noncharitable Exempt
Organizations14
Index16

General Instructions

Purpose of Form

Schedule A (Form 990 or 990-EZ) is used by:

- Section 501(c)(3) organizations, and
- Section 4947(a)(1) nonexempt charitable trusts.

These organizations must use Schedule A (Form 990 or 990-EZ) to furnish additional information not required of other types of organizations that file Form 990, Return of Organization Exempt From Income Tax, or Form 990-EZ, Short Form Return of Organization Exempt From Income Tax.

Section 6033(b) and Rev. Proc. 75-50, 1975-2 C.B. 587 require this additional information.

Note. For purposes of these instructions, the term section 501(c)(3) includes organizations exempt under sections:

- 501(e), Cooperative Hospital Service Organizations.
- 501(f), Cooperative Service Organizations of Operating Educational Organizations,
- 501(k), Child Care Organizations,
- 501(n), Charitable Risk Pools.

Who Must File

An organization described in section 501(c)(3) or a nonexempt charitable trust described in section 4947(a)(1) must complete and attach Schedule A (Form 990 or 990-EZ) to its Form 990 or Form 990-EZ.

If an organization is not required to file Form 990, or Form 990-EZ, it is not required to file Schedule A (Form 990 or 990-EZ)

Do not use Schedule A (Form 990 or 990-EZ) if an organization is a private foundation. Instead, file Form 990-PF, Return of Private Foundation.

Period Covered

The organization's Schedule A (Form 990 or 990-EZ) should cover the same period as the Form 990, or Form 990-EZ, with which it is filed.

Penalties

Schedule A (Form 990 or 990-EZ) is considered a part of Form 990, or Form 990-EZ, for section 501(c)(3) organizations and section 4947(a)(1) nonexempt charitable trusts that are required to file either form. Therefore, any such organization that does not submit a completed Schedule A (Form 990 or 990-EZ) with its Form 990, or Form 990-EZ, does not satisfy its filing requirement and may be charged a \$20 a day penalty (\$100 a day for large organizations). See General Instruction K of the Instructions for Form 990 and Form 990-EZ for details on this and other penalties.

To avoid having to respond to requests for missing information, please be sure to:

- Complete all applicable line items;
- Answer "Yes" or "No" to each question on the return;
- Make an entry (including a zero when appropriate) on all total lines; and
- Enter "None" or "N/A" if an entire part does not apply.

Specific Instructions

- Attach separate sheets on which you follow the same format and sequence as on the printed form, if you need more space for any part or line item.
- Show totals on the printed form.
- Put the organization's name and employer identification number (EIN) on the attached separate sheets and identify the part or line that the attachments support.
- The organization may round off cents to whole dollars on the return and schedules. If the organization does round to whole dollars, it must round all amounts. To round, drop amounts under 50 cents and increase amounts from 50 to 99 cents to the next dollar. For example, \$1.39 becomes \$1 and \$2.50 becomes \$3.

If the organization has to add two or more amounts to figure the amount to enter on a line, include cents when adding the amounts and round off only the total.

Part I. Compensation of the Five Highest Paid **Employees Other Than** Officers, Directors, and Trustees

Complete Part I for the five non-key employees with the highest annual compensation over \$50,000. At the bottom of the table, enter the number of other employees with annual compensation over \$50,000 who are not individually listed in Part I.



Do not include employees listed in Part V-A of Form 990 or in CAUTION Part IV of Form 990-EZ (List of Current Officers, Directors, Trustees,

and Key Employees). Also do not include key employees in table one.

In columns (c) through (e), show all cash and noncash forms of compensation for each listed non-key employee whether paid currently or deferred. For purposes of reporting all amounts in columns (c) through (e), either use the organization's tax year, or the calendar year ending within such tax year.

The organization also may provide an attachment to explain the entire year 2007 compensation package for any person listed in Part I.

Column (c)

Enter salary, fees, bonuses, and severance payments received by each listed non-key employee. Include current year payments of amounts reported or reportable as deferred compensation in any prior reporting period.

Column (d)

Include in column (d) all forms of deferred compensation and future severance payments (whether or not funded, whether or not vested, and whether or not the deferred compensation plan is a qualified plan under section 401(a)). Include in this column payments to welfare benefit plans on behalf of the employee. Such plans provide benefits such as medical, dental, life insurance, severance pay, disability, etc. Reasonable estimates may be used if precise cost figures are not readily available.

Unless the amounts are reported in column (c), report as deferred compensation in column (d), salaries and other compensation earned during the reporting period, but not yet paid by the date the organization files its return.

Column (e)

Enter in column (e) both taxable and nontaxable fringe benefits (other than de minimis fringe benefits described in section 132(e)). Include expense allowances or reimbursements that the recipients must report as income on their separate income tax returns. Examples include:

- Amounts for which the recipient did not account to the organization,
- Allowances that were more than the payee spent on serving the organization, and
- Payments made in connection with indemnification arrangements, the value of the personal use of housing, automobiles, or other assets owned or leased by the organization (or provided for the organization's use without charge), as well as any other taxable and nontaxable fringe benefits.

Example. S is not a key employee. S receives a salary of \$35,000 and a \$3,000 bonus. S also receives company-paid medical, dental, and life insurance benefits for his family of \$12,000. During the year, S received family educational benefits of \$5,000. Enter in column (c) \$38,000; enter in column (d) \$12,000; enter in column (e) \$5,000. Total compensation of S is \$55,000, even though his salary and bonus is only \$38,000. S is listed in Part I as one of the highest paid employees.

See Pub. 525, Taxable and Nontaxable Income, for more information.

Part II-A. Compensation of the Five Highest Paid Independent Contractors for Professional Services

Complete Part II-A for the five highest paid independent contractors (whether individuals or firms) who performed personal services of a professional nature for the organization and, in return, received over \$50,000 for the year from the organization.

For purposes of reporting amounts in column (c), either use the organization's tax year, or the calendar year ending within such tax year.

Also show the number of other independent contractors who received more than \$50,000 for the year for performing professional services but who are not individually listed in Part II-A.

Independent contractors are persons who are not treated as employees for employment tax purposes. Independent contractors may be individuals or firms. Professional independent contractors generally include attorneys, accountants, auditors, health care professionals, investment advisors, and professional fundraisers.

The organization may, at its discretion, provide an attachment to explain the entire year 2007 compensation package for any person listed in Part II-A.

Fundraising fees exceeding \$50,000 are reported in Part II-A, but not reimbursements for amounts paid by the fundraiser to others for printing, paper, envelopes, postage, mailing list rental, etc. Part II-A is intended for the fee portion of payments to contractors, not for any expense reimbursements.

Part II-B. Compensation of the Five Highest Paid Independent Contractors for Other Services

Complete Part II-B for the five highest paid independent contractors (whether individuals or firms) who performed services, that were other than services of a professional nature for the organization and, in return, received over \$50,000 for the year from the organization. For a definition of independent contractor, see Part II-A, above.

For purposes of reporting amounts in column (c), either use the organization's tax year, or the calendar year ending within such tax year.

Also show the number of other independent contractors who received more than \$50,000 for the year for performing such services but who are not individually listed in Part II-B.

The organization may include an attachment that explains the 2007 compensation package for any person listed in Part II-B.

Part III. Statements About Activities

Line 1. If the organization answered "Yes" on this line, it must complete Part VI-A or VI-B and include the additional information discussed under those parts; otherwise, the return may be considered incomplete.

Enter the total expenses paid or incurred in connection with the lobbying activities described on line 1. The amount of expenses the organization enters must equal the amounts on line 38, Part VI-A, or line i, Part VI-B.

Substantial part test. In general, a section 501(c)(3) organization may not devote a substantial part of its activities to attempts to influence legislation. Under the substantial part test, if such an organization engages in substantial lobbying activities, the organization will lose both its tax-exempt status and its ability to receive tax-deductible charitable contributions. Except for churches, certain church affiliated organizations, and private foundations, an organization that loses its section 501(c)(3) status because it did not meet the substantial part test will owe an excise tax under section 4912 on all of its lobbying expenditures. Managers of the organization may also be jointly and severally liable for this tax.

Expenditure test. As an alternative to the substantial part test, eligible public charities may elect the

Exhibit 9 – File annual License to Solicit Donations

Groups must file an annual application with the Michigan Attorney General's office for a License to Solicit Donations. You must also file An Application for Charitable Solicitation Permit – Fund Raising with the City of Troy. This form can be found at the City's web site at www.ci.troy.mi.us/clerks under Forms. (See Section IV)

INSTRUCTIONS FOR COMPLETION OF APPLICATION FOR LICENSE TO SOLICIT DONATIONS

GENERAL INFORMATION

INITIAL APPLICATION

As part of the initial application for a solicitation license, organizations must also complete our Initial Charitable Trust/Charitable Solicitation Questionnaire which is available on our web site. After reviewing the Questionnaire, we will determine whether your organization must obtain a solicitation license.

Newly created organizations - If you are a newly created organization in your first fiscal period, or if you have just completed your first fiscal period and financial information is not yet available, check the box in Part I of this form. Do not complete Parts I, II(A), or III of the form. However, you still must complete Parts II(B), IV and V, and attach a current listing of the organization's board of directors. Do not provide estimated or budgeted financial information.

Newly created organizations that have completed a fiscal period, but have not had any financial activity, should complete the date heading, enter zeros in the rest of Part I, and complete all other parts of the application. Attach a current listing of the organization's board of directors with the application.

RENEWAL APPLICATIONS AND EXTENSIONS

Your solicitation license will expire approximately 6 months after the close of your fiscal year. Renewal applications are due 30 days before the expiration of your solicitation license. If you need an extension of time to file your renewal application, you must request it in writing before your license expires. Specify the reason for the extension request.

USE OF FILE NUMBER

All organizations will be assigned a file number that must be used on all correspondence with this office. New organizations will be assigned a temporary file number beginning with the letter "T". Upon issuance of the initial solicitation license, the prefix will change to "MICS."

FEES

There is currently no fee for the solicitation license.

IRS RETURN REQUIRED

A copy of your fully completed IRS Form 990, 990EZ, or 990-PF must be submitted with the application except as discussed below. The return must be fully completed and prepared in accordance with IRS instructions. If you do not follow the IRS instructions, we may question the return even if the IRS does not. All applicable schedules and attachments required by the IRS form or instructions must be submitted. However, if you file Form 990 or 990-EZ, do not provide a copy of Schedule B, Schedule of Contributors.

If you are not required to file Form 990 or 990-EZ with the IRS because your gross receipts are normally less than \$25,000, you still must complete a Form 990EZ for submission with your application. IRS Schedule A is not required if your gross receipts are normally less than \$25,000.

You must provide a fully completed IRS 990 or 990-EZ, unless you meet one of the following exceptions: (1) newly created organizations discussed above; or (2) the organization had absolutely no activity or assets during the fiscal period. If you meet exception (2), enter zeros on lines 9, 15, 20, 21, and 22 of the application.

To obtain a blank form 990-EZ and/or instructions, you may call the IRS form line at 1-800-829-3676, contact the Charitable Trust Section at (517) 373-1152 or visit the IRS website at: www.irs.gov.

NAMES

Enter your legal or official name on the application. If the organization's name has changed since you last reported, provide a copy of the amendment to the articles of incorporation or other document that changed the

name. If you use any name other than your official name, provide a copy of the Certificate of Assumed Name, unless previously submitted, which has been filed with the appropriate governmental agency.

MICHIGAN CHAPTERS

Michigan law allows a parent organization to file on behalf of its Michigan chapters that it supervises and controls. Chapters are separate entities, not branch offices or locations that are merely extensions of the central organization. The parent must either be incorporated in Michigan or have obtained a Certificate of Authority to Transact Business or Conduct Affairs in Michigan. The parent will usually have a group exemption from the IRS. With its license application, the parent must provide a financial report for each Michigan chapter to be included in its license.

If you have not previously informed us of your intent to include your Michigan chapters in your solicitation license, provide a copy of your articles of incorporation. If not incorporated in Michigan, also provide a copy of your Certificate of Authority. Explain your relationship with your chapters and provide sample chapter bylaws, charters, or other relevant documentation. Provide a copy of your IRS determination letter. If you do not have a group exemption from the IRS, attach an explanation regarding the tax exempt status of your chapters and how filings are made with the IRS on their behalf.

Part I of the application, Financial Summary, should be completed with regard to the parent licensee only, using the financial information from the IRS return of the parent organization. Also attach a list of the names and addresses of each Michigan chapter to be included, a financial summary for each chapter in a format of your choosing (or IRS 990 or 990-EZ if the chapter filed its own return), and, if applicable, a copy of the organization's group IRS return.

UNIFIED REGISTRATION STATEMENT

The Charitable Trust Section will accept a properly completed Unified Registration Statement in lieu of our own Application for License to Solicit Donations. This form was developed to consolidate the requirements of all states that regulate solicitations and fund raising. For more information, see www.multistatefiling.org

CONTACT INFORMATION

Applications and any correspondence should be sent to:

Department of Attorney General Charitable Trust Section PO Box 30214 Lansing, MI 48909

Telephone: (517) 373-1152 Fax: (517) 241-7074

For additional information, visit our website at www.michigan.gov/ag. Click on "Charities."

SPECIFIC INSTRUCTIONS

PART I - FINANCIAL SUMMARY

Part I must be fully completed using figures from your IRS 990, 990-EZ, or 990-PF. See specific instructions below for the IRS return you file. For your convenience, each line includes a reference in parentheses that lists first the corresponding line on the IRS 990 and then the corresponding line on the 990-EZ. Note that not every line on Part I will correspond directly with IRS forms 990-EZ and 990-PF.

When completed properly, the sum of lines 12, 13, and 14 on the application should equal the amount on line 15. Line 9 less line 15 should equal line 16.

Do not change line labels nor add different functional categories. Add the amount for any functional categories other than those listed on the application to the functional category most closely appropriate. For example, if your financial statements include the functional category "Membership Development," include those costs within fund raising on the application.

Line 1c - Restricted grants from foundations - This amount is entered for notation only. Do not deduct it from line 1. Do not include this amount in any calculations in Part I since it is already included in line 1. See the instructions for Part III for additional information.

If you file Form 990:

Complete each line of Part I of the application with information from the comparable line of your Form 990. See the parentheses on each line for the comparable line on the Form 990. However, line 1c, Restricted grants from foundations, is not on Form 990 and must be determined separately. (See above.) Also, line 8 is merely the sum of all other revenue items on the Form 990 and may be left blank. Do not add lines 5-8 to determine line 9; line 9 should agree with line 12 of Form 990.

If you file Form 990EZ:

First, make sure the Form 990-EZ is properly completed. Parts I and II of the form should add correctly. After the IRS 990-EZ is properly completed, complete the application as shown below.

Application line by line instructions for Form 990-EZ filers. Line numbers in **bold** below refer to line numbers on this application.

Line 1a - Disregard

Line 1b - Enter the amount on line 1 of the IRS 990-EZ.

Lines 1c, 2, & 3 - Disregard

Lines 4a-4c - Enter the amounts on lines 6a-6c of the 990-EZ. *Important note: if any expenses are entered on line 4b of the application (6b of the 990-EZ), do not also include them on lines 10-15 of the application (or lines 10-17 of the 990-EZ).*

Line 5 - Add lines 1, 2, 3, and 4c.

Line 6 - Enter the amount on line 2 of the 990-EZ.

Line 7 - Enter the amount on line 3 of the 990-EZ.

Line 8 - Disregard.

Line 9 - Enter the amount on line 9 of the 990-EZ. *Note - Lines 5 - 8 will not necessarily add up to the entry on line 9.*

Lines 10a-10e - Enter the amounts on lines 28a-32 in Part III of the 990-EZ.

Line 11 - Disregard.

Line 12 - Re-enter the amount on line 10e of the application.

Lines 13-14 - The application asks an organization to separate its expenses into the categories of program services, management & general, and fundraising. When you completed Part III of the 990-EZ, and lines 10a-10e of the application, you entered the portion of your expenses that were directly related to conducting your charitable program services.

Remaining expenses are to be separated into the management & general or fundraising categories. Subtract the amount on line 10e of the application from line 15, total expenses. Take the result and reasonably estimate how much of that amount should be entered on line 14, fund raising, and enter the remainder on line 13, management & general.

Line 15 - Enter the amount on line 17 of the 990-EZ. It must also agree with the sum of lines 12, 13, and 14 on the application.

Line 16 - Enter the amount on line 18 of the 990-EZ.

Line 17 - Enter the amount on line 19 of the 990-EZ.

Line 18 - Enter the amount, if any, on line 20 of the 990-EZ.

Line 19 - Enter the amount on line 21 of the 990-EZ.

Line 20 - Enter the amount on line 25, column (B) of the 990-EZ.

Line 21 - Enter the amount on line 26, column (B) of the 990-EZ.

Line 22 - Enter the amount on line 27, column (B) of the 990-EZ.

If you file Form 990-PF:

Enter contributions on line 1b, direct public support. You may disregard other revenue lines on the application unless you have had special event fundraisers to be entered on lines 4a-c. Total revenue, line 12 of the Form 990-PF, should be entered on line 9 of the application.

Program services expenses to be entered on line 10 of the application include any grants made during the year, plus any costs directly allocable to your charitable program. Allocate any remaining costs between management & general and fund raising on lines 13 and 14. Total expenses on the application should agree with line 26, column a, of the Form 990-PF.

Any increases or decreases in net assets entered on lines 3 or 5 of Part III of the Form 990-PF, should be entered on line 18 of the application.

PART II - PROFESSIONAL FUND RAISERS

The engagement and compensation of all professional fund raisers must be reported in Part II. A consultant is considered to be a professional fund raiser. The Charitable Organizations and Solicitations Act defines a professional fund raiser as:

"a person who for compensation or other consideration plans, conducts, manages, or carries on a drive or campaign of soliciting contributions for or on behalf of a charitable organization, religious organization, or any other person; or who engages in the business of or holds himself out as independently engaged in the business of soliciting contributions for such purposes. A bona fide officer or employee of a charitable organization is not a professional fund raiser unless his salary or other compensation is computed on the basis of funds to be raised or actually raised."

If you are unsure if the person or firm you contracted with is a professional fund raiser, you may provide a copy of the contract with the application indicating that it is your intent to have the contract reviewed. You will be notified if you must complete Schedule A.

You are required to provide copies of all contracts with a professional fund raiser within 10 days of signing.

Sum of all payments to or retained by professional fund raiser should include all fees, reimbursements, or other payments to the professional fund raiser that were related to the campaign or activity conducted by the professional fund raiser for the organization. Any monies that were retained by the professional fund raiser before remitting the proceeds of a campaign or activity to the charity must be included here and also must not be deducted prior to entering contributions on the application or IRS return.

In addition to Schedules A and B, a Campaign Financial Statement must be filed within 90 days of the conclusion of any campaign conducted under a type B contract. (See the application for contract type definitions.) If the campaign lasts more than a year, a Campaign Financial Statement must be filed annually.

PART III - AUDIT OR REVIEW REQUIREMENTS

If audited financial statements have been prepared for the year being reported, provide a copy with your application. It is not necessary to complete Part III.

For all others, complete Part III to calculate if audited or reviewed financial statements will be required. Total support may be reduced by the amount of governmental grants and restricted grants from foundations the organization received during the year.

Restricted grants from foundations - Attach a schedule of all restricted grants from foundations entered on b (or line 1a of Part I). The schedule should include the name of the foundation, dollar amount of the grant, and the nature of the grant restriction.

A restricted grant from a foundation is usually applied for and should include the following components:

 The foundation should be an organization that is organized and operated primarily as a grant making foundation.

- The gift should be restricted for purposes or programs narrower or more limited than the organization's general charitable mission or operations; i.e., it is not a gift to be used for general operating funds.
- The restriction should be in writing and include reporting and accountability requirements back to the grant making foundation.

If audited or reviewed financial statements are required, but they have not been prepared:

- If the required financial statements are in the process of being prepared or you have already engaged an auditor to perform the necessary review or audit, attach a letter requesting a conditional license from the charitable trust section. In your letter, state when you expect the financial statements to be available. Also, attach a copy of the engagement letter agreement with the audit firm. Your solicitation license will be conditioned on your providing the required financial statements by a later specified date.
- If you have not engaged an auditor for the necessary financial statements, you may attach a request for a one-time waiver of the reviewed or audited financial statements requirement. In your request, specify the specific fiscal year for which the waiver is requested and state that the required financial statements will be provided in all future years in which the reviewed or audited financial statements thresholds have been exceeded. If you have already received a waiver of the financial statements requirement for a prior year, engage an auditor and see above to request a conditional solicitation license.

PART IV - GENERAL INFORMATION

Line 1. A resident agent must be named for the acceptance of process issued by any court. The application will not be processed without this information. The organization cannot name itself, the Michigan Attorney General, or the Michigan Secretary of State as its resident agent. Out-of-state organizations may contact the Charitable Trust Section for a list of corporations which may, for a fee, accept this responsibility.

CHECKLIST

Have all parts been fully completed unless instructed otherwise?
Have you included a complete IRS 990, 990EZ, OR 990-PF?
Have you submitted contracts with professional fund raisers that have not been previously submitted?
Have you provided samples of solicitation materials?
Is a listing of the names and addresses of the board of directors attached to the Form 990 o to the application?
If audited or reviewed financial statements are required, are they attached or have you requested a conditional license or one-time waiver?
Is the application signed?

DAG 009-005 AUTHORITY: MCL 400.271 COMPLIANCE: Required PENALTY: Civil, criminal

STATE OF MICHIGAN DEPARTMENT OF ATTORNEY GENERAL

PENALTY: Civil, criminal APPLICATION FOR	l LI	CENS	SE TO S	SOLIC	CIT DON	ATIC		ENTER ATT	TY GEN FILE#
FULL OFFICIAL NAME OF ORGANIZATION					EMPLO	YER ID NUI	MBER		
ADDRESS OF ORGANIZATION			ORG	ANIZATIO	ON TELEPHON	IE .	ORGAN	IIZATION F	AX
			ORG	ANIZATIO	ON WEB SITE		•		
Check box if new address									
LIST ALL OTHER NAMES UNDER WHICH YOU INTEND TO SOLI	ICIT		E-MA	AIL ADDR	ESS				
PART I - FINANCIAL SUMMARY FOR THE PE Check box if organization is newly create					t yet available				
THIS PART MUST BE COMPLETED UNLESS ABOVE BOX	K IS C	HECKE	<u>D</u>						
Use amounts from your IRS 990, 990-EZ, or 990-PF at First reference in parentheses is to corresponding line REVENUE				990-EZ	. 990-EZ an	d 990-P	PF filers	should s	ee instructions
 Contributions to donor advised funds (1a; see instructions) 	s).				1a		00		
b. Direct public support (1b; see instructions).			•		b		00	<u>-</u>	
c. Restricted grants from foundations included on line 1and	1a.	C		00					
2. Indirect public support (1c; see instructions) .		٠	•	•	2		00		
3. Government contributions-grants (1d; see instructions)					3		00	•	
4a. Gross revenue from special events (9a; 6a)	. 4	ła		00					
b. Less: direct expenses (9b; 6b)	. 4	4b		00					
c. Net income or (loss) (9c; 6c)					4c		00		
5. Total support - add lines 1a, 1b, 2, 3, and 4c.								5	100
6. Program service revenue (2; 2)		٠	•	•	•	٠		6	J 00
7. Membership dues & assessments (3; 3)		٠	•	•	•	٠		7	J 00
8. Total of other revenue (See instructions)		·	•		•			8	J 00
9. TOTAL REVENUE (12; 9)	•	-	•	-		•		9	00
EXPENSES Program services (identify individually)									
10a	 '	art IIIa; 2	,		10a		00		
b		art IIIb; 2	,	•	b		00	•	
C		Part IIIc; 3			c				
d	(P	art IIIa 8	к e; 31).	•	d		00		loo
e. Total program services (13; 32)	•	•	•	•	•	•		e	
11. Payments to affiliates (16; not applicable)	•	•		٠	•	٠		11	
12. Total program activity - add lines 10e and 11 .	•	•	•	•	•	•		12	1
13. Management and general (14; see instructions) 14. Fund raising (15; see instructions)	•	•	•	•	•	•		13 14.	
15. TOTAL EXPENSES (17; 17)	•	•	•	•	•	•		15.	i
10. TOTAL LAI LINGLO (11, 11)	•	•	•	•	•	•	•	15	
16. Excess or (deficit) for the year (18; 18)								16	00
17. Net assets or fund balances at beginning of year (19; 19)							-	17	00
18. Other changes in net assets or fund balances (20; 20)								18	00
19. Net assets or fund balances at end of year (21; 21)	•	-			-			19	00
BALANCE SHEET SUMMARY as of period ending date show	wn at	oove							
20. Total assets (59, column B; 25, column B)								20	00
21. Total liabilities (66, column B; 26, column B) .						•		21	00
22 Net assets or fund balances (73 column B: 27 column B	3)							22	loo

Yes No					
— —		eriod reported in P (See instructions f		n compensate a professional f	und raiser as defined
	Campaign Financ	ial Statements (for	Type B contracts*) unles	Attach copies of all contracts, as already submitted. If type Afor each type B campaign or e	contract* has ended,
Name, address & N professional fun		Contract type	SCHEDULE A Period covered or date of event	Sum of all payments to or retained by professional fund raiser	If no longer in effect, enter date ended
PART II (B)					
Yes No	defined by Michig If yes, complete	an law? (See insti	ructions for definition.) ch contract even if inclu	ed) have a contract with a pro uded on Schedule A above. In copies of all contracts and a	For type B contracts,
			SCHEDULE B		
Name, address & professional fur		Contract type	Date of contract	Campaign end / show date	Location

PROFESSIONAL FUND RAISERS (PFRs)

A1 - Consultant

PART II (A)

A2 - Solicits, does not handle funds

B3 - Special event

B4 - Sell coupon books

B5 - Sell advertising space

B6 - Sell other items

B7 - Solicit, handle funds

B8 - Other

^{*}Contracts with a professional fund raiser (PFR) fall into 2 general categories. In Type A contracts the PFR does not come into contact with solicited funds. In contract types which begin with B, the PFR has access to the solicited funds.

Part III

AUDIT OR REVIEW REQUIREMENT

If you filed the IRS Form 990 or 990-PF, complete the following schedule using amounts from Part I to determine if either audited or reviewed financial statements are necessary. You do not need to complete this section if you are eligible to use IRS form 990-EZ or if you are already submitting an audit. Attach an explanation of any differences between the financial statements and your IRS return.

a.		nplete using amounts from Part I of application al support (line 5)		100						
b.		stricted grants from foundations (line 1c - you must attach schedule) 00		100						
C.		vernment grants (line 3)								
d.		d lines b & c.		00						
e.	Sul	btract line d from line a.		00						
_	_	eater than \$250,000, you must provide financial statements audited by an independent certified publichan \$100,000, but not greater than \$250,000, either reviewed or audited financial statements are rec		ant. If line						
PART I	V	GENERAL INFORMATION								
		u <u>must</u> designate a resident agent in Michigan. Provide name and street address (not PO Box). me								
	Add	dress								
2.	a. 	Describe all methods of solicitation. If none, write "none."								
3.	For	Attach representative samples of solicitation materials. renewal applications only. If the answer to any of the following is yes, attach a detailed explanation he period since the filing of the organization's last application or questionnaire.	n. All ques	stions relate						
	a.	Has there been any change in the organization's tax status with the Internal Revenue Service?								
		Has there been a significant change in the purposes of the organization?								
	C.	Has the organization's right to solicit funds been denied, suspended, revoked, or enjoined or are proceedings pending?								
	d.	For entities filing on behalf of Michigan chapters, have there been any additions to, or deletions from, the chapters included within your license? (In either case, you must attach a listing of the names and addresses of all Michigan chapters to be included, plus a financial report for each chapter, and a copy of your organization's IRS group return, if applicable.)	_	_						
PART V	,	CERTIFICATION								
		ty of perjury, I certify that I am authorized to sign this document for the organization and that to the le information provided, including all attachments, is true, correct, and complete.	best of my	knowledge						
Signatu	re: .		Date							
Print na	me:		Dale							
REMINI	DER:	You must provide a fully completed copy of the appropriate IRS form with your application. A listing of your board of directors must be attached to the 990 or the application.								

THIS IS A PUBLIC RECORD, COPIES OF WHICH ARE SENT, UPON REQUEST, TO ANY INTERESTED PERSON.

Return completed application to:

Attorney General Charitable Trust Section

PO Box 30214 Lansing, MI 48909

Exhibit 10 - File Michigan Annual Report

Release Date: September 2008

Exhibit to The Michigan Minual Report								
Groups must file a Michigan Annual Report with the State of Michigan by October 1 of each year. The filing fee is \$20.00.								

www.michigan.gov (To Print: use your browser's print function) Agency: Labor & Economic Growth Release Date: March 21, 2007 Last Update: April 21, 2008

Corporation annual reports,"Information Updates", and Limited Liability Company Annual Statements

Current and prior year annual reports or annual statements for the following types of entities *in good standing* may be filed online:

Michigan corporations (profit, nonprofit, professional service)

 Michigan and foreign limited liability companies and professional service limited liability companies

When submitting your annual reports and statements, only include what is required on the report or statement. Inclusion of nonrequired confidential information will delay the filing of the annual report or statement.

You must have a valid Visa or MasterCard to file a report online. The corporation or limited liability company must be in good standing.

File Your Annual Report or Annual Statement

REPORT DUE DATES

Type of Entity	Due Date	Fee	Late Filing Penalty			
Limited Liability Companies (LLCs)	February 15	\$25.00	None			
Professional Limited Liability Companies (PLLCs)	February 15	\$75.00	\$50.00 if received after 2/15 of year due			
Profit and Professional Service Corporations	May 15	\$25.00	Received May 16 - May 31 June 1 - June 30 July 1 - July 31 August 1 - August 31 September 1 or after	Penalty \$ 10 \$ 20 \$ 30 \$ 40 \$ 50 (max)		
Nonprofit Corporations	October 1	\$20.00	None			

In the future, foreign corporations will also be able to file annual reports online.

Frequently Asked Questions

Q. What are my payment options?

A. To use FILEOnline you must have a valid Visa or MasterCard

Q. How can I check on my filing or obtain a copy of the filing?

A. The filed report will appear on the web site within 1 hour. Use <u>Business Entity Search</u> to view and/or print any filed documents or reports. Certified copies of documents may be obtained by calling our Business Services Section at 517-241-6470, Monday - Friday 8:00am - 5:00 pm EST.

Q. When is the first report or statement due?

A. Profit corporations: May 15 after the year of incorporation

Nonprofit corporations: October 1 after the year of incorporation

LLCs: February 15 after the year of formation or qualification unless organized or qualified after September 30 in which case the LLC need not file a statement on the February 15 immediately succeeding its formation or qualification.

Online filing for the next report or statement owed is available beginning approximately 90 days prior to the due date.

Q. If the corporation officers and/or directors change after I file my report, do I need to file another report for the same year?

A. Only one filing is required for each report year. The updated information would be provided on the next report owed by the corporation. The information on the report or statement (officers/directors, purposes, resident agent, registered office, etc.) should reflect information as of the due date of the report.

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TAB 4 CHARITABLE SOLICIATION PERMIT

IV. CHARITABLE SOLICITATION PERMIT CITY OF TROY

All organizations conducting fundraisers or soliciting donations for fundraisers may be required to complete a Charitable Solicitation Permit with the City of Troy. This form can be found at the city's web site at www.ci.troy.mi.us/clerks. Most fundraising or soliciting activities do require the permit, but organizations should contact the city before the event to see if this permit is required for your activity.

Release Date: September 2008 Section: Charitable Solicitation Permit City of Troy

City of Troy City Clerk's Office 500 West Big Beaver Troy, Michigan 48084 (248) 524-3331 www.troymi.net/clerks



(Send Application & Remittance to Above Address)

APPLICATION FOR CHARITABLE SOLICITATION PERMIT – FUND RAISING

File the following information with the City Clerk's Office at least **21 days** prior to the time permit is desired. TIME SPAN FOR PERMIT NOT TO EXCEED NINETY (90) DAYS.

		Date Filed _	
Name of Organization		Phone _	
Local Address			
City	State	Zip	
Home Office, if Different			
City	State	Zip	
Name of Parent Organization			
Address			
Street	City	y State	e Zip
Local Representatives/Officers	of Organization		
Name	Title	Phone	
Name	Title	Phone	
Name	Title	Phone	
Person in Direct Charge of Sol	icitations:		
Name		Title	
Street Address		Phone	
City/State/Zip			

This is page 1 of a 1 page Application – Please make sure all three (3) pages are complete and returned to the Clerk's Office for processing.

now are runus	Solicited?								
	Locations	Dates	Times						
To what purpos	e will vou put these funds?								
What is the rea	uested amount for contribu	tion?							
Type of Organiz	Type of Organization: Religious Health Social Educational Professional Fraternal Other								
Are you incorporated by the State? Have you registered with the Department of Commerce? Have you registered with Assumed Names, County Division? Have you registered with the Attorney General's Office, Charitable Trust Division? Yes No Are you on file with the Internal Revenue Service as being Tax Exempt? Yes No									
copi	es of the forms and permits		ie us wiiii						
	TACH COPIES OF THE FO tatement of your organization	OLLOWING: on for the past year. Include all fu	ınd raising events.						
I hereby certify	that the foregoing informati	ion is complete and true.							
	Applicant's Signature								
DATE FORW	DATE FORWARDED TO POLICE DEPARTMENT FOR INFORMATION								
Department									
Police									
	Date License Issued	by City Clerk's Office							

This is page 2 of a 2 page Application – Please make sure all three (3) pages are complete and returned to the Clerk's Office for processing.

City of Troy City Clerk's Office 500 West Big Beaver Troy, Michigan 48084 (248) 524-3331



(Send Application & Remittance to Above Address)

APPLICATION FOR SOLICITOR'S PERMIT – FUND RAISING

Date Filed

ROSTER OF PARTICIPANTS – LIST PARTICIPANTS OR ATTACH ROSTER TO THIS APPLICATION

Name	Local Address	Home Address				
Name	Local Address	Home Address				
Name	Local Address	Home Address				
Name	Local Address	Home Address				
Name	Local Address	Home Address				
Name	Local Address	Home Address				
Name	Local Address	Home Address				
Name	Local Address	Home Address				
Name	Local Address	Home Address				
Name	Local Address	Home Address				
Name	Local Address	Home Address				
Name	Local Address	Home Address				
Name	Local Address	Home Address				
I hereby certify that the foregoing information is complete and true.						
		Applicant's Signature				

This is page 3 of a 3 page Application – Please make sure all three (3) pages are complete and returned to the Clerk's Office for processing.

TAB 5 RAFFLE

V. RAFFLES

Before conducting any type of raffle, you must complete a Raffle License Application and submit it to the State of Michigan. Information about the license and conducting raffles can be found at www.michigan.gov/cg.

Release Date: September 2008 Section: Raffles



STATE OF MICHIGAN BUREAU OF STATE LOTTERY LANSING



EDUCATIONAL SUBORDINATE ORGANIZATION QUALIFICATION INFORMATION

Please allow at least 4 weeks for the qualification process.

If the organization has never submitted qualifying information as an educational subordinate organization, the following information shall be submitted prior to being approved to conduct a bingo, millionaire party, raffle, charity game, or numeral game.

- 1. A <u>signed and dated</u> copy of the organization's current bylaws or constitution.
- 2. Copies of one bank statement per year for the previous five years, excluding the current year.
- 3. A provision in the bylaws or constitution that all assets, and real and personal property will revert to the local government or another nonprofit organization should the organization dissolve.
- A letter from the applicable school or school board stating the subordinate organization is directly under their jurisdiction and authorized to conduct charitable gaming events.

Note: If the subordinate organization is not directly under the jurisdiction of the school or school board, is separately incorporated, or has its own federal tax exempt status, the organization shall submit documentation to qualify as a local civic organization.

Additional information may be requested after the initial documents submitted have been reviewed. If you have any questions or need further assistance, please call our office at (517) 335-5780.

Act 382 of the Public Acts of 1972, as amended, defines an educational organization as "an organization within this state that is organized not for pecuniary profit, whose primary purpose is educational in nature and designed to develop the capabilities of individuals by instruction in any public or private elementary or secondary school that complies with the revised school code, 1976 PA 451, MCL 380.1 to 380.1852, or any private or public college or university that is organized not for pecuniary profit and that is approved by the state board of education."

BSL-CG-1452(2/08)



RAFFLE LICENSE APPLICATION

For Bureau Use Only	

ALLOW 4 WEEKS FOR PROCESSING. PLEASE PRINT OR TYPE IN BLUE OR BLACK INK.

Q U	1. Organization Name	Organization ID Number or Last License Number Issued				
A L I F	3. Organization Street Address	City		State	Zip Code	
C A T	Organization Mailing Address	City		State	Zip Code	County
- O N	Has your organization ever received a license suc Yes - Complete application and submit with the		arty, raffle,	charity gam	e ticket, or nume	eral game?
- z f O	No - Please follow the instructions on the qu (517) 335-5780 to inquire as to what do	ot understand it, contact our office at				
RMATION	5. Is your organization a candidate committee, politic party committee, ballot question committee, indep any other committee as defined by, and organized Michigan Campaign Finance Act 388 of the Public amended, being sections 169.201 to 169.282 of the Laws?	endent committee or pursuant to, the Acts of 1976, as	\$500 atter or el	or more in to on the or	the last calendar uence the action andidate, or the	contributions or made expenditures of year for the purpose of influencing or n of voters for or against the nomination qualification, passage, or defeat of a
"	Yes No				Yes	∐ No
	7. Provide name, title, home address, and telephone president or equivalent and one other officer of the president or equivalent and one other officer. NO	e organization. SIGNATI	JRE OF P	RINCIPAL C	FFICER REQUI	
	Name and Title	Street,	Street, City, State, ZIP Code			Telephone Numbers
	Principal Officer					Day ()
	Title					Evening (
	Signature of Principal Officer	Date				
S		- 0	R -			
G	Name and Title	Street,	City, State	e, ZIP Code		Telephone Numbers
N A T	Vice President or Equivalent					Day (
URE	Title					Evening ()
(S)	Signature of Vice President or Equivalent	Date				
	Name and Title	Street,	City, State	, ZIP Code		Telephone Numbers
	Other Officer					Day (
	Title					Evening (
	Signature of Other Officer					Date
	By signing above, I CERTIFY that I am at least 18 ye and there is no misrepresentation or falsification in the unchanged. I FURTHER CERTIFY that I am aware tright to obtain any future licenses and I AM AWARE (and directives of the Michigan Bureau of State Lotter	e information stated or at hat false or misleading st DF AND AGREE TO the	tached, ar tatements	nd the facts undithe will be cause	underlying our or e for rejection of	riginal qualification status remain this application or revocation of the

PLEASE COMPLETE THE BACK PAGE OF THIS APPLICATION
PLEASE MAKE A COPY OF THE COMPLETED APPLICATION FOR YOUR RECORDS



	8. C	8. Contact Person				Raffle Location (building name, if any)				
	N	lailing Address V	Where License Sh	ould Be Sent		Street Address				
	(City		State	ZIP Code	City				
R	Telephone Number (Day) () Telephone Number (Day)		lumber (Evening)	ZIP Code		С	County			
AFFLE INFO	10.	List name, hon		telephone nur	mbers of the person(s) in	n charge of raffle. Must	be member for 6	6 months. I	f more than one chairper	rson,
L		Raffle C	Chairperson		Stree	t, City, State, ZIP Code			Telephone Numbers	
	Nan	ne						Day ()	
N								Evening ()	
O R	11.	If the total valu	e of all prizes aw	arded in one	day is \$500 or LESS , co	omplete this section.				
M A		rawing Date(s)	and Time(s) (Mus	be between the	he hours of 8 a.m2 a.m.)	License Fee:				
T T)ate	Tin	ne	to				ust be at the same location additional drawing date.	٦.
0 N)ate	Tin	ne	to	(Example: 1 draw				
N	L)ate	Tin	ne	to					
	l	Check here			ates and attach list.					
	-OF	R- If the total va	alue of all prizes	awarded in or	ne day is MORE than \$5	i00, complete this sectio	n.			
		rawing Date(s)	and Time(s) (Mus	be between the	he hours of 8 a.m2 a.m.)	: License Fee:				
	L A)ate	Tim	ne	to	All drawing dates	included on this a	application m	nust be at the same locatio	n.
	G				to				C	7
	Sound Soun					= \$				
		Officer field	in there are adult	onal drawing d	ates and attach list.					
TICKET INFORMATION	13.	If yes, there is no need to complete the raffle ticket below. 13. Complete the boxes below in ink; ensure the ticket is printed with a Indicate any additional information that will appear on the actual ticket is printed with a RAFFLE Name of Licensee			•		Purchase			
			Minimum 50/50		cable)	Ticket Pri	ed when issued)			
					a disclaimer that states x (indicate dollar amoun	"If xxx (indicate number		sold, the dra	awing will revert to a	

PRIZES AWARDED UNDER \$500

PRIZES AWARDED	O UNDER \$500	
Date	Time	to
PRIZES AWARDEI		
Date		to
Date	Time	to

Date	Time	to
Date	Time	to



www.michigan.gov/cg

Table of Contents

Introduction	.1
What is a Raffle	.1
Who Can Conduct a Raffle	.1
Raffles That Need a License	2
Raffles That Don't Need a License	2
Raffle Tickets	3
Raffle Ticket Sellers	4
Raffle Ticket Seller's Incentive Prizes	4
Accountability	4
House Rules	5
Advertising Raffles	5
Calendar Raffles	5
Alternative Styles of Raffles	6
Daily 3/Daily 4	6
Duck Race	7
Animal	7
Awarding Raffle Prizes	8
Taxes on Raffle Prizes	8
Reporting Requirements	8
Record Retention	8
Changing Raffle Drawing Dates and Disclaimer	9

Introduction

This guide is to assist nonprofit organizations in understanding raffles, determining when a raffle requires a license, and when, on a limited basis, a raffle can be conducted without a license. It also provides information regarding the conduct of raffles and some alternative styles of raffles.

It is imperative to read and become familiar with the <u>Raffle Rules</u>. Remember, this is only a guide and many items in the rules are not covered in this guide.

What is a Raffle

If you are charging people or requiring them to donate or provide something of value to participate in a drawing where a prize will be awarded, then you are conducting a raffle.

Raffles conducted under the authority of Act 382 of the Public Acts of 1972, as amended, (Act) are defined in Charitable Gaming Rule R 432.21101(1)(f) as: "...an event for which raffle tickets are sold, a winner or winners are determined, either by randomly selecting stubs from all of the raffle tickets sold for an event or by an alternative method that is approved in writing by the bureau, and at which a preannounced prize is awarded."

Common misconceptions

"We are only giving away door prizes; we aren't conducting a raffle." If people are being charged to attend a function where (door) prizes will be awarded through a drawing, then you are conducting a raffle.

"We are conducting a 50/50, not a raffle." Contrary to many people's opinion, 50/50 drawings are raffles.

Who Can Conduct a Raffle

The Act only allows certain nonprofit organizations that are qualified to conduct raffles.

If your organization has never had a charitable gaming license, you need to submit qualification information to our office first. Check out <u>Qualification Requirements</u> on our web site at <u>www.michigan.gov/cg</u> or you can request a copy by calling our office at (517) 335-5780.

Raffles That Need a License

NOTE: Almost all raffles conducted in the state of Michigan need to be licensed.

To obtain an application for a raffle license, raffle rules, or raffle game records, go to our web site at www.michigan.gov/cg or you can request a copy by calling our office at (517) 335-5780. There are two different types of raffle licenses, small and large.

A Small Raffle License is required when the total prize value of all raffle prizes will not exceed \$500 in a single day. The cost is \$15 for 1, 2, or 3 drawing dates, then \$5 for each additional drawing date. All drawing locations must be the same.

A Large Raffle License is required when the total prize value of all raffle prizes will exceed \$500 in a single day. The cost is \$50 per drawing date.

An organization can apply for as many raffle licenses as they want. We allow you to apply for raffle licenses up to 18 months in advance of the drawing date in order to allow you ample time to sell tickets.

Always plan ahead and submit your application no less than 4 weeks prior to the time you want to print tickets or start advertising the event.

Raffles That Don't Need a License

The <u>Act</u> allows qualified nonprofit organizations to conduct limited small raffles without obtaining a license. Section 5d(4) of the Act states: "A qualified organization is excused from the requirements of obtaining a license under this act if the qualified organization is sponsoring a single gathering and conducts a raffle before which there is no presale of tickets and the total aggregate retail value of the prize or prizes to be awarded that day is \$100.00 or less."

What does this mean

A qualified organization can conduct a raffle without a license if the following three criteria are met:

- 1. The raffle will be conducted at that organization's single gathering. The Act defines single gathering in Section 3a(14) as: "...1 scheduled assembly or meeting with a specified beginning and ending time that is conducted or sponsored by the qualified organization. Single gathering does not include the regular operating hours of a club or similar facility and does not include a meeting conducted solely for the purpose of conducting a raffle."
- 2. No tickets for the raffle will be sold before the scheduled beginning time of the gathering.
- 3. The total value of ALL raffle prizes awarded at the gathering will not exceed \$100.

If all these criteria are not met, then you need a license.

Common misconceptions

"Our church has a Friday night fish fry. Can the Men's Club conduct an exempt raffle at the fish fry?" No, although this is a single gathering, it is not conducted or sponsored by the Men's Club. This example would require a raffle license.

"Our club is open from 8 a.m. to 2 a.m. Can we conduct a 50/50 raffle at the bar each day?" No, the operating hours of the club do not constitute a single gathering. This example would require a raffle license.

"At our high school's basketball game, the high school conducts several 50/50 raffles. Each drawing does not exceed \$100. Are they exempt raffles?" Only if the total value of all prizes awarded during the entire day does not exceed \$100. This example would require a raffle license if the total of all prizes exceeds \$100.

Raffle Tickets

Tickets used in a licensed raffle, except those used for in-house raffles (see *In-house Raffles*), must contain specific information. Raffle Rule R 432.21506 requires that each ticket contain at a minimum the following information printed in a clear and legible manner:

- The name of the licensee. Only the licensee can be listed as the sponsor of the raffle.
- The license number.
- The word "raffle."
- The date, time, and location of the drawing.
- The price of the raffle ticket.
- A unique sequential identification number on the raffle ticket and ticket stub.
- The top prize or other information as directed by the bureau.
- The stub of the ticket retained by the licensee shall contain a space for the purchaser's name, address, and phone number.

Raffle tickets may contain other information as long as it does not conflict with these requirements. Some commonly accepted items are: "Tickets compliments of...", "Proceeds to benefit...", "Support provided by...", and coupons for discounts at local merchants. If you have a question about what you can print on your raffle ticket, call our office at (517) 335-5780.

Raffle Ticket Prohibitions

The rules specifically prohibit the use of the terms "lotto" or "lottery" on raffle tickets. Also, a raffle ticket shall not be used that requires the removal of a covering material to determine if a ticket is a winner or is eligible to be a winner, (e.g., pulltabs, break-open tickets, scratch-offs, etc.).

In-house Raffles

If a licensee is conducting a raffle where raffle tickets will be sold only at the raffle location during the time listed on the license, they are not required to comply with the raffle ticket content requirements of Raffle Rule R 432.21506. This means that roll-type theater tickets or some other type of ticket can be used.

Raffle Ticket Sellers

Raffle ticket sellers must be 18 years of age or older. Children are not allowed to sell raffle tickets. Raffle ticket sellers do not need to be members of the organization.

Raffle ticket sellers cannot be compensated for selling tickets, except by way of a raffle ticket seller's incentive prize.

Raffle Ticket Seller's Incentive Prizes

A raffle ticket seller's incentive prize may be used to increase ticket sales. An incentive prize, cash or merchandise, may be awarded three different ways:

- A prize may either be awarded to the top ticket seller or sellers; or
- If the ticket stub contains a space for the ticket seller's name, a prize may be awarded to the seller or sellers of the winning ticket(s); or
- If the ticket stub contains a space for the ticket seller's name, a prize may be awarded by conducting a drawing of the tickets sold on the event date.

Under no circumstances, can a ticket seller be awarded a ticket to the raffle for which they are selling tickets as an incentive to sell tickets.

Accountability

<u>Raffle Rule</u> R 432.21519 requires the licensee to be accountable for all raffle tickets, cash, and prizes.

Raffle Tickets

When raffle tickets are distributed to sellers a record must be made. All stubs and unsold tickets must be returned and recorded on the Raffle Ticket Accountability form. The number of ticket stubs and unsold tickets needs to equal the number of tickets originally given to each seller.

If you discount the price of raffle tickets, it makes the job of accounting for them more difficult. If you intend to discount tickets, e.g., six for \$5, rather than \$1 each, then you must account for the discounted tickets separately from the single price tickets.

The <u>Raffle Ticket Accountability form</u> is provided with each license to assist in accounting for all raffle tickets. It is also available on our web site at www.michigan.gov/cg or you can request a copy by calling our office at (517) 335-5780. This form must be completed and maintained with your game records.

Cash

When raffle ticket sellers return ticket stubs, they are responsible for returning cash or checks equal to the value of ticket stubs. The licensee must be able to account for all monies until deposited in the licensee's bank account.

Prizes

The licensee is responsible for assuring that all prizes, whether cash or merchandise, are available to be awarded to the winners of the raffle.

House Rules

The organization conducting the raffle shall establish and adhere to house rules for the conduct of their raffle. The organization shall either post the house rules at the raffle or have them available in sufficient quantity to distribute to all interested persons. To see what is required refer to Raffle Rule R 432.21510, which addresses house rules.

Advertising Raffles

A raffle can be advertised by any legal means, but only by the organization conducting the raffle. Raffle advertisements can contain just about anything, but must contain at a minimum the name of the licensee, the license number, and the purpose for which the net proceeds will be used. All advertising costs must be reasonable.

Calendar Raffles

Multiple raffle drawings can be grouped together to create what is commonly known as a calendar raffle. A calendar raffle can be for a portion of a year or for an entire year. Calendar raffles may use a simple raffle ticket that lists each drawing date and the prize to be awarded or may include a complete wall calendar.

If you are using a wall calendar, please be aware the calendar and raffle ticket portion must meet the following standards:

• All the information required by <u>Raffle Rule</u> R 432.21506(1) must be contained on the calendar or on an attached ticket. See the section on Raffle Tickets on page 3.

- Prizes may only be listed on the calendar on the day that the drawing will occur. A
 prize may not be listed or awarded for a specific date unless a drawing will occur on
 that date and a fee has been submitted. License fees must reflect actual drawing
 dates.
- If all drawing locations are the same, a single license will be issued. If multiple
 drawing locations are used, separate applications must be submitted, separate
 licenses will be issued, and multiple license numbers must be listed on the raffle
 calendar/raffle ticket.

Alternative Styles of Raffles

The winners of raffles are normally determined by pulling a ticket stub from the pool of all tickets sold, but the Charitable Gaming Rules also allow an organization to determine the winner of a raffle by an alternative method that has been approved by the bureau.

NOTE: If the alternative method to determine the winner cannot be conducted as planned, the winners shall be determined by a traditional raffle drawing on the scheduled date and time.

The following alternative styles of raffles have been approved. To obtain copies of the <u>Directives</u> authorizing these alternative style raffles, go to our web site at <u>www.michigan.gov/cg</u> or you can request a copy by calling our office at (517) 335-5780.

Daily 3/Daily 4

The Lottery conducts two drawings each day for the Daily 3 and Daily 4 lottery games. Some organizations use these drawings to determine the winners of their raffles. We suggest that you use the Daily 3, not the Daily 4. The Daily 3 only requires you to sell a maximum of 1,000 tickets. The Daily 4 requires up to 10,000 tickets be sold.

Requirements:

- The tickets must indicate whether the raffle will be utilizing the midday or evening drawing.
- Since the possibility exists that your organization will be unable to sell all of the tickets, the raffle ticket must include the following disclaimer: "If the raffle ticket for the daily number has not been sold, a drawing from the pool of raffle tickets stubs for the tickets sold will take place at (specify location) between [(1 p.m. -1:30 p.m.) or (7:30 p.m. 8 p.m.)] the same day."
- There shall be no multiple winners on the same combination of numbers.
- Ticket purchasers cannot choose their numbers; all numbers must be randomly assigned.
- The prize(s) stated must be awarded; no prize can revert to the licensee.
- Use of the term "lotto" or "lottery" on the tickets is prohibited.

Duck Race

As the name suggests, flexible plastic or rubber ducks are used to determine the winners. The ducks are placed in a waterway and the first duck across the finish line is declared the winner.

Requirements:

- The waterway must be relatively free of obstructions.
- No one is allowed to touch, hinder, or assist the ducks while they are in the waterway.
- Prior to the start, the ducks must be held behind a barrier or they must be dropped into the waterway all at the same time.
- The ducks must be unbreakable, unsinkable, and the same size and weight.
- The finish line must be a chute or some other entrapment device that traps the
 ducks, one at a time, in the order of finish. Under no circumstance can the winner be
 determined by an individual watching the ducks cross the finish line.
- Each duck must be marked with a number in waterproof ink, which corresponds with the number on each of the raffle tickets sold.

Animal

Animal raffles, commonly referred to as cow-plop, cow-drop, chicken-drop, etc., utilize a pen or fenced off area with a pre-drawn grid and an animal, whose droppings mark a square that assist in determining the winner(s) of the raffle.

Requirements:

- A grid shall be drawn representing each square in the enclosure.
- The number of raffle tickets sold must be equal to or greater than the number of squares in the enclosure.
- Tickets and/or ticket numbers shall not be assigned to squares until after the animal has completed its portion of the event.
- When the animal is finished, the winning square(s) shall be identified and transferred to the grid.
- Tickets shall be drawn one at a time and assigned to a square on the grid, starting in the upper left and going left to right, one line at a time, until the winning square(s) have been assigned a ticket and all prizes awarded.

Awarding Raffle Prizes

The winner or winners of a raffle shall be selected on a random basis and all participants shall be afforded an equal opportunity to win. All raffle prizes must be awarded; no raffle prize can revert to the organization conducting the raffle.

If a prize is unclaimed, the winner refuses to accept the prize, or the winner cannot be located, the prize must be disposed of in accordance with Raffle Rule R 432.21515(5) that states:

"Any prize not claimed or for which the winner cannot be located within 60 days from the date of the drawing shall be distributed in accordance with one of the following methods:

- (a) The licensee shall conduct another drawing using the original pool of ticket stubs.
- (b) With prior written approval of the bureau, the licensee shall donate the prizes to a nonprofit organization with a charitable purpose as prescribed by R 432.21101(1)(b)."

Taxes on Raffle Prizes

Section 11 of the Act states: "State or local taxes of any kind shall not be imposed upon the recipient of a prize, whether merchandise or money, awarded by a licensee during an event conducted in conformity with this act." However, if you are awarding a vehicle titled by the Secretary of State, contact their office to assure that the transfer is done in accordance with their rules.

Federal taxes may apply to raffle prizes. You should contact the Internal Revenue Service at (877) 829-5500 to determine how federal taxes may affect your organization or the recipient of the prize.

Reporting Requirements

Only large raffle licensees are required to submit a <u>financial statement</u>. This financial statement must be submitted by the 10th day of the month following the month in which the raffle was held. Failure to submit this statement will prevent the issuance of future licenses. A financial statement will be included in the envelope in which your license is mailed. This form can also be obtained from our web site at <u>www.michigan.gov/cg</u> or you can request a copy by calling our office at (517) 335-5780.

Record Retention

Raffle game records must be maintained for the current year plus three years. A list of winners of prizes valued over \$100 must be retained and made available to the public upon written request. Raffle ticket stubs must be retained until all prizes have been awarded.

Changing Raffle Drawing Dates and Disclaimer

To change the location, date, or time of a raffle the licensee shall submit a request for the change to the Bureau in writing at least 20 days before the originally scheduled drawing date.

If tickets have been sold the licensee will be required to notify all of the ticket holders of the change.

A date change will not be granted based solely on poor ticket sales. To protect your organization from a major financial setback in the event ticket sales are less than expected, tickets for raffles awarding high value prizes should include a disclaimer that the raffle will revert to a 50/50 drawing if ticket sales fail to reach a predetermined level. We recommend a statement similar to the following:

"If less than (indicate number) tickets are sold prior to the date of the raffle, the drawing will revert to a 50/50 raffle with a minimum prize of \$(indicate dollar amount) awarded."

TAB 6 DISTRICT POLICIES

VI. COMPLIANCE WITH DISTRICT POLICIES

The Board of Education has control over all internal and external support organizations that conduct activity on Troy School District premises. All organizations are required to comply with all Troy School District policies. Contact the main office at the school for a copy of all district and building policies.

Release Date: September 2008 Section: Compliance with District Policies

C-1406 SEXUAL HARASSMENT

Sexual harassment of students, employees, or other persons involved in district programs or on district premises is strictly prohibited.

Sexual harassment is defined as unwelcome sexual advances, requests for sexual favors, or other conduct or communication of any kind of a sexual nature. In particular, such actions are prohibited when:

- 1. Submission to such conduct is made a specific or implied condition of obtaining a benefit;
- 2. Submission to or rejection of such conduct is used as a basis for decisions affecting the individual who submits to or rejects such conduct; or
- 3. Such conduct has the purpose or effect of substantially interfering with an individual's education or employment or of creating an intimidating, hostile or offensive learning or working environment. Examples of such conduct include unwelcome sexual flirtations, advances or propositions, improper sexual comments, verbal abuse of a sexual nature, unnecessary touching of an individual, graphic or verbal commentaries about an individual's body, display of sexually suggestive objects or pictures, sexually explicit or offensive jokes, unwanted social invitations, and suggestive or insulting sounds.

All suspected incidents of sexual harassment must be reported to the District immediately.

Anyone found to have engaged in sexual harassment or retaliation shall be subject to appropriate disciplinary action. For students, such discipline could range from verbal or written warnings to suspension or expulsion. For employees, such discipline could range from verbal or written warnings and suspensions without pay to more severe discipline, including the possibility of immediate discharge.

Adopted: February 7, 1995

July 10, 2007

G-1005 NONDISCRIMINATION

In compliance with Title VI of the Civil Rights Act of 1964, Title IX of the Education Amendments of 1972, Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975, and the Americans with Disabilities Act of 1990, it is the policy of the Troy School District that no person shall, on the basis of race, color, religion, national origin or ancestry, gender, age, disability, height, weight, or marital status be illegally excluded from participation in, be denied the benefits of, or be subjected to discrimination during any program, activity, or service or in employment.

In accordance with Federal regulations, Troy School District has appointed the Assistant Superintendent, Human Resources, as the Title VI, Title IX, Section 504/ADA, and Age Discrimination Act Coordinator. Any questions, suggestions, or complaints regarding a possible or perceived violation of this policy of nondiscrimination should be directed to this administrator, who is responsible for administering the nondiscrimination grievance procedure:

Assistant Superintendent, Human Resources
Title VI, Title IX, Section 504/ADA and Age
Discrimination Act Coordinator
Troy School District
4400 Livernois Road
Troy, Michigan 48098-4799
Voice 248.823.4000

Adopted: July 10, 2007

C-1404 DRUG-FREE WORKPLACE

The Board of Education and its employees will comply with the Drug-Free Workplace Act of 1988. The administration shall develop and implement a drug-free awareness program, and, at a minimum, take whatever actions are necessary and appropriate in order to comply with the Act.

The unlawful manufacture, distribution, possession, sale, or use of a controlled or illegal substance or alcoholic beverage is prohibited on or at all school district buildings and properties, work areas, school-owned or school-approved vehicles, including those used to transport students to or from school or school activities, and at school-sponsored or school-approved activities, events or functions, such as field trips or athletic events, which occur off school property.

Any employee who violates this policy shall be subject to disciplinary action, up to and including termination of employment, and/or shall be required to satisfactorily participate in a drug assistance or rehabilitation program approved by the District.

Adopted: April 1989

Revised: February 7, 1995

June 19, 2007

K-1301

DISTRIBUTION OF MATERIALS

Individuals or organizations who are not or do not represent students, teachers, administrators, or school-sponsored organizations of the District, and who wish to distribute handwritten, duplicated, or printed materials, or lapel pins, stickers, tags, or similar items on school premises to students or to parents through students must have the prior approval of the superintendent or designee.

Nothing herein may be construed to prevent advertising in student publications which are published by student organizations.

Adopted: Revised:

April 19, 1976 January 16 1979 April 21, 1998

K-1302 <u>RELIGIOUS ADVERTISING</u>

Advertising of church services or church-related activities is prohibited on school property with these exceptions:

- 1. Meetings of church-sponsored Boy Scout, Girl Scout and other nonsectarian groups;
- 2. Church-sponsored dinners open to the general public;
- 3. Times when church meetings are in session in rooms rented or reserved by a church.

Adopted: Revised:

April 19, 1976 January 16, 1979 April 21, 1998

K-1303 <u>POLITICAL ADVERTISING</u>

Advertising of political candidates, issues and meetings is prohibited in school buildings except for the reserved length of time in a building or room which has been rented or reserved by a political or community group for meeting purposes or in connection with a class project or activities.

On local, state, and national election days, no partisan posters, pictures, brochures, decorations, or public address system broadcasts are allowed in those schools which house precinct polls.

Adopted:

d: May 3, 1976

Revised: January 16, 1979

April 21, 1998

K-1304 SERVICE ADVERTISING

Advertising of a service to employees or service to students may be allowed by obtaining approval of the superintendent or designee.

Adopted: April 19, 1976] Revised: January 16, 1979

April 21, 1998 April 15, 2003

TAB 7 MSHAA RULES

VII. MICHIGAN HIGH SCHOOL ATHLETIC ASSOCIATION (MHSAA) RULES

Michigan High School Athletic Association (MHSAA) rules prohibit the use of undue influence for athletic purposes.

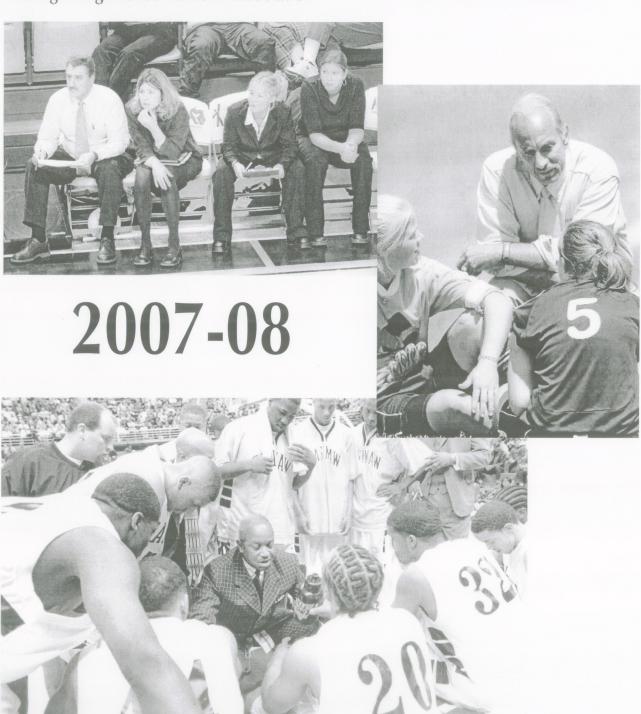
Funds which have been donated to schools by clubs and individuals may be given as financial aid to students through the normal financial aid program of the school **for all students**, without regard to athletic potential. Financial aid based even partially on athletic potential or performance **is not permitted** from the school or from groups that exist because of or for the benefit of the school (e.g., booster clubs).

Only funds from school-approved activities of booster clubs, school teams, student groups and community, civic or service groups may be used to pay entry fees for individuals on some basis other than athletic ability or potential for out-of-season activities. The limit is \$200 per sport per student per year (August 1 to July 31).

Release Date: September 2008 Section: MHSAA Rules



Coaches Guidebook



C. UNDUE INFLUENCE (RECRUITING)

The use of undue influence for athletic purposes by any person or persons directly or indirectly associated with the school to secure or encourage the attendance of a student or the student's parents or guardians as residents of the school district, shall cause the student to become ineligible for a minimum of one semester and a maximum of one year. The offending school shall be placed on probation for one year and offending coach or coaches not be permitted to coach at that school for a one-year period, and shall not coach at any other MHSAA member school in any tournament in any sport. Examples of undue influence include but are not limited to:

- •offers of or acceptance of financial aid to parents, guardians or student;
- •reduced or eliminated tuition and/or fees;
- •any special privileges not accorded to other students, whether athletes or not;
- transportation allowances;
- •preference in job assignments;
- •room, board or clothing, promotional efforts and admission policies for athletes which are in excess of efforts for other students.

INTERPRETATIONS — UNDUE INFLUENCE

- 1. Funds which have been donated to schools by clubs and individuals may be given as financial aid to students through the normal financial aid program of the school for all students, without regard to potential. Financial aid based even partially on athletic potential or performance is not permitted from the school or from groups that exist because of or for the benefit of the school (e.g., booster clubs).
- 2. Individuals not exclusively representing athletic interests of a high school may make general presentations (not just athletic) to seventh and eighth grade students (not just athletes). There should be a **diversity** of presenters, speaking on a variety of topics to students of **all** interests.
- 3. It is a violation of this section for a coach or any other unauthorized representative of a school to suggest or promise that any part of tuition will be waived for a prospective student for any reason, including financial need. The only person who may address the possibility of fee reduction is that person who has specific responsibility for admissions and financial aid policies and procedures.
- 4. If it is a faculty member's responsibility to recruit students (not just athletes) and that person makes such contact irrespective of athletic eligibility, such contact is permitted. However, anything done for athletes that is not done in a comparable fashion for all students is undue influence.
- 5. When a student at a junior high/middle school or other high school, or the parents or guardians of that student, contact the coach about attending the coach's school, the coach shall refer the student, parent or guardian to the appropriate school personnel (those who have the responsibilities for seeking and processing prospective students).
- 6. A high school coach may not initiate contact with a student at a junior high/middle school or other high school, or the parents of that student, about attendance at the school. It is not a violation for a coach to have normal community contact with a student who attends a junior high/middle school of the same system which is a feeder to the high school.
- 7. It is a violation of the undue influence regulation if coaches or their representatives call, send questionnaires, cards or letters or visit prospective athletes and their families at their homes.
- 8. High school coaches or their representatives may not attend grade school games for the purpose of evaluating and recruiting specific prospective athletes.
- 9. High school coaches and administrators may not request booster clubs, players or alumni from the high school to discuss the merits of their athletic program with prospective athletes or their parents by phone, in person or through letters.
- 10. Any high school may allow all students of any junior high/middle school to attend its athletic events without charge.
- 11. A coach may conduct an athletic camp at his or her school or another site during the summer if enrollment at the camp is open to all students at all schools. The coach is subject to the limitations of Regulation 11, Section 11 (G).
- 12. Persons "indirectly associated with the school" include but are not limited to parents of players and booster club members. Such persons are prohibited from providing or performing any of the examples of undue influence listed in the section and its interpretations.

- (2) <u>During the summer prior to Aug. 1</u>, except as limited during the summer "dead period" (see (3) below), football coaches may participate at bona fide summer football skills camps where more than 7 students from their school district in grades 7-12 are participating.
 - (a) Bona fide football camps are those sponsored by institutions or business enterprises including: colleges, individual schools or intermediate school districts, community school programs, etc.
 - (b) The camps must be open to students from any school district, and are subject to player equipment limitations of shoes and helmets. Sleds and dummies may be used at these camps.
 - (c) Camps limited to students entering grades 9-12 must be promoted and advertised in public media to be open to students from more than one high school.
 - (d) Camps sponsored by a high school and limited to students entering grades 9-12 may not extend more than 10 days total
- *(3) <u>Summer "Dead Period"</u>- In addition to (1) and (2) above, member schools shall designate a minimum of 7 consecutive calendar days during the summer when school is not in session and prior to August 1 when open gyms (see 4 below) and conditioning programs, including weight training, (see 5 below) are not permitted to be conducted on school premises or sponsored by the school at other facilities. None of the 15 or 7 days of competition permitted under (1) above shall occur during this dead period.
 - a. During the summer dead period, coaches may not provide coaching instruction to any students from the district in which they coach in any setting (including camps), except that non-school, organized baseball and softball practices or competitions regularly scheduled throughout the summer with schools' coaches and students from the same district may continue without interruption (e.g., American Legion)."
 - b. Within a school, the dead period shall be the same for all MHSAA tournament sports sponsored by that school, and it shall not overlap any portion of the fall preseason downtime. It is recommended that these seven days include the 4th of July.
- *(4) <u>Preseason "Down Time"</u> Beginning August 1 for all fall sports, March 1 for spring sports and 14 calendar days prior to the earliest start of practice for each winter sport, no open gyms which involve that sport shall occur at the school or be sponsored elsewhere by the school; and no competition between groups that resemble school teams (more than 3 students of grades 7-12 of the district) may occur at any location with any of that school district's personnel present.
- *Effective June 1, 2007
- 3. These limitations apply to member schools year-round:
 - a. At no time out of season may school transportation be used. There may be no use of school owned and issued warm-ups and/or uniforms. Neither the school nor its coaches shall allow the out-of-season activity to be mandatory or to be any part of the basis for selection of the school team.
 - b. School operating funds may not be used in any way to support out-of-season activities; only funds from school-approved activities of booster clubs, school teams, student groups and community, civic or service groups may be used to pay entry fees for individuals on some basis other than athletic ability or potential (qualification for federal school lunch program is a suggested criterion). The limit is \$200 per sport per student per year (Aug. 1 through July 31).
 - c. Because students and coaches may assemble from the same school, there is a tendency at summer camps and in summer leagues to call teams by their school names, but it must be understood they are not school-sponsored teams. They can't be. To assure there are not misunderstandings about the school's authority and responsibility (including liability for injuries), the following should occur:
 - (1) School administration must not allow camp and league organizers to use the school designations. "Lansing" is permissible; it's a city; but not "Lansing Everett" or "Lansing Catholic Central," which are the names of schools.
 - (2) School administration must not allow summer teams to wear apparel which in any way identifies the school, including nickname, mascot or logo.
 - (3) School administrators should not allow school public address announcements, school newspaper coverage or school yearbook coverage of any non-school sports activity or accomplishment that is not typical of promotion given to non-athletic non-school activities of students.
- 4. Except as limited by 2b.(3) and (4) preceding, school-sponsored "open-gyms" or "after school" activities are permitted in the school district's facilities out of season if they are voluntary and not part of the team selection process and adhere to these principles:
 - a. Diversity of students—open to all students.
 - b. Diversity of activity—offer a variety of sports activities.
 - c. Student-conducted—students choose from offered activities. Any coach of a sport under MHSAA jurisdiction who is present shall not coach, instruct, critique, direct, evaluate or participate in a sport he/she coaches.

- three students from the same school out of season during the school out of season during the school out of season during the school year does not allow two coaches to coach six students from the same school. No matter how many coaches are present no more than three players from the same school district may be involved out of season during the school year. Structured and scheduled rotations throughout a facility of three-player groups moving from conditioning programs or weight training one open gyms to skill development sessions (e.g., hitting, throwing, running, lifting) are prohibited.
- During, or in preparation for, the three-player limitation period, coaches shall not coordinate, officiate at, or in other ways assist with out-of-season school or non-school athletic events which involve more than three students from the same school district in grades 7-12 in a sport they coach that is sponsored by that school district in grades 7 through 12. This applies to coaches on all levels (varsity, junior varsity, etc.), for either gender, whether paid or volunteer. Violations of the three-player rule are likely, and allegations of violations are inevitable if coaches fail to heed this precaution. Administrators should work with coaches to keep them above suspicion, avoiding even the appearance of violations at out-of-season athletic events.

Some activities generally prohibited under Interpretations 216 and 217 are listed below. This is a partial list, there may be other unlisted activities not in compliance with out-of-season coaching controls:

- A coach may not book, schedule, or make other arrangements for more than three players to participate in an out-of-season activity (e.g., batting cages, tennis lessons, indoor soccer or lacrosse leagues, indoor track, fall ice time, etc.).
- A coach may not post nor distribute a time or event schedule designed specifically for more than 3 players to attend out-of-
- A coach may not arrange for a parent or other non-staff person to act as coach in an out-of-season coaching activity. A coach may not arrange for a parent or non-staff person to do that which the coach is prohibited from doing under the regulation.
- d. A coach may not arrange transportation nor provide transportation on a regular basis to more than three players so they may be part of an out-of-season activity.
- The three-player limitation period applies to all out-of-season environments during the school year including club and AAU teams, camps, clinics, combines, leagues, profit or nonprofit facilities to comprehense.

lities or enterprises.

Some activities **generally permitted** under Interpretations 216 and 217 are listed below. This is a partial list; there may be other unlisted activities that would be in compliance with out-of-season coaching controls:

The coach may be a spectator at an out-of-season activity but should have no contact with the athletes in competition.

- The coach may be present. In employee of a facility where sport coaching is taking place and where the coach is not providing coaching directly to more than three players from his or her district but is providing coaching to other players from other schood districts. The presence of more than three students from other schood districts within the same facility but not receiving coaching from a school coach is permitted if it is incidental to the coach's presence or employment and not scheduled or prearranged. This allowance is not intended to permit an employee of the facility who is also a school coach to provide coaching or to coordinate or assist in non-school activities which involve more than three players from the district during or in preparation for the three player period.
- The coach may be present as a school employee or volunteer at school-sponsored competition as an administrator or contest worker (scorer, timer, announcer, etc).
 - d. The coach may discuss or distribute materials produced by others outside the school district that advertise out-of-season opportunities such as camps, clinics, competitions, or leagues that occur out of season and are not designed or arranged specifically for more than three players from the coach's school district. These communications must involve students enrolling and participating completely voluntarily of their own accord, disconnected from the school or coach, and in no way may be mandatory or part of team selection.

 A coach who is also a registered official may officiate an athletic
- A coach who is also a registered official may officiate an athletic event in which more than three players from the district in grades 7-12 are participating out of season provided that the coach/official working the athletic event was assigned by an independent agent or organization and the contest is a random assignment for the official or the result of a random tournament progression. In general, coaches shall not officiate when it is known in advance that they will encounter more than three players from the school district for which they coach.
- 218. The Summer Dead Period is intended to provide at least seven consecutive days when school coaches will have no contact with students in grades 7-12 of the school district in any manner related to any sport sponsored by that school. Unplanned, casual, normal community contact is permitted.

It is intended that no sport-related involvement, including attendance at school sport related fundraisers and functions, take place during the Summer Dead Period.

It is intended that no sport activities occur on school premises during the Summer Dead Period that involve school coaches or are sponsored by the school or supported by the school.

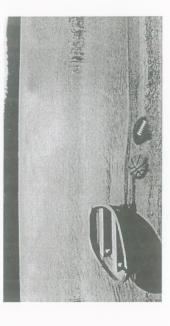
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OUT-OF-SEASON COACHING

GUIDE 2007-08



michigan high school athletic association



A Supplement to the MHSAA Handbook Regulations and Interpretations

SUMMER COACHING ALERT 2007-08 OUT-OF-SEASON &

Possibly impacting summer activities, camps, clinics and sport curriculum classes schools and others should be alerted to recent changes to out-of-season and summer coaching controls which The Summer Dead Period and Preseason Down Time may impact school and non-school programs that involve students in grades 7-12 if member school Coaches and schools should plan and communicate so activities, students, coaches and school facilities are all in full compliance. coaches and athletic facilities are involved. effect in June 2007. Coaches,

director and review the 2007-08 MHSAA Handbook, Regulation II, Section 11. An updated summary of these limitations follows as The Representative Council clarified that the purpose of the uals were permitted to occupy the time and space left open because school people and places were operating within the limitations. Coaches and others should consult the local school athletic new limitations would not be served if non-school groups or individwell as relevant portions of the 2007-08 Handbook

SUMMER DEAD PERIOD

iday. Each school selects their dead period each school year. It must occur between the last day of school or participation by any which must be the same for all sports, all school athletic facilities district from grades 7-12. The dead period is a no school sports time: no open gyms, practices, conditioning programs, weight training; no sport related functions or fundraisers, camps or clinics casual, normal community, non-sports contact. While there may be and school coaches have zero contact with students in the school at school facilities or sponsored elsewhere by the school; no coaches or students in grades 7-12 may have planned contact other than sports activities during this time, they must not involve the school In 2007, nearly 95 percent of MHSAA member schools selected a dead period of at least seven days that included the July 4 holteam in MHSAA tournaments and Aug. 1. During the dead period coach, the school or school facilities for seven full consecutive calThe only exception to this period is that school coaches would scheduled non-school, summer organized baseball and softball practices or competition, such as American Legion Baseball or be allowed to continue coaching without interruption previously Junior Olympic Softball when students from the district are present.

WN TIME PRESEASO

teams (inter-squad or intra-squad) shall occur at the school or be sponsored elsewhere by the school with any school district personnel present. The preseason down time distinguishes the preseason activity from the actual start of tryouts or practices. For all fall sports (previous restrictions were only to football, girls basketball and soccer), the down time runs from Aug. 1 until the first day of practice. For winter sports, the down time runs for 14 calendar days prior to For spring sports, the down time runs from March 1 to the start of practice on the second Monday after March In all seasons there is a preseason period when no open gyms, camps, clinics or competitions with groups that resemble school the start of practice.

Only non-sport specific conditioning/weight training or individual skill development work with no more than three players is permitted during this time. (See Interpretation 216 that does not allow for rotations from conditioning to three player work). This is a period of time before the season begins and none of this activity, even though permitted, is to be mandatory either directly or indirectly, nor may it be any part of team selection.

The similarity between in-season practices and preseason conditioning in track & field, cross country and swimming & diving necessitated a new interpretation so as to see a legitimate starting date for practices in these sports. "Regardless of what they are called or where they are held, coach-conducted running or swimming sessions which involve the structure of distances AND timing and/or teach sport specific technique shall not be provided even on a voluntary basis during the down time prior to cross country, track & field or swimming & diving seasons if they are conducted by the school coaches of those sports."

CURRICULUM COURSES

In 2007-08, the content of sport curriculum classes must com-"If classes contain no content specific to an MHSAA tournament sport, they are allowed. If any subject matter specific to any MHSAA tournament sport is taught to instruction to every student during any trimester or semester shall include nearly equal attention to at least three different topics such as other sports, lifesaving, water safety instruction, CPR, officiating, sportsmanship and first aid, as well as fitness, general weight training and conditioning. Classes must be open to all students." As has been the case for many years, in football, no plays or schemes of the school team may be taught and no regular or improvised football equipment may be used except during the ply with out-of-season restrictions. students,

OUT-OF-SEASON & SUMMER CC. HING REGULATIONS & INTERPRETATIONS

MHSAA Handbook Regulation II, Section 11 Selections Reprinted from the 2007-08

SECTION 11 (H) - There is no such thing as a school team outside the interscholastic season of practice and competition. Schools shall not require or sponsor activities in the name of the school team outside the school season for the sport involved.

These limitations out of season apply to COACHES:

Outside the school season during the school year (from Monday the week of Aug. 15 to the last day of the school year for that school), school coaches are prohibited from providing coaching at any one time under one roof, facility or campus to more than three students in grades 7-12 of the district or cooperative program for which they coach.

3. These limitations apply to member SCHOOLS year-round:

There may be no use of school owned and issued warm-ups and/or uniforms. Neither the school nor its coaches shall allow the out-of-season activity to be mandatory or to be any part of At no time out of season may school transportation be used. the basis for selection of the school team. ď

School operating funds may not be used in any way to support

Because students and coaches may assemble from the same leagues to call teams by their school names, but it must be understood they are not school-sponsored teams. They can't be. To assure there are not misunderstandings about the school's authority and responsibility (including liability for injuries), the folout-of-season activities; only funds from school-approved activities of booster clubs, school teams, student groups and community, civic or service groups may be used to pay entry fees for individuals on some basis other than athletic ability or potential (qualification for federal school lunch program is a suggested criterion). The limit is \$200 per sport per student per year (Aug. 1 - July 31). school, there is a tendency at summer camps and in summer lowing should occur: o.

izers to use the school designations. "Lansing" is permissible; it's (1) School administration must not allow camp and league organa city; but not "Lansing Everett" or "Lansing Catholic Central," which are the names of schools.

(2) School administration must not allow summer teams to wear apparel which in any way identifies the school, including nickname, mascot or logo

TAB 8 BRICK FUNDRAISING

VIII. BRICK FUNDRAISING

On occasion, organizations sell bricks or tiles with personalized messages as a fundraiser. Following is a summary of two legal cases relating to this type of fundraiser.

In Demmon vs. Loudoun County Public Schools, a parent group initiated a fundraiser that allowed parents to purchase bricks with personalized messages and/or symbols that covered a sidewalk area. One of the 24 symbols parents could choose from as a Latin cross. The principal removed the cross to avoid legal problems associated with allowing religious symbols on school property. The court ruled that the walkway was an open forum and symbols were impermissibly excluded solely on the basis of the religious message. The Plaintiffs failed to state a valid free exercise claim because the exclusion of religious messages applied equally to all faiths.

In Seidman vs. Paradise Valley School District, the parents were allowed to purchase tiles with personalized messages that were permanently affixed to the interior of elementary school halls. The only restriction on the content of the tiles was that messages would be subject to "minor modifications". The school officials rejected the message "God Bless" on the grounds that it would violate the Establishment Clause. The court ruled that excluding the tiles because they contained a religious message violated the parents' free speech rights.

If your building is conducting a brick fund raising event, care must be exercised to protect free speech rights of individuals purchasing the bricks. Contact the Business Office with any questions or concerns.

Release Date: September 2008 Section: Brick Fundraising

TAB 9 RECORD RETENTION

IX. RECORD RETENTION

Attached is Business Records Retention Schedule according to Internal Revenue Code Section 6001. This schedule can be used as a guide to determine how long to retain records for your organization.

Release Date: September 2008 Section: Record Retention

BUSINESS RECORDS RETENTION SCHEDULE

Internal Revenue Code Section 6001

Consistent record retention supports a paper trail for organization activities and serves as documentation for a financial or IRS audit. The IRS offers record retention guidelines in Code Section 6001 and Publication 583 – Starting a Business and Keeping Records.

Heed the special retention requirements at the state level. For example, the tax collecting agency may have special requirements of trade show contracts or the agency approving continuing education may require forms be kept for a specific period.

Your organization's accountant and attorney should provide advice on adopting a record retention schedule. Have the board adopt it as a *policy*; then have the staff conduct an annual file-cleanup to dispose of unnecessary documents.

Business records retention is required by the Internal Revenue Code, Employee Retirement Income Security Act and Uniform Commercial Code. The following business record retention schedule considers those laws.

Accordingly, this schedule should be used as a <u>guide</u>, modified as necessary to meet your specific needs. Be sure to contact legal and accounting professionals for specifics applying to your organization and its activities.

PERMANENT RECORDS

- Audit reports of CPAs
- Cancelled checks for important payments, i.e., taxes, purchases of property, special contracts, etc. (checks should be filed with the papers pertaining to the underlying transaction)
- Capital stock and bond records: ledger, transfer registers, stubs showing issues, record of interest coupons, options, etc.
- Cash books
- Chart of Accounts
- Correspondence (legal and important matters only)
- Deeds, mortgages, and bills of sales, as well as contracts and leases still in effect
- Financial statements-end of year (other months optional)

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- General and private ledgers
- Insurance records, current accident reports, claims policies
- Journals
- Minute books of directors and stockholders, including by-laws and charter
- Property appraisals by outside appraisers
- Property records-including costs, depreciation reserves, and end-of-year trial balances, depreciation schedules, blueprints and plans
- Tabulating records related to above areas
- Tax returns and worksheets, Revenue Agents' Reports and other documents relating to determination of income tax liability
- Trademark registrations

SIX TO SEVEN YEARS

- Accident reports and claims (settled cases)
- Accounts payable (see Voucher Register)
- Accounts receivable ledgers and trial balances
- Cancelled checks (see exception under Permanent Records)
- Cancelled stock and bond certificates and expired options
- Contracts and leases (expired)
- Expense analyses and expense distribution schedules
- Inventories of products, materials and supplies
- Inventories to customers
- Invoices from vendors (see Vouchers)

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- Notes receivable ledgers and trial balances
- Payroll records and summaries, including payments to pensioners
- Employee personnel records after termination (if a retirement plan was in effect, regardless if employee was a plan participant); (if employee was a participant in a pension plan, consult your plan advisor)
- Retirement Plan returns and reports (from filing date of such returns and reports)
- Retirement Plan accounting records (to correspond with returns and reports)
- Purchase orders (purchasing department copy)
- Sales records
- Scrap and salvage records-inventories, sales, etc.
- Subsidiary ledgers to the general ledger and trial balances
- Time books
- Voucher register and trial balances
- Vouchers for payments to vendors, employees, etc. (including allowances and reimbursement of employees, officers, etc., for travel and entertainment expenses)

TWO TO THREE YEARS

- Applications for Employment
- Employee personnel records after termination (see exception under Six to Seven Years)
- General Correspondence
- Insurance policies which have expired
- Internal audit reports, including working papers (in some situations, longer retention periods may be desirable)
- Miscellaneous internal reports

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•	Petty cash vouchers
•	Physical inventory tags
•	Savings bond registration reco
•	Bank reconciliations (keep on

- ords of employees

ONE YEAR OR LESS

- ne year)
- Bank statements (keep one year)
- Correspondence of unimportant nature with customers or vendors
- Duplicate deposit slips
- Purchase orders (except purchasing department copy)
- Receiving sheets
- Requisitions
- Stenographers' notebooks
- Stockroom withdrawal forms

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Note: It is critical to seek the advice of legal and accounting professionals when adopting a record retention schedule and board policy on record retention.