

# Austin Bulldog 501(c)(3) application

The Austin Investigative Reporting Project runs the Austin Bulldog, a nonprofit independent online news site for investigative reporting in the public interest. The Austin Bulldog covers matters including government, media, and politics in Austin, Texas.

The Austin Investigative Reporting Project incorporated on May 14, 2009, and applied for 501(c)(3) status on August 5, 2009. Their application was approved by the IRS on September 21, 2009.

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The Digital Media Law Project has voluntarily redacted some information in this document to protect sensitive business information and applicant privacy.



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

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](http://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.

**Part I Identification of Applicant**

<b>1</b> Full name of organization (exactly as it appears in your <b>organizing document</b> )		<b>2</b> c/o Name (if applicable)	
Austin Investigative Reporting Project		Kenneth W. Martin	
<b>3</b> Mailing address (Number and street) (see instructions)	Room/Suite	<b>4</b> Employer Identification Number (EIN)	
██████████		██████████	
City or town, state or country, and ZIP + 4		<b>5</b> Month the annual accounting period ends (01 - 12)	
Austin, Texas, USA, 78705-1701		12	
<b>6</b> Primary contact (officer, director, trustee, or <b>authorized representative</b> )		<b>b</b> Phone: ██████████	
<b>a</b> Name: <b>Kenneth W. Martin</b>		<b>c</b> Fax: (optional) <b>Not applicable</b>	
<b>7</b> Are you represented by an authorized representative, such as an attorney or accountant? If "Yes," provide the authorized representative's name, and the name and address of the authorized representative's firm. Include a completed Form 2848, <i>Power of Attorney and Declaration of Representative</i> , with your application if you would like us to communicate with your representative.		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>8</b> Was a person who is not one of your officers, directors, trustees, employees, or an authorized representative listed in line 7, paid, or promised payment, to help plan, manage, or advise you about the structure or activities of your organization, or about your financial or tax matters? If "Yes," provide the person's name, the name and address of the person's firm, the amounts paid or promised to be paid, and describe that person's role.		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
<b>9a</b> Organization's website: <a href="http://www.theaustinbulldog.org">http://www.theaustinbulldog.org</a> (website is being developed)			
<b>b</b> Organization's email: (optional) ██████████			
<b>10</b> Certain organizations are not required to file an information return (Form 990 or Form 990-EZ). If you are granted tax-exemption, are you claiming to be excused from filing Form 990 or Form 990-EZ? If "Yes," explain. See the instructions for a description of organizations not required to file Form 990 or Form 990-EZ.		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
<b>11</b> Date incorporated if a corporation, or formed, if other than a corporation. (MM/DD/YYYY)		05 / 14 / 2009	
<b>12</b> Were you formed under the laws of a <b>foreign country</b> ? If "Yes," state the country.		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

**Part II Organizational Structure**

You must be a corporation (including a limited liability company), an unincorporated association, or a trust to be tax exempt. (See instructions.) **DO NOT file this form unless you can check "Yes" on lines 1, 2, 3, or 4.**

- 1** Are you a **corporation**? If "Yes," attach a copy of your articles of incorporation showing **certification of filing** with the appropriate state agency. Include copies of any amendments to your articles and be sure they also show state filing certification.  **Yes**  **No**
- 2** Are you a **limited liability company (LLC)**? If "Yes," attach a copy of your articles of organization showing certification of filing with the appropriate state agency. Also, if you adopted an operating agreement, attach a copy. Include copies of any amendments to your articles and be sure they show state filing certification. Refer to the instructions for circumstances when an LLC should not file its own exemption application.  **Yes**  **No**
- 3** Are you an **unincorporated association**? If "Yes," attach a copy of your articles of association, constitution, or other similar organizing document that is dated and includes at least two signatures. Include signed and dated copies of any amendments.  **Yes**  **No**
- 4a** Are you a **trust**? If "Yes," attach a signed and dated copy of your trust agreement. Include signed and dated copies of any amendments.  **Yes**  **No**
- b** Have you been funded? If "No," explain how you are formed without anything of value placed in trust.  **Yes**  **No**
- 5** Have you adopted **bylaws**? If "Yes," attach a current copy showing date of adoption. If "No," explain how your officers, directors, or trustees are selected.  **Yes**  **No**

**Part III Required Provisions in Your Organizing Document**

The following questions are designed to ensure that when you file this application, your organizing document contains the required provisions to meet the organizational test under section 501(c)(3). Unless you can check the boxes in both lines 1 and 2, your organizing document does not meet the organizational test. **DO NOT file this application until you have amended your organizing document.** Submit your original and amended organizing documents (showing state filing certification if you are a corporation or an LLC) with your application.

- 1** Section 501(c)(3) requires that your organizing document state your exempt purpose(s), such as charitable, religious, educational, and/or scientific purposes. Check the box to confirm that your organizing document meets this requirement. Describe specifically where your organizing document meets this requirement, such as a reference to a particular article or section in your organizing document. Refer to the instructions for exempt purpose language. Location of Purpose Clause (Page, Article, and Paragraph): Form 202, Exhibit A, Article 5
- 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** If you checked the box on line 2a, specify the location of your dissolution clause (Page, Article, and Paragraph). Do not complete line 2c if you checked box 2a. Form 202, Exhibit B, page 2, final paragraph
- 2c** See the instructions for information about the operation of state law in your particular state. Check this box if you rely on operation of state law for your dissolution provision and indicate the state: Not applicable

**Part IV Narrative Description of Your Activities**

Using an attachment, describe your *past*, *present*, and *planned* activities in a narrative. If you believe that you have already provided some of this information in response to other parts of this application, you may summarize that information here and refer to the specific parts of the application for supporting details. You may also attach representative copies of newsletters, brochures, or similar documents for supporting details to this narrative. Remember that if this application is approved, it will be open for public inspection. Therefore, your narrative description of activities should be thorough and accurate. Refer to the instructions for information that must be included in your description.

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

- 1a** List the names, titles, and mailing addresses of all of your officers, directors, and trustees. For each person listed, state their total annual **compensation**, or proposed compensation, for all services to the organization, whether as an officer, employee, or other position. Use actual figures, if available. Enter "none" if no compensation is or will be paid. If additional space is needed, attach a separate sheet. Refer to the instructions for information on what to include as compensation.

Name	Title	Mailing address	Compensation amount (annual actual or estimated)
Kenneth W. Martin	President, Editor and Publisher	[REDACTED]	[REDACTED]
Rebecca L. Melançon	VP, Secretary-Treasurer	[REDACTED]	[REDACTED]
Thomas E. Spencer	Board Member	[REDACTED]	[REDACTED]

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

**b** List the names, titles, and mailing addresses of each of your five highest compensated employees who receive or will receive compensation of more than \$50,000 per year. Use the actual figure, if available. Refer to the instructions for information on what to include as compensation. Do not include officers, directors, or trustees listed in line 1a.

Name	Title	Mailing address	Compensation amount (annual actual or estimated)
<b>None will receive compensation of \$50,000</b>			

**c** List the names, names of businesses, and mailing addresses of your five highest compensated **independent contractors** that receive or will receive compensation of more than \$50,000 per year. Use the actual figure, if available. Refer to the instructions for information on what to include as compensation.

Name	Title	Mailing address	Compensation amount (annual actual or estimated)
<b>See attachment</b>			

The following "Yes" or "No" questions relate to *past, present, or planned* relationships, transactions, or agreements with your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed in lines 1a, 1b, and 1c.

- 2a** Are any of your officers, directors, or trustees **related** to each other through **family or business relationships**? If "Yes," identify the individuals and explain the relationship.  **Yes**  **No**
  - b** Do you have a business relationship with any of your officers, directors, or trustees other than through their position as an officer, director, or trustee? If "Yes," identify the individuals and describe the business relationship with each of your officers, directors, or trustees.  **Yes**  **No**
  - c** Are any of your officers, directors, or trustees related to your highest compensated employees or highest compensated independent contractors listed on lines 1b or 1c through family or business relationships? If "Yes," identify the individuals and explain the relationship.  **Yes**  **No**
- 
- 3a** For each of your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed on lines 1a, 1b, or 1c, attach a list showing their name, qualifications, average hours worked, and duties.
  - b** Do any of your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed on lines 1a, 1b, or 1c receive compensation from any other organizations, whether tax exempt or taxable, that are related to you through **common control**? If "Yes," identify the individuals, explain the relationship between you and the other organization, and describe the compensation arrangement.  **Yes**  **No**
- 
- 4** In establishing the compensation for your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed on lines 1a, 1b, and 1c, the following practices are recommended, although they are not required to obtain exemption. Answer "Yes" to all the practices you use.
    - a** Do you or will the individuals that approve compensation arrangements follow a conflict of interest policy?  **Yes**  **No**
    - b** Do you or will you approve compensation arrangements in advance of paying compensation?  **Yes**  **No**
    - c** Do you or will you document in writing the date and terms of approved compensation arrangements?  **Yes**  **No**

**Part V Compensation and Other Financial Arrangements With Your Officers, Directors, Trustees, 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 compensation arrangements?  Yes  No
- e Do you or will you approve compensation arrangements based on information about compensation paid by **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.  Yes  No
- f Do you or will you record in writing both the information on which you relied to base your decision and its source?  Yes  No
- 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 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.  Yes  No
- 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.
- 
- 6a 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.  Yes  No
- b Do you or will you compensate any of your employees, other than your officers, directors, trustees, 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.  Yes  No
- 
- 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.  Yes  No
- b Do you or will you sell any goods, services, or assets to 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 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.  Yes  No
- 
- 8a Do you or will you have any leases, contracts, loans, or other agreements with your officers, directors, 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.  Yes  No
- 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.
- 
- 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.  Yes  No

### 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.

### Part VI Your Members and Other Individuals and Organizations That Receive Benefits From You

The following "Yes" or "No" questions relate to goods, services, and funds you provide to individuals and organizations as part of your activities. Your answers should pertain to *past*, *present*, and *planned* activities. (See instructions.)

- 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

### Part 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

### Part VIII Your Specific Activities

The following "Yes" or "No" questions relate to specific activities that you may conduct. Check the appropriate box. Your answers should pertain to *past*, *present*, and *planned* activities. (See instructions.)

- 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
- c List the states and local jurisdictions, including Indian Reservations, in which you conduct or will conduct gaming or bingo.

**Part VIII Your Specific Activities (Continued)**

- 4a** Do you or will you undertake **fundraising**? If "Yes," check all the fundraising programs you do or will conduct. (See instructions.)  **Yes**  **No**
- mail solicitations  phone solicitations  
 email solicitations  accept donations on your website  
 personal solicitations  receive donations from another organization's website  
 vehicle, boat, plane, or similar donations  government 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 for you? If "Yes," describe these activities. Include all revenue and expenses from these activities and state who conducts them. Revenue and expenses should be provided for the time periods specified in Part IX, Financial Data. Also, attach a copy of any contracts or agreements.  **Yes**  **No**
- c** Do you or will you engage in fundraising activities for other organizations? If "Yes," describe these arrangements. Include a description of the organizations for which you raise funds and attach copies of all contracts or agreements.  **Yes**  **No**
- d** List all states and local jurisdictions in which you conduct fundraising. For each state or local jurisdiction listed, specify whether you fundraise for your own organization, you fundraise for another organization, or another organization fundraises for you.
- e** Do you or will you maintain separate accounts for any contributor under which the contributor has the right to advise on the use or distribution of funds? Answer "Yes" if the donor may provide advice on the types of investments, distributions from the types of investments, or the distribution from the donor's contribution account. If "Yes," describe this program, including the type of advice that may be provided and submit copies of any written materials provided to donors.  **Yes**  **No**
- 
- 5** Are you **affiliated** with a governmental unit? If "Yes," explain.  **Yes**  **No**
- 6a** Do you or will you engage in **economic development**? If "Yes," describe your program.  **Yes**  **No**
- b** Describe in full who benefits from your economic development activities and how the activities promote exempt purposes.
- 
- 7a** Do or will persons other than your employees or volunteers **develop** your facilities? If "Yes," describe each facility, the role of the developer, and any business or family relationship(s) between the developer and your officers, directors, or trustees.  **Yes**  **No**
- b** Do or will persons other than your employees or volunteers **manage** your activities or facilities? If "Yes," describe each activity and facility, the role of the manager, and any business or family relationship(s) between the manager and your officers, directors, or trustees.  **Yes**  **No**
- c** If there is a business or family relationship between any manager or developer 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 value, and submit a copy of any contracts or other agreements.
- 
- 8** Do you or will you enter into **joint ventures**, including partnerships or **limited liability companies** treated as partnerships, in which you share profits and losses with partners other than section 501(c)(3) organizations? If "Yes," describe the activities of these joint ventures in which you participate.  **Yes**  **No**
- 
- 9a** Are you applying for exemption as a childcare organization under section 501(k)? If "Yes," answer lines 9b through 9d. If "No," go to line 10.  **Yes**  **No**
- b** Do you provide child care so that parents or caretakers of children you care for can be **gainfully employed** (see instructions)? If "No," explain how you qualify as a childcare organization described in section 501(k).  **Yes**  **No**
- c** Of the children for whom you provide child care, are 85% or more of them cared for by you to enable their parents or caretakers to be gainfully employed (see instructions)? If "No," explain how you qualify as a childcare organization described in section 501(k).  **Yes**  **No**
- d** Are your services available to the general public? If "No," describe the specific group of people for whom your activities are available. Also, see the instructions and explain how you qualify as a childcare organization described in section 501(k).  **Yes**  **No**
- 
- 10** Do you or will you publish, own, or have rights in music, literature, tapes, artworks, choreography, scientific discoveries, or other **intellectual property**? If "Yes," explain. Describe who owns or will own any copyrights, patents, or trademarks, whether fees are or will be charged, how the fees are determined, and how any items are or will be produced, distributed, and marketed.  **Yes**  **No**

**Part 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
- b** Name the foreign countries and regions within the countries in which you operate.
- c** Describe your operations in each country and region in which you operate.
- d** Describe how your operations in each country and region further your exempt purposes.
- 
- 13a** 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.  Yes  No
- b** Describe how your grants, loans, or other distributions to organizations further your exempt purposes.
- c** Do you have written contracts with each of these organizations? If "Yes," attach a copy of each contract.  Yes  No
- d** Identify each recipient organization and any **relationship** between you and the recipient organization.
- e** Describe the records you keep with respect to the grants, loans, or other distributions you make.
- f** Describe your selection process, including whether you do any of the following:
- (i)** Do you require an application form? If "Yes," attach a copy of the form.  Yes  No
- (ii)** 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.  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.
- 
- 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.
- c** Does any foreign organization listed in line 14b accept contributions earmarked for a specific country or specific organization? If "Yes," list all earmarked organizations or countries.  Yes  No
- d** Do your contributors know that you have ultimate authority to use contributions made to you at your discretion for purposes consistent with your exempt purposes? If "Yes," describe how you relay this information to contributors.  Yes  No
- e** 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.  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 grant funds are being used appropriately.  Yes  No

**Part VIII Your Specific Activities** *(Continued)*

- |           |  |                                     |   |
|-----------|--|-------------------------------------|---|
| <b>15</b> | Do you have a <b>close connection</b> with any organizations? If "Yes," explain.   | <input type="checkbox"/> <b>Yes</b> | <input checked="" type="checkbox"/> <b>No</b> |
| <b>16</b> | Are you applying for exemption as a <b>cooperative hospital service organization</b> under section 501(e)? If "Yes," explain.  | <input type="checkbox"/> <b>Yes</b> | <input checked="" type="checkbox"/> <b>No</b> |
| <b>17</b> | Are you applying for exemption as a <b>cooperative service organization of operating educational organizations</b> under section 501(f)? If "Yes," explain.  | <input type="checkbox"/> <b>Yes</b> | <input checked="" type="checkbox"/> <b>No</b> |
| <b>18</b> | Are you applying for exemption as a <b>charitable risk pool</b> under section 501(n)? If "Yes," explain.   | <input type="checkbox"/> <b>Yes</b> | <input checked="" type="checkbox"/> <b>No</b> |
| <b>19</b> | Do you or will you operate a <b>school</b> ? If "Yes," complete Schedule B. Answer "Yes," whether you operate a school as your main function or as a secondary activity.   | <input type="checkbox"/> <b>Yes</b> | <input checked="" type="checkbox"/> <b>No</b> |
| <b>20</b> | Is your main function to provide <b>hospital or medical care</b> ? If "Yes," complete Schedule C.  | <input type="checkbox"/> <b>Yes</b> | <input checked="" type="checkbox"/> <b>No</b> |
| <b>21</b> | Do you or will you provide <b>low-income housing</b> or housing for the <b>elderly</b> or <b>handicapped</b> ? If "Yes," complete Schedule F.  | <input type="checkbox"/> <b>Yes</b> | <input checked="" type="checkbox"/> <b>No</b> |
| <b>22</b> | Do you or will you provide scholarships, fellowships, educational loans, or other educational grants to individuals, including grants for travel, study, or other similar purposes? If "Yes," complete Schedule H. | <input type="checkbox"/> <b>Yes</b> | <input checked="" type="checkbox"/> <b>No</b> |

**Note: Private foundations** may use Schedule H to request advance approval of individual grant procedures.

**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	3 prior tax years or 2 succeeding tax years				(e) Provide Total for (a) through (d)
		Current tax year	(a) From 5-2009 To 12-2009	(b) From 1-2010 To 12-2010	(c) From 1-2011 To 12-2011	
<b>Revenues</b>	<b>1</b> Gifts, grants, and contributions received (do not include unusual grants)					
	<b>2</b> Membership fees received					
	<b>3</b> Gross investment income					
	<b>4</b> Net unrelated business income					
	<b>5</b> Taxes levied for your benefit					
	<b>6</b> 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)					
	<b>7</b> Any revenue not otherwise listed above or in lines 9-12 below (attach an itemized list)					
	<b>8</b> Total of lines 1 through 7					
	<b>9</b> 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)					
	<b>10</b> Total of lines 8 and 9					
	<b>11</b> Net gain or loss on sale of capital assets (attach schedule and see instructions)					
	<b>12 Unusual grants</b>					
	<b>13</b> Total Revenue Add lines 10 through 12					
<b>Expenses</b>	<b>14</b> Fundraising expenses					
	<b>15</b> Contributions, gifts, grants, and similar amounts paid out (attach an itemized list)					
	<b>16</b> Disbursements to or for the benefit of members (attach an itemized list)					
	<b>17</b> Compensation of officers, directors, and trustees					
	<b>18</b> Other salaries and wages					
	<b>19</b> Interest expense					
	<b>20</b> Occupancy (rent, utilities, etc.)					
	<b>21</b> Depreciation and depletion					
	<b>22</b> Professional fees					
	<b>23</b> Any expense not otherwise classified, such as program services (attach itemized list)					
	<b>24</b> Total Expenses Add lines 14 through 23					

Part IX Financial Data (Continued)

B. Balance Sheet (for your most recently completed tax year)

Year End: 12-31

(Whole dollars)

Table with columns for line numbers (1-18), descriptions of assets and liabilities, and a column for dollar amounts (partially redacted).

19 Have there been any substantial changes in your assets or liabilities since the end of the period shown above? If "Yes," explain. [ ] Yes [x] No

Part X Public Charity Status

Part X is designed to classify you as an organization that is either a private foundation or a public charity. Public charity status is a more favorable tax status than private foundation status. If you are a private foundation, Part X is designed to further determine whether you are a private operating foundation. (See instructions.)

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. [ ] Yes [x] 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 of the choices below. You may check only one box.

The organization is not a private foundation because it is:

- a 509(a)(1) and 170(b)(1)(A)(i)—a church or a convention or association of churches. Complete and attach Schedule A. [ ]
b 509(a)(1) and 170(b)(1)(A)(ii)—a school. Complete and attach Schedule B. [ ]
c 509(a)(1) and 170(b)(1)(A)(iii)—a hospital, a cooperative hospital service organization, or a medical research organization operated in conjunction with a hospital. Complete and attach Schedule C. [ ]
d 509(a)(3)—an organization supporting either one or more organizations described in line 5a through c, f, g, or h or a publicly supported section 501(c)(4), (5), or (6) organization. Complete and attach Schedule D. [ ]

**Part X Public Charity Status (Continued)**

- e 509(a)(4)—an organization organized and operated exclusively for testing for public safety.
- f 509(a)(1) and 170(b)(1)(A)(iv)—an organization operated for the benefit of a college or university that is owned or operated by a governmental unit.
- g 509(a)(1) and 170(b)(1)(A)(vi)—an organization that receives a substantial part of its financial support in the form of contributions from publicly supported organizations, from a governmental unit, or from the general public.
- h 509(a)(2)—an organization that normally receives not more than one-third of its financial support from gross investment income and receives more than one-third of its financial support from contributions, membership fees, and gross receipts from activities related to its exempt functions (subject to certain exceptions).
- i A publicly supported organization, but unsure if it is described in 5g or 5h. The organization would like the IRS to decide the correct status.

**6** If you checked box g, h, or i in question 5 above, you must request either an **advance** or a **definitive ruling** by selecting one of the boxes below. Refer to the instructions to determine which type of ruling you are eligible to receive.

- a **Request for Advance Ruling:** By checking this box and signing the consent, pursuant to section 6501(c)(4) of the Code you request an advance ruling and agree to extend the statute of limitations on the assessment of excise tax under section 4940 of the Code. The tax will apply only if you do not establish public support status at the end of the 5-year advance ruling period. The assessment period will be extended for the 5 advance ruling years to 8 years, 4 months, and 15 days beyond the end of the first year. You have the right to refuse or limit the extension to a mutually agreed-upon period of time or issue(s). Publication 1035, *Extending the Tax Assessment Period*, provides a more detailed explanation of your rights and the consequences of the choices you make. You may obtain Publication 1035 free of charge from the IRS web site at [www.irs.gov](http://www.irs.gov) or by calling toll-free 1-800-829-3676. Signing this consent will not deprive you of any appeal rights to which you would otherwise be entitled. If you decide not to extend the statute of limitations, you are not eligible for an advance ruling.

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

For Organization

.....  
 (Signature of Officer, Director, Trustee, or other authorized official) (Type or print name of signer) (Date)  
 .....  
 (Type or print title or authority of signer)

For IRS Use Only

.....  
 IRS Director, Exempt Organizations (Date)  
 .....

- b **Request for Definitive Ruling:** Check this box if you have completed one tax year of at least 8 full months and you are requesting a definitive ruling. To confirm your public support status, answer line 6b(i) if you checked box g in line 5 above. Answer line 6b(ii) if you checked box h in line 5 above. If you checked box i in line 5 above, answer both lines 6b(i) and (ii).
- (i) (a) Enter 2% of line 8, column (e) on Part IX-A. Statement of Revenues and Expenses. \_\_\_\_\_
- (b) Attach a list showing the name and amount contributed by each person, company, or organization whose gifts totaled more than the 2% amount. If the answer is "None," check this box.
- (ii) (a) For each year amounts are included on lines 1, 2, and 9 of Part IX-A. Statement of Revenues and Expenses, attach a list showing the name of and amount received from each **disqualified person**. If the answer is "None," check this box.
- (b) For each year amounts are included on line 9 of Part IX-A. Statement of Revenues and Expenses, attach a list showing the name of and amount received from each payer, other than a disqualified person, whose payments were more than the larger of (1) 1% of line 10, Part IX-A. Statement of Revenues and Expenses, or (2) \$5,000. If the answer is "None," check this box.

**7** Did you receive any unusual grants during any of the years shown on Part IX-A. Statement of Revenues and Expenses? If "Yes," attach a list including the name of the contributor, the date and amount of the grant, a brief description of the grant, and explain why it is unusual.  **Yes**  **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](http://www.irs.gov) and type "User Fee" in the keyword box, or call Customer Account Services at 1-877-829-5500 for current information.*

- 1 Have your annual gross receipts averaged or are they expected to average not more than \$10,000?  Yes  No  
 If "Yes," check the box on line 2 and enclose a user fee payment of \$300 (Subject to change—see above).  
 If "No," check the box on line 3 and enclose a user fee payment of \$750 (Subject to change—see above).
- 2 Check the box if you have enclosed the reduced user fee payment of \$300 (Subject to change).
- 3 Check the box if you have enclosed the user fee payment of \$750 (Subject to change).

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

**Please Sign Here**



.....  
 (Signature of Officer, Director, Trustee, or other authorized official)

**Kenneth W. Martin**

.....  
 (Type or print name of signer)

**8-5-09**

.....  
 (Date)

**President**

.....  
 (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)

**Schedule A. Churches**

<b>1a</b>	Do you have a written creed, statement of faith, or summary of beliefs? If "Yes," attach copies of relevant documents.	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<b>b</b>	Do you have a form of worship? If "Yes," describe your form of worship.	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<b>2a</b>	Do you have a formal code of doctrine and discipline? If "Yes," describe your code of doctrine and discipline.	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<b>b</b>	Do you have a distinct religious history? If "Yes," describe your religious history.	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<b>c</b>	Do you have a literature of your own? If "Yes," describe your literature.	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<b>3</b>	Describe the organization's religious hierarchy or ecclesiastical government.		
<b>4a</b>	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.	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<b>b</b>	What is the average attendance at your regularly scheduled religious services?	_____	
<b>5a</b>	Do you have an established place of worship? If "Yes," refer to the instructions for the information required.	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<b>b</b>	Do you own the property where you have an established place of worship?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<b>6</b>	Do you have an established congregation or other regular membership group? If "No," refer to the instructions.	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<b>7</b>	How many members do you have?	_____	
<b>8a</b>	Do you have a process by which an individual becomes a member? If "Yes," describe the process and complete lines 8b-8d, below.	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<b>b</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.	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<b>c</b>	May your members be associated with another denomination or church?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<b>d</b>	Are all of your members part of the same <b>family</b> ?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<b>9</b>	Do you conduct baptisms, weddings, funerals, etc.?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<b>10</b>	Do you have a school for the religious instruction of the young?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<b>11a</b>	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.	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<b>b</b>	Do you have schools for the preparation of your ordained ministers or religious leaders?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<b>12</b>	Is your minister or religious leader also one of your officers, directors, or trustees?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<b>13</b>	Do you ordain, commission, or license ministers or religious leaders? If "Yes," describe the requirements for ordination, commission, or licensure.	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<b>14</b>	Are you part of a group of churches with similar beliefs and structures? If "Yes," explain. Include the name of the group of churches.	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<b>15</b>	Do you issue church charters? If "Yes," describe the requirements for issuing a charter.	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<b>16</b>	Did you pay a fee for a church charter? If "Yes," attach a copy of the charter.	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<b>17</b>	Do you have other information you believe should be considered regarding your status as a church? If "Yes," explain.	<input type="checkbox"/> Yes	<input type="checkbox"/> No

**Schedule B. Schools, Colleges, and Universities**

If you operate a school as an activity, complete Schedule B

**Section I Operational Information**

- 1a** 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.**Section 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** If "Yes," attach a representative sample of each document.
- b** 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.
- 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**



**Schedule C. Hospitals and Medical Research Organizations**

Check the box if you are a **hospital**. See the instructions for a definition of the term "hospital," which includes an organization whose principal purpose or function is providing **hospital or medical care**. Complete Section I below.

Check the box if you are a **medical research organization** operated in conjunction with a hospital. See the instructions for a definition of the term "medical research organization," which refers to an organization whose principal purpose or function is medical research and which is directly engaged in the continuous active conduct of medical research in conjunction with a hospital. Complete Section II.

**Section I Hospitals**

- |   |  |
|---|--|
| <b>1a</b> 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.  | <input type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b> |
| <b>2a</b> 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.   | <input type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b> |
| <b>b</b> Do you or will you provide medical services to all individuals in your community who participate in Medicare? If "No," explain.  | <input type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b> |
| <b>c</b> Do you or will you provide medical services to all individuals in your community who participate in Medicaid? If "No," explain.  | <input type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b> |
| <b>3a</b> Do you or will you require persons covered by Medicare or Medicaid to pay a deposit before receiving services? If "Yes," explain.   | <input type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b> |
| <b>b</b> Does the same deposit requirement, if any, apply to all other patients? If "No," explain.  | <input type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b> |
| <b>4a</b> 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.  | <input type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b> |
| <b>b</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.   | <input type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b> |
| <b>c</b> 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.   | <input type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b> |
| <b>5a</b> Do you provide for a portion of your services and facilities to be used for charity patients? If "Yes," answer 5b through 5e.   | <input type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b> |
| <b>b</b> Explain your policy regarding charity cases, including how you distinguish between charity care and bad debts. Submit a copy of your written policy.   |  |
| <b>c</b> 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.  |  |
| <b>d</b> 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.  |  |
| <b>e</b> Do you provide services on a sliding fee schedule depending on financial ability to pay? If "Yes," submit your sliding fee schedule.   | <input type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b> |
| <b>6a</b> 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.  | <input type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b> |
| <b>b</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.   | <input type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b> |
| <b>7</b> 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.  | <input type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b> |
| <b>8</b> 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.   | <input type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b> |
| <b>9</b> 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. | <input type="checkbox"/> <b>Yes</b> <input type="checkbox"/> <b>No</b> |

**Note.** Make sure your answer is consistent with the information provided in Part VIII, line 8.

**Schedule C. Hospitals and Medical Research Organizations (Continued)****Section 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.  **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.
- 
- 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**

**Section 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.

**Schedule D. Section 509(a)(3) Supporting Organizations**

**Section I Identifying Information About the Supported Organization(s)**

1 State the names, addresses, and EINs of the supported organizations. If additional space is needed, attach a separate sheet.

Name	Address	EIN
	-----	-
	-----	-

2 Are all supported organizations listed in line 1 public charities under section 509(a)(1) or (2)? If "Yes," go to Section II. If "No," go to line 3.  Yes  No

3 Do the supported organizations have tax-exempt status under section 501(c)(4), 501(c)(5), or 501(c)(6)?  Yes  No

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.

1 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 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.  Yes  No

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 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.  Yes  No

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 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.  Yes  No

4 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 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.  Yes  No

b Do one or more members of the governing body of the supported organization(s) also serve as your 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.  Yes  No

c Do your officers, directors, or trustees maintain a close and continuous working relationship with the officers, directors, or trustees of the supported organization(s)? If "Yes," explain and provide documentation.  Yes  No

d Do the supported organization(s) have a significant voice in your investment policies, in the making and timing of grants, and in otherwise directing the use of your income or assets? If "Yes," explain and provide documentation.  Yes  No

e Describe and provide copies of written communications documenting how you made the supported organization(s) aware of your supporting activities.

**Schedule D. Section 509(a)(3) Supporting Organizations (Continued)****Section 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** Information to establish the alternative “operated in connection with” integral part test (Test 3)
- a** 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.
- b** How much do you contribute annually to each supported organization? Attach a schedule.
- c** 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**
- 
- 7a** 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**
- b** Attach a statement describing whether there has been an historic and continuing relationship between you and the supported organization(s).

**Section 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**

**Section IV Disqualified Person Test**

You do not qualify as a supporting organization if you are **controlled** directly or indirectly by one or more **disqualified persons** (as defined in section 4946) other than **foundation managers** or one or more organizations that you support. Foundation managers who are also disqualified persons for another reason are disqualified persons with respect to you.

- 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**
- c** 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 Formation**

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.

- |  |                                     |                                    |
|--|-------------------------------------|------------------------------------|
| <b>1</b> 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.   | <input type="checkbox"/> <b>Yes</b> | <input type="checkbox"/> <b>No</b> |
| <b>2a</b> Are you a public charity with annual <b>gross receipts</b> that are normally \$5,000 or less? If "Yes," stop here. Answer "No" if you are a private foundation, regardless of your gross receipts.   | <input type="checkbox"/> <b>Yes</b> | <input type="checkbox"/> <b>No</b> |
| <b>b</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.  | <input type="checkbox"/> <b>Yes</b> | <input type="checkbox"/> <b>No</b> |
| <b>3a</b> Were you included as a subordinate in a group exemption application or letter? If "No," go to line 4.  | <input type="checkbox"/> <b>Yes</b> | <input type="checkbox"/> <b>No</b> |
| <b>b</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.   | <input type="checkbox"/> <b>Yes</b> | <input type="checkbox"/> <b>No</b> |
| <b>c</b> 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.  | <input type="checkbox"/> <b>Yes</b> | <input type="checkbox"/> <b>No</b> |
| <b>4</b> Were you created on or before October 9, 1969? If "Yes," stop here. Do not complete the remainder of this schedule.   | <input type="checkbox"/> <b>Yes</b> | <input type="checkbox"/> <b>No</b> |
| <b>5</b> 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. | <input type="checkbox"/> <b>Yes</b> | <input type="checkbox"/> <b>No</b> |
| <b>6a</b> 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.  | <input type="checkbox"/> <b>Yes</b> | <input type="checkbox"/> <b>No</b> |
| <b>Note.</b> Be sure your ruling eligibility agrees with your answer to Part X, line 6.  |                                     |                                    |
| <b>b</b> Do you anticipate significant changes in your sources of support in the future? If "Yes," complete line 7 below.  | <input type="checkbox"/> <b>Yes</b> | <input type="checkbox"/> <b>No</b> |

**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	Projected revenue for 2 years following current tax year		
	(a) From ..... To	(b) From ..... To	(c) Total
<b>1</b> Gifts, grants, and contributions received (do not include unusual grants)			
<b>2</b> Membership fees received			
<b>3</b> Gross investment income			
<b>4</b> Net unrelated business income			
<b>5</b> Taxes levied for your benefit			
<b>6</b> 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)			
<b>7</b> Any revenue not otherwise listed above or in lines 9–12 below (attach an itemized list)			
<b>8</b> Total of lines 1 through 7			
<b>9</b> 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)			
<b>10</b> Total of lines 8 and 9			
<b>11</b> Net gain or loss on sale of capital assets (attach an itemized list)			
<b>12</b> Unusual grants			
<b>13</b> Total revenue. Add lines 10 through 12			

**8** According to your answers, you are only eligible for tax exemption under section 501(c)(3) from the postmark date of your application. However, you may be eligible for tax exemption under section 501(c)(4) from your date of formation to the postmark date of the Form 1023. Tax exemption under section 501(c)(4) allows exemption from federal income tax, but generally not deductibility of contributions under Code section 170. Check the box at right if you want us to treat this as a request for exemption under 501(c)(4) from your date of formation to the postmark date. ▶

Attach a completed Page 1 of Form 1024, Application for Recognition of Exemption Under Section 501(a), to this application.

**Schedule F. Homes for the Elderly or Handicapped and Low-Income Housing****Section 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.

4a Provide a description of each facility.

b What is the total number of residents each facility can accommodate?

c What is your current number of residents in each facility?

d 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.

c 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

**Schedule F. Homes for the Elderly or Handicapped and Low-Income Housing (Continued)****Section 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**
- 
- 2a** 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**
- c** 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**
- 
- 3a** 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**

**Section 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**
- 
- 3a** 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**

**Schedule G. Successors to Other Organizations**

**1a** Are you a **successor** to a **for-profit organization**? If "Yes," explain the relationship with the **predecessor** organization that resulted in your creation and complete line 1b.  **Yes**     **No**

**b** Explain why you took over the activities or assets of a for-profit organization or converted from for-profit to nonprofit status.

**2a** Are you a successor to an organization other than a for-profit organization? Answer "Yes" if you have taken or will take over the activities of another organization; or you have taken or will take over 25% or more of the fair market value of the net assets of another organization. If "Yes," explain the relationship with the other organization that resulted in your creation.  **Yes**     **No**

**b** Provide the tax status of the predecessor organization.

**c** Did you or did an organization to which you are a successor previously apply for tax exemption under section 501(c)(3) or any other section of the Code? If "Yes," explain how the application was resolved.  **Yes**     **No**

**d** Was your prior tax exemption or the tax exemption of an organization to which you are a successor revoked or suspended? If "Yes," explain. Include a description of the corrections you made to re-establish tax exemption.  **Yes**     **No**

**e** 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 activities.

**Name:** \_\_\_\_\_ **EIN:** -  
**Address:** \_\_\_\_\_

**4** List the owners, partners, principal stockholders, officers, and governing board members of the predecessor organization. Attach a separate sheet if additional space is needed.

Name	Address	Share/Interest (If a for-profit)

**5** Do or will any of the persons listed in line 4, maintain a working relationship with you? If "Yes," describe the relationship in detail and include copies of any agreements with any of these persons or with any for-profit organizations in which these persons own more than a 35% interest.  **Yes**     **No**

**6a** Were any assets transferred, whether by gift or sale, from the predecessor organization to you? If "Yes," provide a list of assets, indicate the value of each asset, explain how the value was determined, and attach an appraisal, if available. For each asset listed, also explain if the transfer was by gift, sale, or combination thereof.  **Yes**     **No**

**b** Were any restrictions placed on the use or sale of the assets? If "Yes," explain the restrictions.  **Yes**     **No**

**c** Provide a copy of the agreement(s) of sale or transfer.

**7** Were any debts or liabilities transferred from the predecessor for-profit organization to you? If "Yes," provide a list of the debts or liabilities that were transferred to you, indicating the amount of each, how the amount was determined, and the name of the person to whom the debt or liability is owed.  **Yes**     **No**

**8** Will you lease or rent any property or equipment previously owned or used by the predecessor for-profit organization, or from persons listed in line 4, or from for-profit organizations in which these persons own more than a 35% interest? If "Yes," submit a copy of the lease or rental agreement(s). Indicate how the lease or rental value of the property or equipment was determined.  **Yes**     **No**

**9** Will you lease or rent property or equipment to persons listed in line 4, or to for-profit organizations in which these persons own more than a 35% interest? If "Yes," attach a list of the property or equipment, provide a copy of the lease or rental agreement(s), and indicate how the lease or rental value of the property or equipment was 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**

**Section I** *Names of individual recipients are not required to be listed in Schedule H.*

**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 award.
- 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.
- 2** 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.  **Yes**  **No**
- 3** 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.)
- 5** 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.
- 6** 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?
- 7** 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?  **Yes**  **No**

**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.

**Section II** **Private foundations complete lines 1a through 4f of this section. Public charities do not complete this section.**

- 1a** If we determine that you are a private foundation, do you want this application to be considered as a request for advance approval of grant making procedures?  **Yes**  **No**  **N/A**
- 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(g)(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 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?  **Yes**  **No**
- 3** Do you represent that you will maintain all records relating to individual grants, including 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?  **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 (Continued)**

**Section II Private foundations complete lines 1a through 4f of this section. Public charities do not complete this section. (Continued)**

- 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 *employee of a particular employer*? 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
  
- c 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
  
- e 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 *children of employees of a particular employer* 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 4e.  Yes  No

# Form 1023 Checklist

(Revised June 2006)

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

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**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.**

- 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 filing)
  - Expedite request (if requesting)
  - Application (Form 1023 and Schedules A through H, as required)
  - Articles of organization
  - 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 <input checked="" type="checkbox"/>	Schedule E	Yes ___ No <input checked="" type="checkbox"/>
Schedule B	Yes ___ No <input checked="" type="checkbox"/>	Schedule F	Yes ___ No <input checked="" type="checkbox"/>
Schedule C	Yes ___ No <input checked="" type="checkbox"/>	Schedule G	Yes ___ No <input checked="" type="checkbox"/>
Schedule D	Yes ___ No <input checked="" type="checkbox"/>	Schedule H	Yes ___ No <input checked="" type="checkbox"/>

- 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.

Send completed Form 1023, user fee payment, and all other required information, to:

Internal Revenue Service  
P.O. Box 192  
Covington, KY 41012-0192

If you are using express mail or a delivery service, send Form 1023, user fee payment, and attachments to:

Internal Revenue Service  
201 West Rivercenter Blvd.  
Attn: Extracting Stop 312  
Covington, KY 41011

## Attachment to Form 1023

Austin Investigative Reporting Project: Employer Identification Number [REDACTED]

### Page 1: Part I: Line 8, Paid Professionals

A person paid to review the Austin Investigative Reporting Project's original draft of Form 1023 and to advise regarding tax matters and the structure of the organization is: Mickey Mann, an accountant in private practice, whose address is [REDACTED] Austin, Texas 78701: [REDACTED]

A person paid to review the Austin Investigative Reporting Project's original draft of Form 1023 and to advise regarding legal matters and the structure of the organization is: Donald R. Flournoy, an attorney in private practice, whose address is [REDACTED] Austin, Texas 78703: [REDACTED]

### Page 2: Part III: Line 1: Exempt Purposes

The exempt purposes of the Austin Investigative Reporting Project are stated in:

- a. Article 5 of Exhibit A, attached to Form 202, Certificate of Formation, Nonprofit Corporation.
- b. Bylaws of Austin Investigative Reporting Project, page 2, Article 2, Section 1.

### Page 2: Part III: Line 2b: Distribution of Assets Upon Dissolution

The instructions for distribution of assets upon dissolution of the Austin Investigative Reporting Project are stated in:

- a. Exhibit B, page 2, final paragraph, attached to Form 202, Certificate of Formation, Nonprofit Corporation.
- b. Bylaws of Austin Investigative Reporting Project, page 14, Article 8, Section 3.

## Attachment to Form 1023

Austin Investigative Reporting Project: Employer Identification Number [REDACTED]

### Page 2: Part IV: Narrative Description of Activities

**Past activities:** In late January 2009, Kenneth W. Martin began searching the Internet to learn about online independent news organizations in the United States. This research formed the basis for plans to start the Austin Investigative Reporting Project.

Martin researched the content, format and staffing of some two dozen online news organizations of varying sizes. Many of them are nonprofit operations that have been able to attract grant funding and private contributions sufficient to fund continuing news reporting operations.

Inspired by what he found in the nonprofit online news organizations, Martin brainstormed names for use with a nonprofit online news website whose coverage is centered on Austin, Texas. The name chosen: The Austin Bulldog.

Martin checked public online records of the Texas Secretary of State ([www.sos.state.tx.us/corp/sosda/index.shtml](http://www.sos.state.tx.us/corp/sosda/index.shtml)) and learned of an existing corporation, The Austin Bulldog Club. Further, Martin learned that Texas law precluded formation of a new Texas nonprofit corporation named The Austin Bulldog. Hence, Martin decided it would be appropriate to form the corporation in the name of the Austin Investigative Reporting Project, but operate the news site as [www.theaustinbulldog.org](http://www.theaustinbulldog.org).

On January 29, 2009, a domain name was purchased for use with the new nonprofit news operation: [www.theaustinbulldog.org](http://www.theaustinbulldog.org).

On February 10, 2009, Martin submitted an online application for a New Voices grant in competition sponsored by the John

## Attachment to Form 1023

Austin Investigative Reporting Project: Employer Identification Number [REDACTED]

S. and James L. Knight Foundation, a nonprofit 501(c)(3) philanthropic organization. The application stated that the grant, if approved, would be used to start a nonprofit, nonpartisan online news site for independent investigative reporting in the public interest. Our goal is to go beyond the limits of top-down, one-way coverage that lectures. Instead, we will strive to engage our readers in a two-way dialog that advances the cause of democracy, freedom of information and open government. Our target audience includes the residents of Austin, Texas, and surrounding communities, elected and government officials, activists, environmentalists, neighborhood organizations and others.

During the months of March and April 2009, Martin met with local journalists, publishing professionals and two potentially significant donors to discuss plans for the Austin Investigative Reporting Project and to gather feedback and advice.

On April 17 and April 18, 2009, Martin attended the 10<sup>th</sup> International Symposium on Online Journalism at the University of Texas at Austin (<http://online.journalism.utexas.edu>) to learn more about reporting trends and online publishing methods that might be applied to the Austin Investigative Reporting Project.

On April 22, 2009, an announcement was made by J-Lab, The Institute for Interactive Journalism at American University in Washington, D.C., that a New Voices grant in the amount of [REDACTED] would be awarded to the Austin Investigative Reporting Project (dba The Austin Bulldog). The announcement stated these monies, provided by the John S. and James L. Knight Foundation, a nonprofit 501(c)(3) philanthropic organization, would be disbursed in three increments over a period of about thirteen months.

## Attachment to Form 1023

Austin Investigative Reporting Project: Employer Identification Number [REDACTED]

On May 14, 2009, the Texas Secretary of State issued the Austin Investigative Reporting Project a Certificate of Formation for a Nonprofit Corporation.

Because the Austin Investigative Reporting Project is too long and cumbersome for the name of a news publication, the organization will do business as The Austin Bulldog. To that end, on May 22, 2009, Martin filed and recorded an assumed name certificate for The Austin Bulldog with the Texas Secretary of State. On May 26, 2009, he filed and recorded the assumed name for The Austin Bulldog with the County Clerk of Travis County, Texas, the county in which The Austin Bulldog offices and will do business.

During the month of May, 2009, Martin worked with accountant Mickey Mann and attorney Donald R. Flournoy to obtain professional advice about how to properly prepare bylaws for the Austin Investigative Reporting Project. These professionals also reviewed and critiqued Martin's original draft application Form 1023 for submission to the IRS, to apply for approval as a 501(c)(3) corporation authorized to accept tax-deductible donations to help fund our news gathering operations.

The board of the Austin Investigative Reporting Project adopted bylaws for the organization on June 4, 2009.

A checking account for the Austin Investigative Reporting Project (dba The Austin Bulldog) was opened at the University Federal Credit Union in Austin, Texas, on June 5, 2009, with a deposit of [REDACTED] the initial increment of funding received from the New Voices grant.

In late July and early August 2009, Martin continued to review and revise the Form 1023 application, using guidance contained in the instructions provided by the IRS and the book

## Attachment to Form 1023

Austin Investigative Reporting Project: Employer Identification Number [REDACTED]

*How to Form a Nonprofit Corporation* (Nolo, 8<sup>th</sup> Edition, July 2007).

**Present activities:** The website for The Austin Bulldog is being developed with the assistance of an independent professional, Steven Flood. The website will use an open-source program, Joomla, an award-winning content management system that enables building websites and powerful online applications. Meanwhile Martin is doing additional research to:

- a. Refine the scope and features of the website for publishing news and commentary within our scope of funding.
- b. Plan and prioritize the initial stories to be reported and published when the website goes live.

### **Planned activities:**

The initial Board of Directors will work to select and recruit additional board members who are credible and competent representatives of the Austin Investigative Reporting Project, who have a good reputation in the community, and who are willing to devote sufficient time and energy to help The Austin Bulldog achieve its specific objectives and purposes, as stated in Article 2, Section 2, of the Bylaws.

Martin will recruit a broad cross section of local opinion leaders to write occasional commentary articles for the website on matters of community interest.

Within the scope of available funding, Martin will hire experienced freelance writers for investigative reporting projects covering matters of public importance.

When the website design has been completed and the website has been loaded with initial content and thoroughly tested, we will begin reporting operations and launch The Austin Bulldog

## Attachment to Form 1023

Austin Investigative Reporting Project: Employer Identification Number [REDACTED]

website. Thereafter we will add information to update the website regularly.

The news and commentary published on the website will be available free of charge on the Internet to anyone who wishes to read it. The news and commentary are, in fact, intellectual property and as such will be published under a Creative Commons license (see <http://creativecommons.org>) to allow people, including other media, to copy and distribute the work provided they give credit to The Austin Bulldog.

As part of the efforts to raise seed money for The Austin Bulldog's reporting in the public interest, board members will personally make presentations to a select number of the most promising prospective donors.

Our anticipated sources of additional ongoing funding are grants and individual contributions.

We will apply for grants from philanthropic organizations that are interested in promoting professional local journalism. To that end, we will continue our research to find foundations, both local and national, that have programs to provide such grants.

The Austin Bulldog will appeal to its readers for individual contributions, both one-time donations and monthly recurring donations. Such appeals will be made by emphasizing throughout the website that news gathering operations are funded by readers. To enhance our ability to accept these donations, The Austin Bulldog website will have a merchant services account to provide for secure e-commerce transactions for processing individual contributions through credit and debit cards and online services such as PayPal.

## Attachment to Form 1023

Austin Investigative Reporting Project: Employer Identification Number [REDACTED]

In addition, all e-mail correspondence, such as news alerts issued to announce breaking news stories, will contain appeals for donations.

The Austin Bulldog is scheduled to receive an additional [REDACTED] from the New Voices grant in mid-December 2009.

The Austin Bulldog is scheduled to receive a final [REDACTED] from the New Voices grant in June 2010, provided that amount can be matched with other revenue.

### Page 2: Part V; Line 1 a, Compensation

Pursuant to Article 3, Section 6, of the corporation's bylaws, directors will serve without compensation other than reasonable expenses incurred in the performance of their duties.

Kenneth W. Martin shall serve without compensation in his capacity as president of the corporation. He may be paid up to [REDACTED] per year for his full-time work as editor and publisher of The Austin Bulldog. Such compensation has been approved in accordance with Article 9, Section 5 of the bylaws of the Austin Investigative Reporting Project. (Section 5 begins on page 18 of the bylaws.)

### Page 3: Part V: Line 1 c, Independent Contractors

This newly formed nonprofit corporation has no current plans to contract for services with outside persons or companies. If and when it does, any such contracts will provide for payment in commercially reasonable amounts in return for services related to the exempt functions of this nonprofit.

## Attachment to Form 1023

Austin Investigative Reporting Project: Employer Identification Number [REDACTED]

### Page 3: Part V: Line 2a, Relationships

Are any of your officers, directors, or trustees **related** to each other through **family** or **business relationships**? If “Yes,” identify the individuals and explain the relationship.

Kenneth W. Martin and Rebecca L. Melançon are married

### Page 3: Part V: Line 2c, Relationships

Kenneth W. Martin and Rebecca L. Melançon are married

### Page 3: Part V: Line 3a, Highest Compensated Employee

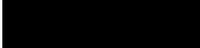
**Name:** Kenneth W. Martin

**Qualifications:** Major, U.S. Marine Corps (retired 1978). Graduated from the University of Texas at Austin (1982) with a degree in the humanities and minors in journalism and Spanish. Professional journalist for 28 years at seven different publications based in Central Texas, including two previous startups that he co-owned. Winner of two national first-place awards for investigative reporting that resulted in successful criminal prosecutions, as well as numerous other awards for journalistic excellence.

**Average hours worked:** Will work approximately 40 hours a week or more once The Austin Bulldog website is launched.

**Duties:** Hire freelance reporters for investigative reporting projects, recruit community opinion leaders to write commentary, edit articles, upload articles to the website, write commentary, investigate wrongdoing in the public and private sectors, and write in-depth and investigative stories.

## Attachment to Form 1023

Austin Investigative Reporting Project: Employer Identification Number 

### **Page 3: Part V: Line 4a: Compensation Arrangements**

The Austin investigative Reporting Project has adopted a conflict of interest policy that controls the approval of salaries to directors, officers and other “disqualified persons” as defined in Section 4958 of the Internal Revenue Code. See Article 9, as well as Article 3, Section 6; and Article 4, Section 10; of the bylaws attached to this application. Also, Article 9, Section 5, of this organization’s bylaws applies additional conflict of interest requirements on the board and compensation committee when approving compensation arrangements.

### **Page 3: Part V: Line 4b: Compensation Arrangements**

Article 9, Section 3, of the Austin investigative Reporting Project’s bylaws requires the approval of compensation of directors, officers and any “disqualified person” as defined in Section 4958 of the Internal Revenue Code in advance and after full disclosure of the surrounding facts and approval of disinterested members of the governing board or committee and prior to entering into the compensation agreement or arrangement. Further, Article 9, Section 5a, of this organization’s bylaws requires specific approval of compensation arrangements prior to the first payment of compensation under such arrangements.

### **Page 3: Part V: Line 4c: Compensation Arrangements**

Article 9, Section 4, of the Austin investigative Reporting Project’s bylaws, which are attached to this application, requires the taking of written minutes of meetings at which

## Attachment to Form 1023

Austin Investigative Reporting Project: Employer Identification Number [REDACTED]

compensation paid to any director, officer, or other “disqualified person” as defined in Section 4958 of the Internal Revenue Code, are approved. The minutes must include the date and terms of the approved compensation arrangements. Further, and specifically with respect to the approval by the board and compensation committee of compensation arrangements, Article 9, Section 5d, of the organization’s bylaws requires the written recordation of the date and terms of compensation arrangements as well as other specific information concerning the basis for the approval of compensation arrangements.

### **Page 4: Part 5 V: Line 4d: Compensation Arrangements**

Article 9, Section 4, of the Austin investigative Reporting Project’s bylaws, which are attached to this application, requires the written recordation of the approval of compensation and other financial arrangements between this organization and a director, officer, employee, contractor, and any other “disqualified person” as defined by Section 4958 of the Internal Revenue Code, including the names of the persons who vote on the arrangement and their votes. Further, and specifically with respect to the approval by the board or compensation committee of compensation arrangements, Article 9, Section 5d, of the organization’s bylaws requires the written recordation of the members of the board or committee who were present during discussion of the approval of compensation arrangements, those who voted for it, and the votes cast by each board or committee member.

### **Page 4: Part V: Line 4e: Compensation Arrangements**

## Attachment to Form 1023

Austin Investigative Reporting Project: Employer Identification Number [REDACTED]

Notwithstanding Article 9, Section 5c, of the Austin investigative Reporting Project's bylaws, which require that the board or compensation committee considering the approval of a compensation arrangement obtain compensation levels paid by similarly situated organizations, both taxable and tax-exempt, for functionally comparable positions; the availability of similar services in the geographic area of this organization; current compensation surveys compiled by independent firms; and actual written offers from similar institutions competing for the services of the person who is the subject of the compensation arrangement, the maximum compensation for Editor and Publisher Kenneth W. Martin, an award-winning journalist with 28 years of experience, will be [REDACTED] per year, subject to the availability of funds, which equates to about [REDACTED] an hour for full-time work. This is obviously so far below market rates as to make it unnecessary to refer to compensation studies. In addition, the small amount of funding this organization expects to raise would make obtaining such studies impracticable.

### **Page 4: Part V: Line 4f: Compensation Arrangements**

Article 9, Section 5d, of the Austin investigative Reporting Project's bylaws requires that the written minutes of the board or compensation committee meeting at which a compensation arrangement was discussed and approved include the terms of compensation and the basis for its approval. This bylaw provision includes a list of specific information that must be included in the required written minutes.

### **Page 4: Part V: Line 4g: How Reasonable Compensation Was Set**

## Attachment to Form 1023

Austin Investigative Reporting Project: Employer Identification Number 

See answer to Part 5: Line 4e, above.

### **Page 4: Part V: Line 5a Conflict of Interest Policy**

The board of directors of the Austin Investigative Reporting Project has adopted bylaws that contain a conflict of interest policy. The policy is set forth in Article 9 of the attached bylaws. The policy is based on the sample conflict of interest policy contained in Appendix A of the official instructions to IRS Form 1023. The organization has added additional requirements in Article 9, Section 5, of its bylaws for the approval of compensation arrangements that are based on additional requirements contained in IRS Regulation Section 53.4958-6 to help ensure that all compensation arrangements are made by disinterested members of the organization's board or a duly constituted compensation committee of the board that are fair, reasonable, and in furtherance of the tax-exempt purposes of the organization.

### **Page 5: Part VI: Line 1a, Services Provided to Individuals**

The Austin Bulldog will provide the service of reporting in the public interest. The reporting will be published online via the website on a continuing basis, free and accessible to all members of the public-at-large who visit the website.

### **Page 5: Part VIII: Line 1, Political Campaigns**

The Austin Bulldog will be a journalistic enterprise founded to provide professional reporting in the public interest. We will not support, oppose or endorse candidates in political campaigns. We will report on political campaigns and provide full and fair

## Attachment to Form 1023

Austin Investigative Reporting Project: Employer Identification Number [REDACTED]

exposition of pertinent facts to permit an individual or members of the public to form an independent opinion or conclusion about the qualifications of the political candidates we cover.

### **Page 5: Part VIII: Line 2a, Not Influence Legislation**

The Austin Bulldog will be a journalistic enterprise founded to provide professional reporting in the public interest. We will report on legislation and provide full and fair exposition of pertinent facts to permit an individual or members of the public to form an independent opinion or conclusion about the legislation we cover. We will not directly contact or urge the public to contact members of a legislative body for the purpose of proposing, supporting, or opposing legislation.

### **Page 6: Part VIII: Line 4a, Fundraising**

Our initial fund-raising goals, as outlined in Part IX of this application, are quite modest. All funds raised for The Austin Bulldog will be used for purposes that directly support the mission of reporting in the public interest on a continuing basis. Fundraising will be conducted only by board members and staff of The Austin Bulldog and these individuals will receive no compensation for fundraising activities.

**E-mail:** The Austin Bulldog will solicit contributions via e-mail to people who register on the website to receive e-mail alerts about breaking stories published by The Austin Bulldog, and possibly to other individuals using lists furnished by other local nonprofit organizations that may offer their e-mail lists of members to be used for this purpose.

## Attachment to Form 1023

Austin Investigative Reporting Project: Employer Identification Number [REDACTED]

**Personal solicitations:** As part of the efforts to raise money for The Austin Bulldog's reporting in the public interest, board members will personally appeal to prospective donors.

**Foundation grant solicitations:** The Austin Bulldog has already won a [REDACTED] grant the John S. and James L. Knight Foundation, a nonprofit 501(c)(3) philanthropic organization, to be disbursed in three increments over a period of about thirteen months. We will seek additional grant funding from any foundation whose purposes and funding priorities are aligned with reporting in the public interest.

**Accept donations on the website:** The Austin Bulldog's website will include a merchant services account for e-commerce transactions so that we can process donations from our readers, both one-time and recurring monthly contributions.

### Page 6: Part VIII: Line 4d, States and Jurisdictions for Fundraising

As a local online news publication covering Austin, Texas, and the immediate metro area including Travis, Williamson and Hays counties, The Austin Bulldog will focus on fundraising within the immediate area, mainly in Austin. However, as an online publication, it is possible that we will receive contributions from supportive individuals in other jurisdictions and states who are interested in the reporting published by The Austin Bulldog and want to support our continuing operations.

The Austin Bulldog will fundraise only for its own operations. It will do no fundraising for another organization and will have no other organization doing fundraising for it.

## Attachment to Form 1023

Austin Investigative Reporting Project: Employer Identification Number [REDACTED]

### Page 6: Part VIII: Line 10 Intellectual Property

The Austin Bulldog is an online news operation established for the purpose of publishing reporting in the public interest, as well as commentary, and will, therefore, be creating intellectual property.

The Austin Bulldog staff, freelance journalists and volunteers will produce reporting and commentary, publish it via [www.theaustinbulldog.org](http://www.theaustinbulldog.org), and market it to the public through e-mail newsletters and social media, such as Facebook and Twitter.

The Austin Bulldog will own the copyright to the articles, i.e., intellectual property, it publishes. The articles will be written by staff, freelance writers (work for hire), and volunteers. The Austin Bulldog will derive no revenue from these intellectual property rights. Instead, The Austin Bulldog will publish its intellectual property using a Creative Commons license (see <http://creativecommons.org>). The Creative Commons license will allow individuals or other media to use The Austin Bulldog's intellectual property free of charge, provided such users give credit to The Austin Bulldog.

### Page 9: Part IX: Line 1, Gifts, Grants & Contributions

The amounts shown are for a grant that has been approved for The Austin Bulldog. The funds are given by the John S. and James L. Knight Foundation, a nonprofit 501(c)(3) philanthropic organization. The funds are administered by J-Lab: The Institute for Interactive Journalism, American University. The first [REDACTED] of that grant was received in late May 2009 and another [REDACTED] is due in mid-December 2009. The final [REDACTED] of the grant will be disbursed in June 2010, provided that amount can be matched with other revenue.

**Attachment to Form 1023**

Austin Investigative Reporting Project: Employer Identification Number [REDACTED]

The Austin Bulldog will be seeking other grant funding as appropriate sources are identified.

**Page 9: Part IX: Line 7, Revenue otherwise not listed**

The Austin Bulldog has received no other funding to date but plans to solicit funds from individual donors. The Austin Bulldog also will use e-commerce on its website to process donations from its readers. All the amounts shown here are projections.

**Page 9: Part IX: Line 18, Other Salaries and Wages**

The amounts shown are salary for the editor and publisher. For more information, see information supplied above for Page 3: Part V: Line 3a, Highest Compensated Employee.

**Page 9; Part IX: Line 22, Professional Fees**

Professional review of forms for certificate of formation and IRS Form 1023 by accountant and attorney before filing [REDACTED]

Contractor to create The Austin Bulldog website: [REDACTED]

Total professional fees: [REDACTED]

**Page 9: Part IX: Line 23, Expenses not otherwise classified**

**Year 1 One-time startup other expenses**

Filing fees for Certificate of Formation as a Texas nonprofit incorporation [REDACTED]

**Attachment to Form 1023**

Austin Investigative Reporting Project: Employer Identification Number



Filing fee, Texas Assumed Name Certificate



Filing fee for Travis County, Texas, Assumed Name Certificate



Filing fee for IRS Form 1023

One-time startup expenses subtotal:

**Year 1 annual ongoing expenses**

Website hosting, tech support per year:

Internet broadband service:

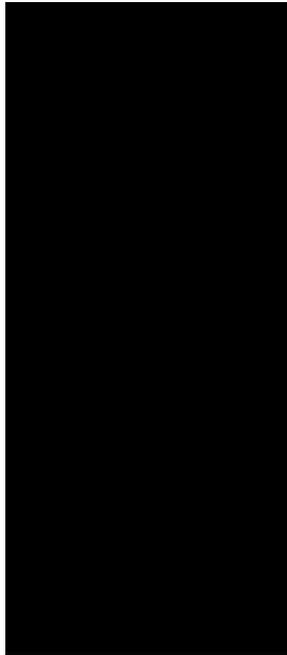
Telephone service (cell & land line):

Audit and preparation of tax filings:

Subtotal of Year 1 ongoing annual expenses:

Year 1 Fees for freelance writing services:

**Year 1 Grand total of other expenses:**



**Year 2 annual ongoing expenses**

Website hosting, tech support per year:

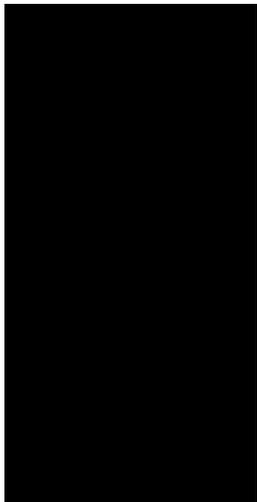
Internet broadband service:

Telephone service (cell & land line):

Audit and preparation of tax filings:

Subtotal of Year 2 ongoing annual expenses:

Year 2 Fees for freelance writing services:



**Attachment to Form 1023**

Austin Investigative Reporting Project: Employer Identification Number [REDACTED]

**Year 2 Grand total of other expenses:**

**Year 3 annual ongoing expenses**

Website hosting, tech support per year:

Internet broadband service:

Telephone service (cell & land line):

Audit and preparation of tax filings:

Subtotal of Year 3 ongoing annual expenses:

Year 3 Fees for freelance writing services:

**Year 3 Grand total other of expenses:**

**Page 10: Part IX, Line 2, Accounts Receivable**

Another [REDACTED] of the New Voices grant is due to be disbursed in mid-December.

**Page 11: Part X, Line 5g, Public Charity Status**

The Austin Bulldog will not receive money from a governmental unit. Its funding will depend upon grants and donations from the general public.



## Office of the Secretary of State

May 14, 2009

Kenneth W. Martin  
509 E 38th St.  
Austin, TX 78705 USA

RE: Austin Investigative Reporting Project  
File Number: 801122810

It has been our pleasure to file the certificate of formation and issue the enclosed certificate of filing evidencing the existence of the newly created nonprofit corporation.

Nonprofit corporations do not automatically qualify for an exemption from federal and state taxes. Shortly, the Comptroller of Public Accounts will be contacting the corporation at its registered office for information that will assist the Comptroller in setting up the franchise tax account for the corporation. Information about franchise tax, and contact information for the Comptroller's office, is available on their web site at <http://window.state.tx.us/taxinfo/franchise/index.html>. For information on state tax exemption, including applications and publications, visit the Comptroller's Exempt Organizations web site at <http://window.state.tx.us/taxinfo/exempt/index.html>. Information on exemption from federal taxes is available from the Internal Revenue Service web site at [www.irs.gov](http://www.irs.gov).

Nonprofit corporations do not file annual reports with the Secretary of State, but do file a report not more often than once every four years as requested by the Secretary. It is important for the corporation to continuously maintain a registered agent and office in Texas as this is the address to which the Secretary of State will send a request to file a periodic report. Failure to maintain a registered agent or office in Texas, failure to file a change to the agent or office information, or failure to file a report when requested may result in the involuntary termination of the corporation. Additionally, a nonprofit corporation will file documents with the Secretary of State if the corporation needs to amend one of the provisions in its certificate of formation. If we can be of further service at any time, please let us know.

Sincerely,

Corporations Section  
Business & Public Filings Division  
(512) 463-5555  
Enclosure



[REDACTED]	Austin	TX	78705	USA
<i>Street or Mailing Address</i>	<i>City</i>	<i>State</i>	<i>Zip Code</i>	<i>Country</i>

Director 3				
Thomas	E.	Spencer		
<i>First Name</i>	<i>M.I.</i>	<i>Last Name</i>	<i>Suffix</i>	
[REDACTED]	Austin	TX	78731	USA
<i>Street or Mailing Address</i>	<i>City</i>	<i>State</i>	<i>Zip Code</i>	<i>Country</i>

OR

The management of the affairs of the corporation is to be vested in the nonprofit corporation's members.

**Article 4 – Membership**

(See instructions. Do not select statement B if the corporation is to be managed by its members.)

- A. The nonprofit corporation shall have members.
- B. The nonprofit corporation will have no members.

**Article 5 – Purpose**

(See instructions. This form does not contain language needed to obtain a tax-exempt status on the state or federal level.)

The nonprofit corporation is organized for the following purpose or purposes:

See Exhibit A, incorporated herein by this reference for all purposes.

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*The following text area may be used to include any additional language or provisions that may be needed to obtain tax-exempt status.*

See Exhibit B, incorporated herein by this reference for all purposes.

**Supplemental Provisions/Information**

(See instructions.)

Text Area: [The attached addendum, if any, is incorporated herein by reference.]

[Empty rectangular box for addendum text]

**Organizer**

The name and address of the organizer:

Kenneth W. Martin

*Name*



Austin

TX

78705

*Street or Mailing Address*

*City*

*State*

*Zip Code*

**Effectiveness of Filing** (Select either A, B, or C.)

- A.  This document becomes effective when the document is filed by the secretary of state.
  - B.  This document becomes effective at a later date, which is not more than ninety (90) days from the date of signing. The delayed effective date is: \_\_\_\_\_
  - C.  This document takes effect upon the occurrence of a future event or fact, other than the passage of time. The 90<sup>th</sup> day after the date of signing is: \_\_\_\_\_
- The following event or fact will cause the document to take effect in the manner described below:

\_\_\_\_\_  
\_\_\_\_\_

**Execution**

The undersigned signs this document subject to the penalties imposed by law for the submission of a materially false or fraudulent instrument.

Date: May 14, 2009



Signature of organizer

**Exhibit A to Certificate of Formation,  
Nonprofit Corporation, for  
Austin Investigative Reporting Project**

**Article 5 — Purpose**

Said corporation is organized exclusively for charitable, religious, educational and/or scientific purposes, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under section 501(c)(3) of the Internal Revenue Code, or corresponding section of any future federal tax code.

**tax-exempt status**

The Austin Investigative Reporting Project will receive a substantial part of its support in the form of contributions from publicly supported organizations, governmental units and/or from the general public.

No part of the net earnings of the corporation shall inure to the benefit of, or be distributable to its members, trustees, officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article 5 hereof. No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office. Notwithstanding any other provision of this

Certificate of Formation, the corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, or (b) by a corporation, contributions to which are deductible under section 170(c)(2) of the Internal Revenue Code, or the corresponding section of any future federal tax code.

Property held by the corporation on a condition requiring return, transfer, or conveyance because of the winding up or termination shall be returned, transferred, or conveyed in accordance with that requirement; and upon the dissolution of the corporation, assets shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose. Any such assets not so disposed of shall be disposed of by a Court of Competent Jurisdiction of the county in which the principal office of the corporation is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.



## Office of the Secretary of State

May 22, 2009

Ken Martin  
509 E. 38th St.  
Austin, TX 78705 USA

RE: Austin Investigative Reporting Project  
File Number: 801122810

-----  
Assumed Name:  
The Austin Bulldog

File Date: 05/22/2009

It has been our pleasure to file the assumed name certificate for the above referenced entity. Enclosed is the certificate evidencing filing. Payment of the filing fee is acknowledged by this letter.

In addition to filing with the Secretary of State, Chapter 71 of the Texas Business and Commerce Code requires filing of the assumed name certificate with the county clerk in the county in which the principal office of the entity is located. If the entity is required by law to maintain a registered office in Texas, the assumed name certificate is also required to be filed in the county in which the registered office is located.

If we can be of further service at any time, please let us know.

Sincerely,

Corporations Section  
Business & Public Filings Division

Enclosure



## Office of the Secretary of State

### CERTIFICATE OF FILING OF

Austin Investigative Reporting Project  
File Number: 801122810  
Assumed Name:  
The Austin Bulldog

The undersigned, as Secretary of State of Texas, hereby certifies that the assumed name certificate for the above named entity has been received in this office and filed as provided by law on the date shown below.

ACCORDINGLY the undersigned, as Secretary of State, and by virtue of the authority vested in the secretary by law hereby issues this Certificate of Filing.

Dated: 05/22/2009

Effective: 05/22/2009



A handwritten signature in black ink, appearing to read "Hope Andrade".

Hope Andrade  
Secretary of State

**Form 503**  
**(Revised 4/09)**

Return in duplicate to:  
Secretary of State  
P.O. Box 13697  
Austin, TX 78711-3697  
512 463-5555  
FAX: 512 463-5709  
**Filing Fee: \$25**



This space reserved for office use.

**Assumed Name Certificate**

**FILED**  
**In the Office of the**  
**Secretary of State of Texas**  
**MAY 22 2009**  
**Corporations Section**

**Assumed Name**

1. The assumed name under which the business or professional service is, or is to be, conducted or rendered is: The Austin Bulldog

**Entity Information**

2. The legal name of the entity filing the assumed name is:

Austin Investigative Reporting Project

*State the name of the entity as currently shown in the records of the secretary of state or on its organizational documents, if not filed with the secretary of state.*

3. The entity filing the assumed name is a: (Select the appropriate entity type below.)

- |   |  |
|---|--|
| <input type="checkbox"/> For-profit Corporation           | <input type="checkbox"/> Professional Corporation      |
| <input checked="" type="checkbox"/> Nonprofit Corporation | <input type="checkbox"/> Professional Association      |
| <input type="checkbox"/> Cooperative Association          | <input type="checkbox"/> Limited Partnership           |
| <input type="checkbox"/> Limited Liability Company        | <input type="checkbox"/> Limited Liability Partnership |
| <input type="checkbox"/> Other                            |  |

*Specify type of entity if there is no check box applicable For example, bank, insurance company, etc.*

4. The file number, if any, issued to the entity by the secretary of state is: 801122810

5. The state, country, or other jurisdiction of formation of the entity is: Texas, USA

6. The office address of the entity in its jurisdiction of formation is:

[REDACTED], Austin, Texas 78705

*(Complete item 7 only when the entity is required by law to maintain a registered agent/registered office in Texas. An entity required to complete item 7, does not complete item 8. See instructions.)*

7a. The address of its registered office in Texas is:

[REDACTED] Austin, Texas 78705

7b. The name of the registered agent at such address is:

Kenneth W. Martin

7c. The address of the principal office of the entity (if not the same as 7a) is:

(Complete item 8 *only* if the entity is not required by law to maintain a registered agent/registered office in Texas.  
Complete item 8c, only if the entity is not organized under the laws of Texas. See instructions.)

8a. The entity is not required by law to maintain a registered agent/registered office in Texas. Its principal office address in Texas is:

---

8b. The address of the entity's principal place of business in Texas (if not the same as 8a) is:

---

8c. The entity is not organized under the laws of Texas. Its office address outside the state is:

---

### Period of Duration

9a. The period during which the assumed name will be used is 10 years from the date of filing with the secretary of state.

OR

9b. The period during which the assumed name will be used is \_\_\_\_\_ years from the date of filing with the secretary of state (not to exceed 10 years).

OR

9c. The assumed name will be used until \_\_\_\_\_ (not to exceed 10 years).  
*mm/dd/yyyy*

### County or Counties in which Assumed Name Used

10. The county or counties where business or professional services are being or are to be conducted or rendered under the assumed name are:

All counties

All counties with the exception of the following counties: \_\_\_\_\_

---

Only the following counties: Travis, Williamson, Hays

---

### Execution

The undersigned signs this document subject to the penalties imposed by law for the submission of a materially false or fraudulent instrument and also certifies that the person is authorized to sign on behalf of the identified entity. If the undersigned is acting in the capacity of an attorney in fact for the entity, the undersigned certifies that the entity has duly authorized the undersigned in writing to execute this document.

Date: May 20, 2009



\_\_\_\_\_  
Signature of a person authorized by law to sign on behalf of the identified entity (see instructions)



**DANA DeBEAUVOIR**  
Travis County Clerk  
(512) 854-9188  
P. O. Box 149325, Austin, Texas 78714-9325  
5501 Airport Blvd, Austin, Texas 78751  
www.co.travis.tx.us

**ORIGINAL  
FILED FOR RECORD**

### Assumed Name Records Certificate of Ownership For Unincorporated Business or Profession

Notice: "Certificates of Ownership" are valid only for a period not to exceed 10 years from the date filed in the County Clerk's Office (Chapter 36, Section 1, Title 4 of the Business and Commerce Code). This Certificate properly executed is to be filed immediately with the County Clerk.

**Business Name**  
THE AUSTIN BULLDOG

**Business Address**  
509 E. 38TH ST.

**City** AUSTIN **State** TX **ZIP Code** 78705

This Assumed Name will be used for 10 years unless indicated here: \_\_\_\_\_

Business is to be conducted as (check one):

- Proprietorship
- Joint Venture
- Real Estate Investment Trust
- Joint Stock Company
- Limited Partnership
- Sole Practitioner
- General Partnership
- Other (name type: Austin Investigative Reporting Project Texas Nonprofit Corporation)

I/WE, the undersigned, are the owner(s) of the above business and my/our name(s) and address(es) given is/are true and correct and There is/are no ownership(s) in said business other than those listed herein below.

Name Kenneth W. Martin Signature \_\_\_\_\_

Residence Address \_\_\_\_\_ City Austin State TX ZIP 78705

Name \_\_\_\_\_ Signature \_\_\_\_\_

Residence Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ ZIP \_\_\_\_\_

Name \_\_\_\_\_ Signature \_\_\_\_\_

Residence Address \_\_\_\_\_ City \_\_\_\_\_ State \_\_\_\_\_ ZIP \_\_\_\_\_

**FOR USE BY NOTARY AND CLERK OF THE COURT, DEPUTY.** The State of Texas and County of Travis:

Before me, the undersigned authority, on this day personally appeared: Kenneth Wayne Martin  
known to me to be the person(s) whose name(s) is/are subscribed to the foregoing instrument and acknowledged to me that he/she/they signed the same purpose and consideration therein expressed. Given under my hand and seal of office, on 5/26, 20 09.

Signature of Notary Public in and for the State of Texas or Clerk of the Court, Deputy

D. Bartholomew **D. BARTHOLOMEW**

Seal of the Notary Public or Clerk of the Court, Deputy



Form of identification presented: TXDL

**INFORMATION WHERE DOCUMENT SHOULD BE RETURNED**  
(to be completed by applicant):

In the spaces below, clearly print the name, address, city, state, and ZIP code where this document should be returned:

Kenneth W. Martin  
509 E. 38th St.  
Austin TX 78705

**Bylaws of  
Austin Investigative Reporting Project  
A Texas Non-Profit Corporation**

**Preamble**

These Bylaws are subject to, and governed by, the Texas Non-Profit Corporation Act and the Certificate of Formation, Nonprofit Corporation, of the Austin Investigative Reporting Project. In the event of a direct conflict between the provisions of these Bylaws and the mandatory provisions of the Texas Non-Profit Corporation Act, the Texas Non-Profit Corporation Act will be controlling. In the event of a direct conflict between the provisions of these Bylaws and the Certificate of Formation of the Austin Investigative Reporting Project, these Bylaws will be controlling.

**Article 1  
Offices**

**Section 1. Principal Office**

The principal office of the corporation is located at 509 E. 38<sup>th</sup> St., Austin, in Travis County, State of Texas.

**Section 2. Change of Address**

The designation of the county or state of the corporation's principal office may be changed by amendment of these Bylaws. The Board of Directors may change the principal office from one location to another within the named county by noting the changed address and effective date below, and such changes of address shall not be deemed, nor require, an amendment of these Bylaws:

New Address: \_\_\_\_\_

Dated: \_\_\_\_\_, 20\_\_

New Address: \_\_\_\_\_

Dated: \_\_\_\_\_, 20\_\_

New Address: \_\_\_\_\_

Dated: \_\_\_\_\_, 20\_\_

### **Section 3. Other Offices**

The corporation may also have offices at such other places, within or without its state of incorporation, where it is qualified to do business, as its business and activities may require, and as the Board of Directors may, from time to time, designate.

## **Article 2**

### **Nonprofit Purposes**

#### **Section 1. IRC Section 501(c)(3) Purposes**

- a. The corporation is organized exclusively for one or more of the purposes as specified in Section 501(c)(3) of the Internal Revenue Code.
- b. The corporation may engage in any and all lawful activities incidental to the foregoing purposes, except as otherwise restricted herein.

#### **Section 2. Specific Objectives and Purposes**

The specific objectives and purposes of this corporation shall be:

- a. To establish and maintain a nonprofit, nonpartisan online news website ([www.theaustinbulldog.org](http://www.theaustinbulldog.org)) for the publication of independent reporting in the public interest.
- b. To go beyond the limits of top-down, one-way coverage that lectures. Instead, we will strive to engage our readers in a two-way dialog that advances the cause of democracy, freedom of information and open government.
- c. To publish news and commentary on the website that is available free of charge on the Internet to anyone who wishes to read it.
- d. Our target audience includes the residents of Austin, Texas, and surrounding communities, elected and government officials, activists, environmentalists, neighborhood organizations and others.

- e. To use a Creative Commons license (see <http://creativecommons.org>) to allow anyone, including other media, to copy and distribute the intellectual property published on the website provided they credit The Austin Bulldog.
- f. To generate financial support of the general public and appropriate grant funding necessary to sustain ongoing news gathering and reporting operations.
- g. To engage in other activities related to the corporation's specific objectives and purposes.

## **Article 3**

### **Directors**

#### **Section 1. Number**

- a. The corporation shall have up to nine but no fewer than three directors and collectively they shall be known as the Board of Directors. A Board member need not be a resident of the state of Texas.
- b. In addition to the regular members of the Board, representatives of such other organizations or individuals as the Board may deem advisable to elect shall be ex-officio Board members, but shall not have voting power, shall not count as one of the regular Board members, and shall not be eligible for office.

#### **Section 2. Qualifications**

Directors shall be of the age of majority in this state.

#### **Section 3. Powers**

Austin Investigative Reporting Project shall be governed by a Board of Directors ("the Board"), which shall have all of the rights, powers, privileges and limitations of liability of directors of a nonprofit corporation organized under the Texas Non-Profit Corporation Act.

#### **Section 4. Duties**

It shall be the duty of the directors to:

- a. Perform any and all duties imposed on them collectively or

individually by law, by the certificate of formation, or by these Bylaws;

- b. Appoint and remove, employ and discharge, and, except as otherwise provided in these Bylaws, prescribe the duties and fix the compensation, if any, of all officers, agents, and employees of the corporation;
- c. Supervise all officers, agents, and employees of the corporation to assure that their duties are performed properly;
- d. Meet at such times and places as required by these Bylaws;
- e. Register their home and e-mail addresses and telephone numbers with the secretary of the corporation, and notices of meetings mailed or e-mailed to them at such addresses shall be valid notices thereof.

#### **Section 5. Term of Office**

Each director shall hold office for a period of unlimited duration and until his or her successor is elected.

#### **Section 6. Compensation**

Directors shall serve without compensation other than reasonable expenses incurred in the performance of their duties. However, provided the compensation structure complies with Article 9 of these Bylaws, nothing in these Bylaws shall be construed to preclude any director from serving the organization in any other capacity and receiving compensation for services rendered. Any payments to directors shall be approved in advance in accordance with this corporation's conflict of interest policy, as set forth in Article 9 of these Bylaws.

#### **Section 7. Place of Meetings**

Meetings shall be held at the principal office of the corporation unless otherwise provided by the Board or at such other place as may be designated from time to time by resolution of the Board.

#### **Section 8. Regular Meetings**

The Board's regular meetings may be held at such time and place as shall be determined by the Board.

### **Section 9. Special Meetings**

The president or any two other directors may call a special meeting of the Board on one week's notice to each member of the Board.

### **Section 10. Notice of Meetings**

Notice shall be served to each Board member via hand delivery, US mail or e-mail. The person or persons authorized to call special meetings of the Board may fix any place, so long as it is reasonable, as the place for holding any special meeting of the Board called by them.

### **Section 11. Quorum for Meetings**

- a. A quorum for the transaction of business shall consist of one-third of the members then serving on the Board but in no case less than three members of the Board.
- b. Except as otherwise provided under the certificate of formation, these Bylaws, or provisions of law, no business shall be considered by the Board at any meeting at which the required quorum is not present, and the only motion which the chair shall entertain at such meeting is a motion to adjourn.

### **Section 12. Proxy**

A Board member who is unable to attend a meeting of the Board or a Board Committee may vote by written proxy given to any other voting member of the Board or Committee or designated staff member who is in attendance at the meeting in question. However, a vote by proxy will not be counted toward the number of Board members needed to be present to constitute a quorum for the transaction of business. No proxy shall be valid after three months from the date of execution. Each proxy shall be revocable unless expressly stated therein to be irrevocable or unless made irrevocable by law.

### **Section 13. Majority Action as Board Action**

Every act or decision done or made by a majority of the directors present at a meeting duly held at which a quorum is present is the act of the Board of Directors, unless the certificate of formation, these Bylaws, or provisions of law require a greater percentage or different

voting rules for approval of a matter by the Board.

#### **Section 14. Conduct of Meetings**

- a. Meetings of the Board of Directors shall be presided over by the chairperson of the Board, or, if no such person has been so designated, or in his or her absence, the president of the corporation, or in his or her absence, by the vice president of the corporation, or in the absence of each of these persons, by a chairperson chosen by a majority of the directors present at the meeting. The secretary of the corporation shall act as secretary of all meetings of the Board, provided that, in his or her absence, the presiding officer shall appoint another person to act as secretary of the meeting.
- b. Meetings shall be governed by such procedures as may be approved from time to time by the Board of Directors, insofar as such rules are not inconsistent with or in conflict with the certificate of formation, these Bylaws, or with provisions of law.

#### **Section 15. Vacancies**

- a. Vacancies on the Board of Directors shall exist (1) on the death, resignation, or removal of any director, and (2) whenever the number of authorized directors is increased.
- b. Any director may resign effective upon giving written notice to the chairperson of the Board, the president, the secretary, or the Board of Directors, unless the notice specifies a later time for the effectiveness of such resignation. No director may resign if the corporation would then be left without a duly elected director or directors in charge of its affairs, except upon notice to the office of the attorney general or other appropriate agency of this state.
- c. Directors may be removed from office, with or without cause, at any duly constituted meeting of the Board, by the affirmative vote of a majority of then-serving Board members.
- d. Vacancies on the Board may be filled by approval of the Board of Directors. If the number of directors then in office is less than a quorum, a vacancy on the Board may be filled by approval of a majority of the directors then in office or by a sole remaining director.

### **Section 16. Nonliability of Directors**

The directors shall not be personally liable for the debts, liabilities, or other obligations of the corporation.

### **Section 17. Indemnification by Corporation of Directors and Officers**

The directors and officers of the corporation shall be indemnified by the corporation to the fullest extent permissible under the laws of Texas.

### **Section 18. Insurance for Corporate Agents**

Except as may be otherwise provided under provisions of law, the Board of Directors may adopt a resolution authorizing the purchase and maintenance of insurance on behalf of any agent of the corporation (including a director, officer, employee, or other agent of the corporation) against liabilities asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, whether or not the corporation would have the power to indemnify the agent against such liability under the certificate of formation, these Bylaws, or provisions of law.

## **Article 4**

### **Officers**

#### **Section 1. Designation of Officers**

The officers of the corporation shall be a president, a vice president, a secretary, and a treasurer, and other such officers with such titles as may be determined from time to time by the Board of Directors. Any two or more offices, other than the offices of the president and secretary, may be held by the same person.

#### **Section 2. Qualifications**

All officers shall be members of the Board during their terms of office.

#### **Section 3. Election and Term of Office**

Officers shall be elected by the Board of Directors, at any time, and each officer shall hold office until he or she resigns or is removed or

is otherwise disqualified to serve, or until his or her successor shall be elected and qualified, whichever occurs first.

#### **Section 4. Removal and Resignation**

Any officer may be removed, either with or without cause, by the Board of Directors, at any time. Any officer may resign at any time by giving written notice to the Board of Directors or to the president or secretary of the corporation. Any such resignation shall take effect at the date of receipt of such notice or at any later date specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. The above provisions of this section shall be superseded by any conflicting terms of a contract which has been approved or ratified by the Board of Directors relating to the employment of any officer of the corporation.

#### **Section 5. Vacancies**

Any vacancy caused by the death, resignation, removal, disqualification, or otherwise, of any officer shall be filled by the Board of Directors. In the event of a vacancy in any office other than that of president, such vacancy may be filled temporarily by appointment by the president until such time as the Board shall fill the vacancy. Vacancies occurring in offices of officers appointed at the discretion of the Board may or may not be filled as the Board shall determine.

#### **Section 6. Duties of President**

The president shall be the chief executive officer of the corporation and shall, subject to the control of the Board of Directors, supervise and control the affairs of the corporation and the activities of the officers. He or she shall perform all duties incident to his or her office and such other duties as may be required by law, by the certificate of formation, or by these Bylaws, or which may be prescribed from time to time by the Board of Directors. Except as otherwise expressly provided by law, by the certificate of formation, or by these Bylaws, he or she shall, in the name of the corporation, execute such deeds, mortgages, bonds, contracts, checks, or other instruments which may from time to time be authorized by the Board of Directors.

#### **Section 7. Duties of Vice President**

In the absence of the president, or in the event of his or her inability

or refusal to act, the vice president shall perform all the duties of the president, and when so acting shall have all the powers of, and be subject to all the restrictions on, the president. The vice president shall have other powers and perform such other duties as may be prescribed by law, by the certificate of formation, or by these Bylaws, or as may be prescribed by the Board of Directors.

### **Section 8. Duties of Secretary**

The secretary shall:

- a. Certify and keep at the principal office of the corporation the original, or a copy, of these Bylaws as amended or otherwise altered to date.
- b. Keep at the principal office of the corporation or at such other place as the Board may determine, a book of minutes of all meetings of the directors, and, if applicable, meetings of committees of directors, recording therein the time and place of holding, whether regular or special, how called, how notice thereof was given, the names of those present or represented at the meeting, and the proceedings thereof.
- c. See that all notices are duly given in accordance with the provisions of these Bylaws or as required by law.
- d. Be custodian of the records of the corporation.
- e. Exhibit at all reasonable times to any director of the corporation, or to his or her agent or attorney, on request therefor, the Bylaws, and the minutes of the proceedings of the directors of the corporation.
- f. In general, perform all duties incident to the office of secretary and such other duties as may be required by law, by the certificate of formation, or by these Bylaws, or which may be assigned to him or her from time to time by the Board of Directors.

### **Section 9. Duties of Treasurer**

The treasurer shall:

- a. Have charge and custody of, and be responsible for, all funds and securities of the corporation, and deposit all such funds in the name of the corporation in such banks, trust companies, or other

- depositories as shall be selected by the Board of Directors.
- b. Receive, and give receipt for, monies due and payable to the corporation from any source whatsoever.
  - c. Disburse, or cause to be disbursed, the funds of the corporation as may be directed by the Board of Directors, taking proper vouchers for such disbursements.
  - d. Keep and maintain adequate and correct accounts of the corporation's properties and business transactions, including accounts of its assets, liabilities, receipts, disbursements, gains, and losses.
  - e. Exhibit at all reasonable times the books of account and financial records to any director of the corporation, or to his or her agent or attorney, on request therefor.
  - f. Render to the president and directors, whenever requested, an account of any or all of his or her transactions as treasurer and of the financial condition of the corporation.
  - g. Prepare, or cause to be prepared, and certify, or cause to be certified, the financial statements to be included in any required reports.
  - h. In general, perform all duties incident to the office of treasurer and such other duties as may be required by law, by the certificate of formation of the corporation, or by these Bylaws, or which may be assigned to him or her from time to time by the Board of Directors.

### **Section 10. Compensation**

The salaries of the officers, if any, shall be fixed from time to time by resolution of the Board of Directors. In all cases, any salaries received by officers of this corporation shall be reasonable and given in return for services actually rendered to or for the corporation. All officer salaries shall be approved in advance in accordance with this corporation's conflict of interest policy, as set forth in Article 9 of these Bylaws.

## **Article 5**

## **Committees**

### **Section 1. Executive Committee**

- a. The Board of Directors may, by a majority vote of its members, designate an Executive Committee consisting of three Board members and may delegate to such committee the powers and authority of the Board in the management of the business and affairs of the corporation, to the extent permitted, and, except as may otherwise be provided, by provisions of law.
- b. By a majority vote of its members, the Board may at any time revoke or modify any or all of the executive committee authority so delegated, increase or decrease but not below two (2) the number of the members of the executive committee, and fill vacancies on the Executive Committee from the members of the Board. The executive committee shall keep regular minutes of its proceedings, cause them to be filed with the corporate records, and report the same to the Board from time to time as the Board may require.

### **Section 2. Other Committees**

The corporation shall have such other committees as may from time to time be designated by resolution of the Board of Directors. These committees may consist of persons who are not also members of the Board and shall act in an advisory capacity to the Board.

### **Section 3. Meetings and Action of Committees**

Meetings and action of committees shall be governed by, noticed, held, and taken in accordance with the provisions of these Bylaws concerning meetings of the Board of Directors, with such changes in the context of such bylaw provisions as are necessary to substitute the committee and its members for the Board of Directors and its members, except that the time for regular and special meetings of committees may be fixed by resolution of the Board of Directors or by the committee. The Board of Directors may also adopt rules and regulations pertaining to the conduct of meetings of committees to the extent that such rules and regulations are not inconsistent with the provisions of these Bylaws.

## **Article 6**

### **Execution of Instruments, Deposits, and Funds**

#### **Section 1. Execution of Instruments**

The Board of Directors, except as otherwise provided in these Bylaws, may by resolution authorize any officer or agent of the corporation to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances. Unless so authorized, no officer, agent, or employee shall have any power or authority to bind the corporation by any contract or engagement or to pledge its credit or to render it liable monetarily for any purpose or in any amount.

#### **Section 2. Checks and Notes**

Except as otherwise specifically determined by resolution of the Board of Directors, or as otherwise required by law, checks, drafts, promissory notes, orders for the payment of money, and other evidence of indebtedness of the corporation shall be signed by the treasurer and countersigned by the president of the corporation.

#### **Section 3. Deposits**

All funds of the corporation shall be deposited from time to time to the credit of the corporation in such banks, trust companies, or other depositories as the Board of Directors may select.

#### **Section 4. Gifts**

The Board of Directors may accept on behalf of the corporation any contribution, gift, bequest, or devise for the nonprofit purposes of this corporation.

## **Article 7**

### **Corporate Records, Reports, and Seal**

#### **Section 1. Maintenance of Corporate Records**

The corporation shall keep at its principal office:

- a. Minutes of all meetings of directors and committees of the Board,

indicating the time and place of holding such meetings, whether regular or special, how called, the notice given, and the names of those present and the proceedings thereof;

- b. Adequate and correct books and records of account, including accounts of its properties and business transactions and accounts of its assets, liabilities, receipts, disbursements, gains, and losses;
- c. A copy of the corporation's certificate of formation and Bylaws as amended to date, which shall be open to inspection at all reasonable times during office hours.

### **Section 2. Corporate Seal**

The Board of Directors may adopt, use, and at will alter, a corporate seal. Such seal shall be kept at the principal office of the corporation. Failure to affix the seal to corporate instruments, however, shall not affect the validity of any such instrument.

### **Section 3. Directors' Inspection Rights**

Every director shall have the absolute right at any reasonable time to inspect and copy all books, records, and documents of every kind and to inspect the physical properties of the corporation, and shall have such other rights to inspect the books, records, and properties of this corporation as may be required under the certificate of formation, other provisions of these Bylaws, and provisions of law.

### **Section 4. Right to Copy and Make Extracts**

Any inspection under the provisions of this article may be made in person or by agent or attorney and the right to inspection shall include the right to copy and make extracts.

### **Section 5. Periodic Report**

The Board shall cause any annual or periodic report required under law to be prepared and delivered to an office of this state, to be so prepared and delivered within the time limits set by law.

## **Article 8**

### **IRC 501(c)(3) Tax Exemption Provisions**

## **Section 1. Limitations on Activities**

- a. No substantial part of the activities of this corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and this corporation shall not participate in, or intervene in (including the publishing or distribution of statements), any political campaign on behalf of, or in opposition to, any candidate for public office.
- b. The Austin Investigative Reporting Project (dba The Austin Bulldog) is, however, a journalistic enterprise founded to provide independent reporting in the public interest. The Austin Bulldog will report on legislation and political campaigns and provide full and fair exposition of pertinent facts to permit an individual or members of the public to form an independent opinion or conclusion about the qualifications of the political candidates and legislation we cover.
- c. Notwithstanding any other provisions of these Bylaws, this corporation shall not carry on any activities not permitted to be carried on (a) by a corporation exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, or (b) by a corporation, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code.

## **Section 2. Prohibition Against Private Inurement**

No part of the net earnings of this corporation shall inure to the benefit of, or be distributable to, its directors, officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes of this corporation.

## **Section 3. Distribution of Assets**

Upon the dissolution of this corporation, its assets remaining after payment, or provision for payment, of all debts and liabilities of this corporation, shall be distributed for one or more exempt purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code or shall be distributed to the federal government, or to a state or local government, for a public purpose. Such distribution shall be made in

accordance with all applicable provisions of the laws of this state.

## **Article 9**

### **Conflict of Interest and Compensation Approval Policies**

#### **Section 1. Purpose of Conflict of Interest Policy**

The purpose of this conflict of interest policy is to protect this tax-exempt corporation's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the corporation or any "disqualified person" as defined in Section 4958(f)(1) of the Internal Revenue Code and as amplified by Section 53.4958-3 of the IRS Regulations and which might result in a possible "excess benefit transaction" as defined in Section 4958(c)(1)(A) of the Internal Revenue Code and as amplified by Section 53.4958 of the IRS Regulations. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit and charitable organizations.

#### **Section 2. Definitions**

- a. Interested Person.** Any director, principal officer, member of a committee with governing Board delegated powers, or any other person who is a "disqualified person" as defined in Section 4958(f)(1) of the Internal Revenue Code and as amplified by Section 53.4958-3 of the IRS Regulations, who has a direct or indirect financial interest, as defined below, is an interested person.
- b. Financial Interest.** A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:
  - 1. An ownership or investment interest in any entity with which the corporation has a transaction or arrangement;
  - 2. A compensation arrangement with the corporation or with any entity or individual with which the corporation has a transaction or arrangement; or
  - 3. A potential ownership or investment interest in, or

compensation arrangement with, any entity or individual with which the corporation is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict of interest. Under Section 3, paragraph b (below), a person who has a financial interest may have a conflict of interest only if the appropriate governing Board or committee decides that a conflict of interest exists.

### **Section 3. Conflict of Interest Avoidance Procedures**

**a. Duty to Disclose.** In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and members of committees with governing Board delegated powers considering the proposed transaction or arrangement.

**b. Determining Whether a Conflict of Interest Exists.** After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he or she shall leave the governing Board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Board or committee members shall decide if a conflict of interest exists.

### **c. Procedures for Addressing the Conflict of Interest**

1. An interested person may make a presentation at the governing Board or committee meeting, but after the presentation, he or she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
2. The chairperson of the governing Board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
3. After exercising due diligence, the governing Board or committee shall determine whether the corporation can obtain

with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.

4. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing Board or committee shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the corporation's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination, it shall make its decision as to whether to enter into the transaction or arrangement.

#### **d. Violations of the Conflicts of Interest Policy**

- a. If the governing Board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
- b. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing Board or committee determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary and corrective action.

#### **Section 4. Records of Board and Board Committee Proceedings**

The minutes of meetings of the governing Board and all committees with Board delegated powers shall contain:

- a. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the governing Board's or committee's decision as to whether a conflict of interest in fact existed.
- b. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction

or arrangement, and a record of any votes taken in connection with the proceedings.

### **Section 5. Compensation Approval Policies**

A voting member of the governing Board who receives compensation, directly or indirectly, from the corporation for services is precluded from voting on matters pertaining to that member's compensation.

A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the corporation for services is precluded from voting on matters pertaining to that member's compensation.

No voting member of the governing Board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the corporation, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

When approving compensation for directors, officers and employees, contractors, and any other compensation contract or arrangement, in addition to complying with the conflict of interest requirements and policies contained in the preceding and following sections of this article as well as the preceding paragraphs of this section of this article, the Board or a duly constituted compensation committee of the Board shall also comply with the following additional requirements and procedures:

- a. the terms of compensation shall be approved by the Board or compensation committee prior to the first payment of compensation;
- b. all members of the Board or compensation committee who approve compensation arrangements must not have a conflict of interest with respect to the compensation arrangement as specified in IRS Regulation Section 53.4958-6(c)(iii), which generally requires that each Board member or committee member approving a compensation arrangement between this organization and a "disqualified person" (as defined in Section 4958(f)(1) of the Internal Revenue Code and as amplified by Section 53.4958-3 of the IRS Regulations):

1. is not the person who is the subject of the compensation arrangement, or a family member of such person;
  2. is not in an employment relationship subject to the direction or control of the person who is the subject of the compensation arrangement;
  3. does not receive compensation or other payments subject to approval by the person who is the subject of the compensation arrangement;
  4. has no material financial interest affected by the compensation arrangement; and
  5. does not approve a transaction providing economic benefits to the person who is the subject of the compensation arrangement, who in turn has approved or will approve a transaction providing benefits to the Board or committee member.
- c. the Board or compensation committee shall obtain and rely upon appropriate data as to comparability prior to approving the terms of compensation. Appropriate data may include the following:
1. compensation levels paid by similarly situated organizations, both taxable and tax-exempt, for functionally comparable positions. "Similarly situated" organizations are those of a similar size, purpose, and with similar resources;
  2. the availability of similar services in the geographic area of this organization;
  3. current compensation surveys compiled by independent firms;
  4. actual written offers from similar institutions competing for the services of the person who is the subject of the compensation arrangement;

As allowed by IRS Regulation 4958-6, if this organization has average annual gross receipts (including contributions) for its three prior tax years of less than \$1 million, the Board or compensation committee will have obtained and relied upon appropriate data as to comparability if it obtains and relies upon data on compensation

paid by three comparable organizations in the same or similar communities for similar services.

- d. the terms of compensation and the basis for approving them shall be recorded in written minutes of the meeting of the Board or compensation committee that approved the compensation. Such documentation shall include:
1. the terms of the compensation arrangement and the date it was approved;
  2. the members of the Board or compensation committee who were present during debate on the transaction, those who voted on it, and the votes cast by each Board or committee member;
  3. the comparability data obtained and relied upon and how the data was obtained;
  4. If the Board or compensation committee determines that reasonable compensation for a specific position in this organization or for providing services under any other compensation arrangement with this organization is higher or lower than the range of comparability data obtained, the Board or committee shall record in the minutes of the meeting the basis for its determination;
  5. If the Board or committee makes adjustments to comparability data due to geographic area or other specific conditions, these adjustments and the reasons for them shall be recorded in the minutes of the Board or committee meeting;
  6. Any actions taken with respect to determining if a Board or committee member had a conflict of interest with respect to the compensation arrangement, and if so, actions taken to make sure the member with the conflict of interest did not affect or participate in the approval of the transaction (for example, a notation in the records that after a finding of conflict of interest by a member, the member with the conflict of interest was asked to, and did, leave the meeting prior to a discussion of the compensation arrangement and a taking of

the votes to approve the arrangement);

7. The minutes of Board or committee meetings at which compensation arrangements are approved must be prepared before the later of the date of the next Board or committee meeting or 60 days after the final actions of the Board or committee are taken with respect to the approval of the compensation arrangements. The minutes must be reviewed and approved by the Board and committee as reasonable, accurate, and complete within a reasonable period thereafter, normally prior to or at the next Board or committee meeting following final action on the arrangement by the Board or committee.

### **Section 6. Annual Statements**

Each director, principal officer, and member of a committee with governing Board delegated powers shall annually sign a statement which affirms such person:

- a. has received a copy of the conflicts of interest policy;
- b. has read and understands the policy;
- c. has agreed to comply with the policy; and
- d. understands the corporation is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

### **Section 7. Periodic Reviews**

To ensure the corporation operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- a. Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's-length bargaining.
- b. Whether partnerships, joint ventures, and arrangements with management organizations conform to the corporation's written policies, are properly recorded, reflect reasonable investment or

payments for goods and services, further charitable purposes, and do not result in inurement, impermissible private benefit, or in an excess benefit transaction.

### **Section 8. Use of Outside Experts**

When conducting the periodic reviews as provided for in Section 7, the corporation may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing Board of its responsibility for ensuring periodic reviews are conducted.

## **Article 10**

### **Amendment of Bylaws**

#### **Section 1. Amendment**

Except as may otherwise be specified under provisions of law, these Bylaws, or any of them, may be altered, amended, or repealed and new Bylaws adopted by approval of the Board of Directors.

## **Article 11**

### **Construction and Terms**

- a. If there is any conflict between the provisions of these Bylaws and the certificate of formation of this corporation, the provisions of the certificate of formation shall govern.
- b. Should any of the provisions or portions of these Bylaws be held unenforceable or invalid for any reason, the remaining provisions and portions of these Bylaws shall be unaffected by such holding.
- c. All references in these Bylaws to the certificate of formation shall be to the certificate of formation, articles of organization, certificate of incorporation, organizational charter, corporate charter, or other founding document of this corporation filed with an office of this state and used to establish the legal existence of this corporation.
- d. All references in these Bylaws to a section or sections of the Internal Revenue Code shall be to such sections of the Internal Revenue Code of 1986 as amended from time to time, or to

corresponding provisions of any future federal tax code.

**ADOPTION OF BYLAWS**

We, the undersigned, are all of the initial directors or incorporators of this corporation, and we consent to, and hereby do, adopt the foregoing Bylaws, consisting of 22 preceding pages, as the Bylaws of this corporation.

Dated: June 4, 2009

Kenneth W. Martin

President: \_\_\_\_\_

Rebecca L. Melançon

Vice President and Secretary-Treasurer:

\_\_\_\_\_

Thomas E. Spencer

Director: \_\_\_\_\_

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

DEPARTMENT OF THE TREASURY

Date: **SEP 21 2009**

AUSTIN INVESTIGATIVE REPORTING  
PROJECT  
C/O KENNETH W MARTIN  
509 E 38TH ST  
AUSTIN, TX 78705-1701

Employer Identification Number:

[REDACTED]

DLN:

17053230364029

Contact Person:

JOAN C KISER

ID# 31217

Contact Telephone Number:

(877) 829-5500

Accounting Period Ending:

December 31

Public Charity Status:

170(b)(1)(A)(vi)

Form 990 Required:

Yes

Effective Date of Exemption:

May 14, 2009

Contribution Deductibility:

Yes

Addendum Applies:

No

Dear Applicant:

We are pleased to inform you that upon review of your application for tax exempt status we have determined that you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code. Contributions to you are deductible under section 170 of the Code. You are also qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Code. Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

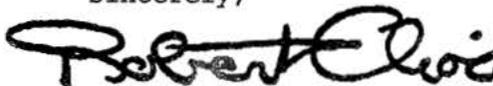
Organizations exempt under section 501(c)(3) of the Code are further classified as either public charities or private foundations. We determined that you are a public charity under the Code section(s) listed in the heading of this letter.

Please see enclosed Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, for some helpful information about your responsibilities as an exempt organization.

Letter 947 (DO/CG)

AUSTIN INVESTIGATIVE REPORTING

Sincerely,

A handwritten signature in black ink that reads "Robert Choi". The signature is written in a cursive style with a large, prominent "R" and "C".

Robert Choi  
Director, Exempt Organizations  
Rulings and Agreements

Enclosures: Publication 4221-PC

Letter 947 (DO/CG)