

17 5328002203

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

OMB No. 1545-0056

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

Read the instructions for each Part carefully  
A User Fee must be attached to this application.

If the required information and appropriate documents are not submitted along with Form 8718 (with payment of the  
appropriate user fee), the application may be returned to you  
Complete the Procedural Checklist on page 7 of the instructions.

**Part I Identification of Applicant**

<b>1a</b> Full name of organization (as shown in organizing document)  SOUTHERN NEW MEXICO COMMUNITY FOUNDATION		<b>2</b> Employer identification number (EIN) (If none, see page 2 of the instructions) Applied For  85-0455683	
<b>1b</b> c/o Name (if applicable)  RICHARD B. GREGORY		<b>3</b> Name and telephone number of person to be contacted if additional information is needed  RICH GREGORY (505) 522-0765	
<b>1c</b> Address (number and street)  2925 HUNTINGTON DR.		Room/Suite  	
<b>1d</b> City or town, state, and ZIP code  LAS CRUCES, NM 88003-5064		<b>4</b> Month the annual accounting period ends  DECEMBER	
<b>5</b> Date incorporated or formed  JUNE 19, 1996	<b>6</b> Activity codes (See page 3 of the instructions)  903, 602, 927	<b>7</b> Check here if applying under section: a <input type="checkbox"/> 501(e) b <input type="checkbox"/> 501(f) c <input type="checkbox"/> 501(k)	
<b>8</b> Did the organization previously apply for recognition of exemption under this Code section or under any other section of the Code? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," attach an explanation.			
<b>9</b> Is the organization required to file Form 990 (or Form 990-EZ)? <input type="checkbox"/> N/A <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "No," attach an explanation <input type="checkbox"/> No <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Cross receipts less than \$25,000			
<b>10</b> Has the organization filed Federal income tax returns or exempt organization information returns? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes" state the form numbers, years filed, and Internal Revenue office where filed.			

SEP 30 '98

OCT 05 '98

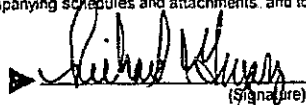
**11** Check the box for the type of organization. ATTACH A CONFORMED COPY OF THE CORRESPONDING ORGANIZING  
DOCUMENTS TO THE APPLICATION BEFORE MAILING. (See Specific Instructions for Part I, Line 11, on page 3.) Get  
Pub. 557, Tax-Exempt Status for Your Organization, for examples of organizational documents.

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

If the organization is a corporation or an unincorporated association that has not yet adopted bylaws, check here ☐

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

Please  
Sign  
Here

  
(Signature)

  
(Title or authority of signer)

9/21/98  
(Date)

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

**Part II** Activities and Operational Information

- 1 Provide a detailed narrative description of all the activities of the organization—past, present, and planned. Do not merely refer to or repeat the language in the organizational document. List each activity separately in the order of importance based on the relative time and other resources devoted to the activity. Indicate the percentage of time for each activity. Each description should include, as a minimum, the following: (a) a detailed description of the activity including its purpose and how each activity furthers your exempt purpose; (b) when the activity was or will be initiated; and (c) where and by whom the activity will be conducted.

The Corporation is organized and shall be operated exclusively to assist other organizations engaged in charitable, religious, educational and scientific purposes in the area of Southern New Mexico. It will serve as a fund raising entity for those small charitable organizations that cannot afford to hire professional development personnel.

Southern New Mexico, and specifically the cities of Las Cruces, Deming, Lordsburg, Anthony and Silver City, desperately need the services of these smaller charities. Yet, many of them are struggling for survival and are unable to deliver the level of charitable service that is needed.

The idea for this organization came out of several community meetings. Unfortunately, it has taken a long time to assemble the people who will support this effort.

The organization will also attempt to develop the concept of the donor-advised fund so that local area residents can support one or more area organizations.

No specific plans have been developed as yet. However, the directors of the organization include a tax lawyer with considerable experience in this type of planning and the executive director of the Memorial Medical Center Foundation which is one of the largest charitable organizations in the area and which has previously demonstrated a willingness to assist smaller charities.

- 2 What are or will be the organization's sources of financial support? List in order of size.

Contributions from individual donors and grants from governmental and charitable organizations

- 3 Describe the organization's fundraising program, both actual and planned, and explain to what extent it has been put into effect. Include details of fundraising activities such as selective mailings, formation of fundraising committees, use of volunteers or professional fundraisers, etc. Attach representative copies of solicitations for financial support.
- No fundraising program has yet been developed. It is anticipated that fundraising will be done on a community-wide basis with much participation from volunteers. No professional fundraisers will be used, at least at the beginning. No solicitation materials have been developed.

**Part II** Activities and Operational Information (Continued)**4** Give the following information about the organization's governing body:

a Names, addresses, and titles of officers, directors, trustees, etc.	b Annual compensation
Richard B. Gregory 2925 Huntington Dr. Las Cruces, NM 88011	0
Nancy Gregory 2925 Huntington Las Cruces, NM 88011	0
Patsy A. Duran 1675 S. Don Roser Las Cruces, NM 88011	0

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

- d** Are any members of the organization's governing body "disqualified persons" with respect to the organization (other than by reason of being a member of the governing body) or do any of the members have either a business or family relationship with "disqualified persons"? (See Specific Instructions for Part II, Line 4d, on page 3.) ☐ Yes ☒ No  
If "Yes," explain.

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

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

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

**Part II** Activities and Operational Information (Continued)

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

N/A

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

- 10a Will any of the organization's facilities or operations be managed by another organization or individual under a contractual agreement? ☐ Yes ☒ No
- b Is the organization a party to any leases? ☐ Yes ☒ No
- If either of these questions is answered "Yes," attach a copy of the contracts and explain the relationship between the applicant and the other parties.

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

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

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

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

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

b Does or will the organization limit its benefits, services, or products to specific individuals or classes of individuals? ☐ N/A ☐ Yes ☒ No

If "Yes," explain how the recipients or beneficiaries are or will be selected.

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

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

**Part III** Technical Requirements

- 1 Are you filing Form 1023 within 15 months from the end of the month in which your organization was created or formed? ☐ Yes ☒ No  
If you answer "Yes," do not answer questions on lines 2 through 7 below.

- 2 If one of the exceptions to the 15-month filing requirement shown below applies, check the appropriate box and proceed to question 8

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

- ☐ a Is a church, interchurch organization of local units of a church, a convention or association of churches, or an integrated auxiliary of a church. See Specific Instructions, Line 2a, on page 4;
- ☐ b Is not a private foundation and normally has gross receipts of not more than \$5,000 in each tax year; or
- ☐ c Is a subordinate organization covered by a group exemption letter, but only if the parent or supervisory organization timely submitted a notice covering the subordinate.

- 3 If the organization does not meet any of the exceptions on line 2 above, are you filing Form 1023 within 27 months from the end of the month in which the organization was created or formed? ☒ Yes ☐ No

If "Yes," your organization qualifies under section 4.01 of Rev. Proc. 92-85, 1992-2 C.B. 490, for an automatic 12-month extension of the 15-month filing requirement. Do not answer questions 4 through 7.

If "No," answer question 4.

- 4 If you answer "No" to question 3, has the organization been contacted by the IRS regarding its failure to file Form 1023 within 27 months from the end of the month in which the organization was created or formed? ☐ Yes ☒ No

If "No," your organization is requesting an extension of time to apply under the "reasonable action and good faith" requirements of section 5.01 of Rev. Proc. 92-85. Do not answer questions 5 through 7.

If "Yes," answer question 5.

- 5 If you answer "Yes" to question 4, does the organization wish to request relief from the 15-month filing requirement? ☐ Yes ☐ No

If "Yes," give the reasons for not filing this application prior to being contacted by the IRS. See Specific Instructions, Line 5 on page 4 before completing this item. Do not answer questions 6 and 7.

If "No," answer question 6.

- 6 If you answer "No" to question 5, your organization's qualification as a section 501(c)(3) organization can be recognized only from the date this application is filed with your key District Director. Therefore, do you want us to consider the application as a request for recognition of exemption as a section 501(c)(3) organization from the date the application is received and not retroactively to the date the organization was created or formed? ☐ Yes ☐ No

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

**Part III** Technical Requirements (Continued)

8 Is the organization a private foundation?

- ☐ Yes (Answer question 9.)  
☒ No (Answer question 10 and proceed as instructed.)

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

- ☐ Yes (Complete Schedule E.)  
☐ No

After answering question 9 on this line, go to line 15 on page 7.

10 If you answer "No" to question 8, indicate the public charity classification the organization is requesting by checking the box below that most appropriately applies:

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

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

If you checked one of the boxes a through f in question 10, go to question

15. If you checked box g in question 10, go to questions 12 and 13.

If you checked box h, i, or j, in question 10, go to question 11.

**Part III** Technical Requirements (Continued)

8 Is the organization a private foundation?

- ☐ Yes (Answer question 9.)  
☒ No (Answer question 10 and proceed as instructed.)

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

- ☐ Yes (Complete Schedule E.)  
☐ No

After answering question 9 on this line, go to line 15 on page 7.

10 If you answer "No" to question 8, indicate the public charity classification the organization is requesting by checking the box below that most appropriately applies:

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

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

If you checked one of the boxes a through f in question 10, go to question  
 15. If you checked box g in question 10, go to questions 12 and 13.  
 If you checked box h, i, or j, in question 10, go to question 11.

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**Part III** Technical Requirements (Continued)

- 11 If you checked box h, i, or j in question 10, has the organization completed a tax year of at least 8 months?
- ☐ Yes--Indicate whether you are requesting:
- ☐ A definitive ruling (Answer questions 12 through 15.)
- ☐ An advance ruling (Answer questions 12 and 15 and attach two Forms 872-C completed and signed.)
- ☒ No--You must request an advance ruling by completing and signing two Forms 872-C and attaching them to the application.

- 12 If the organization received any unusual grants during any of the tax years shown in Part IV-A, attach a list for each year showing the name of the contributor; the date and the amount of the grant; and a brief description of the nature of the grant application.
- N/A

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

a Enter 2% of line 8, column (e) total, of Part IV-A.

b Attach a list showing the name and amount contributed by each person (other than a governmental unit or "publicly supported" organization) whose total gifts, grants, contributions, etc., were more than the amount entered on line 13a above.

- 14 If you are requesting a definitive ruling under section 509(a)(2), check here ☐ and:
- a For each of the years included on lines 1, 2, and 9 of Part IV-A, attach a list showing the name of and amount received from each "disqualified person." (For a definition of "disqualified person," see Specific Instructions, Part II, Line 4d, on page 3.)
- b For each of the years included on line 9 of Part IV-A, attach a list showing the name of and amount received from each payer (other than a "disqualified person") whose payments to the organization were more than \$5,000. For this purpose, "payer" includes, but is not limited to, any organization described in sections 170(b)(1)(A)(i) through (vi) and any governmental agency or bureau.

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

Is the organization a church?

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

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

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

Is the organization a private operating foundation?

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

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

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

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

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



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Page 8

**Part IV** Financial Datayear  
98

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

**A. Statement of Revenue and Expenses**

	Current tax year	3 prior tax years or proposed budget for 2 years			(e) TOTAL
	(a) From 12/31/97 to 12/31/99	(b) 1/1/2000 to 12/31/2000	(c) 1/1/2001 to 12/31/2001	(d) _____	
<b>Revenue</b>					
1 Gifts, grants, and contributions received (not including unusual grants - see page 6 of the instructions)	5,000	7,500	10,000		22,500
2 Membership fees received	0	0			0
3 Gross investment income (see instructions for definition)	0	500	750		1,250
4 Net income from organization's unrelated business activities not included on line 3	0	0			0
5 Tax revenues levied for and either paid to or spent on behalf of the organization	0	0			0
6 Value of services or facilities furnished by a governmental unit to the organization without charge (not including the value of services or facilities generally furnished the public without charge)	0	0			0
7 Other income (not including gain or loss from sale of capital assets) (attach schedule)	0	0			0
8 Total (add lines 1 through 7)	5,000	8,000	10,750		23,750
9 Gross receipts from admissions, sales of merchandise or services, or furnishing of facilities in any activity that is not an unrelated business within the meaning of section 513. Include related cost of sales on line 22.	0	0			0
10 Total (add lines 8 and 9)	5,000	8,000	10,750		23,750
11 Gain or loss from sale of capital assets (attach schedule)	0	0			0.00
12 Unusual grants	0	0			0
13 Total revenue (add lines 10 through 12)	5,000	8,000	10,750		23,750
<b>Expenses</b>					
14 Fundraising expenses	0	500	1,000		0
15 Contributions, gifts, grants, and similar amounts paid (attach schedule)	0	0	0		0.00
16 Disbursements to or for benefit of members (attach schedule)	0	0	0		0
17 Compensation of officers, directors, and trustees (attach schedule)	0	0	0		0
18 Other salaries and wages	0	0	0		0
19 Interest	0	0	0		0
20 Occupancy (rent, utilities, etc.)	0	0	0		0
21 Depreciation and depletion	0	0	0		0
22 Other (attach schedule)	0	0	0		0
23 Total expenses (add lines 14 through 22)	0	500	1,000		0
24 Excess of revenue over expenses (line 13 minus line 23)	5,000	7,500	9,750		0

**Part IV****Financial Data (Continued)**

<b>B. Balance Sheet (at the end of the period shown)</b>		Current tax year Date <b>JAN 98</b>
<b>Assets</b>		
1 Cash .....	1	0
2 Accounts receivable, net .....	2	0
3 Inventories .....	3	0
4 Bonds and notes receivable (attach schedule) .....	4	0
5 Corporate stocks (attach schedule) .....	5	0
6 Mortgage loans (attach schedule) .....	6	0
7 Other investments (attach schedule) .....	7	0
8 Depreciable and depletable assets (attach schedule) .....	8	0
9 Land .....	9	0
10 Other assets (attach schedule) .....	10	0
11 <b>Total assets (add lines 1 through 10)</b> .....	11	0.00
<b>Liabilities</b>		
12 Accounts payable .....	12	0
13 Contributions, gifts, grants, etc., payable .....	13	0
14 Mortgages and notes payable (attach schedule) .....	14	0
15 Other liabilities (attach schedule) .....	15	0
16 <b>Total liabilities (add lines 12 through 15)</b> .....	16	0.00
<b>Fund Balances or Net Assets</b>		
17 <b>Total fund balances or net assets</b> .....	17	0
18 <b>Total liabilities and fund balances or net assets (add line 16 and line 17)</b> .....	18	0.00

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

OFFICE OF  
**THE STATE CORPORATION COMMISSION**

CERTIFICATE OF INCORPORATION

OF  
SOUTHERN NEW MEXICO COMMUNITY FOUNDATION

1803964

The State Corporation Commission certifies that duplicate originals of the Articles of Incorporation attached hereto, duly signed and verified pursuant to the provisions of the  
NONPROFIT CORPORATION ACT  
(53-8-1 to 53-8-99 NMSA 1978)  
have been received by it and are found to conform to law.

Accordingly, by virtue of the authority vested in it by law, the State Corporation Commission issues this Certificate of Incorporation and attaches hereto a duplicate original of the Articles of Incorporation.

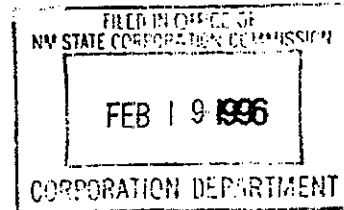
Dated: JUNE 19, 1996

In Testimony Whereof, the State Corporation Commission of the State of New Mexico has caused this certificate to be signed by its Chairman and the Seal of said Commission to be affixed at the City of Santa Fe



*Gloria Tristano*  
Chairman  
*Michael H. [Signature]*  
Director

1803964



## ARTICLES OF INCORPORATION

OF

### SOUTHERN NEW MEXICO COMMUNITY FOUNDATION

The undersigned, a citizen of the United States of America, acting as an incorporator of a corporation under the New Mexico Non-Profit Corporation Act, adopts the following Articles of Incorporation for the corporation:

#### ARTICLE I

##### NAME

The name of the corporation will be SOUTHERN NEW MEXICO COMMUNITY FOUNDATION.

#### ARTICLE II

##### DURATION

The period of the corporation's duration is perpetual.

#### ARTICLE III

##### PURPOSE

A. The Corporation is organized and shall be operated exclusively for charitable, religious, educational and scientific purposes; to engage in activities relating to these purposes; to directly assist organizations engaged in these activities and to facilitate their charitable, religious, educational and scientific purposes; and to invest in, receive, hold, use and dispose of all property, real or personal, as may be necessary or desirable to carry into effect the aforementioned purposes.

B. No part of the net earnings of the corporation shall inure to the benefit of any Director or officer of the corporation or any private individual (except that reasonable compensation may be paid for services rendered to or for the corporation effecting one or more of its purposes), and no Director or officer of the corporation, or any private individual, shall be entitled to share in the distribution of any of the corporate assets upon dissolution of the corporation.

#### ARTICLE IV

##### RESTRICTIONS

A. No substantial part of the activities of the corporation shall consist of attempting to influence legislation, and the corporation shall not participate in, or intervene in (including the publication or distribution of statements), any political campaign on behalf of any candidate for public office.

B. The corporation shall not conduct or carry on any activities not permitted to be conducted or carried on by any organization exempt under Internal Revenue Code (Code) Section 501(c)(3) and its Regulations as they now exist or as they may be hereafter amended, or by any organization to which contributions are deductible under Code Section 170(c)(2) and Regulations as they now exist or as they may hereafter be amended.

#### ARTICLE V DISSOLUTION

Upon the dissolution of the corporation or the winding up of its affairs, the assets of the corporation, after the payment or provision for the payment of all the liabilities of the corporation, shall be distributed to an organization which is exempt from federal income taxation under Code Section 501(c)(3) and its Regulations which is selected by the Board of Directors. If this process does not result in the disposition of all of the assets of the corporation, then the court of applicable jurisdiction of the county in which the principal office of the corporation is then located shall determine which such organizations shall receive the balance of the assets of the corporation.

#### ARTICLE VI BYLAWS

Provisions for the regulation of the internal affairs of the corporation shall be set forth in the Bylaws of the corporation.

#### ARTICLE VII REGISTERED OFFICE AND AGENT

The address of the initial registered office is 2925 Huntington Dr., Las Cruces, NM 88011. The name of the registered agent at this address is RICHARD B. GREGORY.

#### ARTICLE VIII BOARD OF DIRECTORS

The number of Directors constituting the initial Board of Directors are three (3), and the names and addresses of those who are to serve as the initial Board of Directors are:

<u>Name</u>	<u>Address</u>
RICHARD B. GREGORY	2925 Huntington Dr. Las Cruces, NM 88011
NANCY GREGORY	2925 Huntington Dr. Las Cruces, NM 88011
PATSY A. DURAN	1675 S. Don Roser Las Cruces, NM 88011

ARTICLE IX  
MEMBERS

There shall be no members of the Corporation. All responsibility and function shall be vested in the Board of Directors.

ARTICLE X  
INCORPORATOR

The name and address of the incorporator is as follows:

RICHARD B. GREGORY  
2925 Huntington Dr.  
Las Cruces, NM 88011

IN WITNESS WHEREOF, I have signed my name this 18<sup>th</sup> day of JUNE, 1996.

Richard B. Gregory  
Incorporator

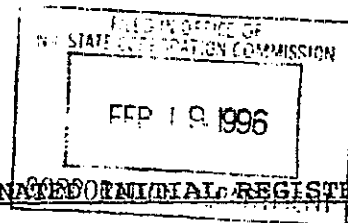
STATE OF NEW MEXICO       )  
                                  ) ss.  
COUNTY OF DONA ANA       )

The foregoing instrument was subscribed and acknowledged before me this 18<sup>th</sup> day of June, 1996, by RICHARD B. GREGORY.

Lynda Taylor  
Notary Public

My commission expires:

7-9-97



AFFIDAVIT OF ACCEPTANCE OF APPOINTMENT BY DESIGNATED INITIAL REGISTERED AGENT

To the State Corporation Commission  
State of New Mexico

STATE OF NEW MEXICO       )  
                                      ) ss.  
COUNTY OF DONA ANA       )

On this 18th day of JUNE, 1996, before me, a Notary Public in and for the State and County aforesaid, personally appeared RICHARD B. GREGORY, who is to me known to be the person and who, being by me duly sworn, acknowledged to me that he does hereby accept his appointment as the initial Registered Agent of SOUTHERN NEW MEXICO COMMUNITY FOUNDATION, the Corporation which is named in the annexed Articles of Incorporation, and which is applying for a Certificate of Incorporation pursuant to the provisions of the Non-Profit Corporation Act of the State of New Mexico.

Richard Gregory  
REGISTERED AGENT

SUBSCRIBED AND SWORN TO before me this 18th day of June, 1996.

Lynne Taylor  
NOTARY PUBLIC

My Commission Expires:

7-9-97



OFFICE OF THE  
PUBLIC REGULATION COMMISSION

CERTIFICATE OF AMENDMENT

OF

SOUTHERN NEW MEXICO COMMUNITY FOUNDATION

3178829

The Public Regulation Commission certifies that duplicate originals of the Articles of Amendment attached hereto, duly signed and verified pursuant to the provisions of the  
NONPROFIT CORPORATION ACT  
(53-8-1 to 53-8-99 NMSA 1978)  
have been received by it and are found to conform to law.

Accordingly, by virtue of the authority vested in it by law, the Public Regulation Commission issues this Certificate of Amendment and attaches hereto a duplicate original of the Articles of Amendment.

Dated: MARCH 25, 1999

In testimony whereof, the State Public Regulation Commission of the State of New Mexico has caused this certificate to be signed by its Chairman and the seal of said Commission to be affixed at the City of Santa Fe

*Lynette M. Louie*  
Chairman  
*Neena Condon*  
Bureau Chief



ARTICLES OF AMENDMENT TO THE  
ARTICLES OF INCORPORATION  
OF

SOUTHERN NEW MEXICO COMMUNITY FOUNDATION



Pursuant to Section 53-8-35 and Section 53-8-37 N.M.S.A., as part of the New Mexico Non-Profit Corporation Act, the undersigned Non-Profit Corporation adopts the following Articles of Amendment to its Articles of Incorporation:

- - ARTICLE I  
NAME

The name of the corporation is SOUTHERN NEW MEXICO COMMUNITY FOUNDATION.

ARTICLE II  
AMENDMENT

Article III Paragraph A of the Articles of Incorporation is amended to read as follows:

A. The Corporation is organized and shall be operated exclusively for charitable, religious, educational and scientific purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code; to engage in activities relating to these purposes; to directly assist organizations engaged in these activities and to facilitate their charitable, religious, educational and scientific purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code; and to invest in, receive, hold, use and dispose of all property, real or personal, as may be necessary or desirable to carry into effect the aforementioned purposes.

ARTICLE III  
ADOPTION OF AMENDMENTS BY BOARD OF DIRECTORS

There are no Members of the Corporation. The Amendment was adopted by unanimous vote of the Board of Directors at a consent meeting held on February 11, 1999.

Dated: February 11, 1999

FEB 24 1999

SOUTHERN NEW MEXICO COMMUNITY FOUNDATION

By Richard B. Gregory  
RICHARD B. GREGORY, President

By Nancy Gregory  
NANCY GREGORY, Secretary

STATE OF NEW MEXICO     )  
                                  ) ss.  
COUNTY OF DONA ANA     )

The foregoing Articles of Amendment to the Articles of Incorporation were signed and acknowledged before me this 11 day of February, 1999, by RICHARD B. GREGORY, President of SOUTHERN NEW MEXICO COMMUNITY FOUNDATION.

Guadalupe Crespo  
Notary Public

My commission expires:

February 27, 1999  
200362

STATE OF NEW MEXICO     )  
                                  ) ss.  
COUNTY OF DONA ANA     )

The foregoing Articles of Amendment to the Articles of Incorporation were signed and acknowledged before me this 11 day of February, 1999, by NANCY GREGORY, Secretary of SOUTHERN NEW MEXICO COMMUNITY FOUNDATION.

Guadalupe Crespo  
Notary Public

My commission expires:

February 27, 1999  
200362



BYLAWS  
OF  
SOUTHERN NEW MEXICO COMMUNITY FOUNDATION  
A New Mexico Nonprofit Corporation

ARTICLE I.  
NAME, SEAL AND OFFICES

A. Name. The name of this Nonprofit Corporation is SOUTHERN NEW MEXICO COMMUNITY FOUNDATION.

B. Seal. The Corporation shall have a common seal and around the circumference of the seal shall appear the words SOUTHERN NEW MEXICO COMMUNITY FOUNDATION. However, no instrument executed by officers of this Corporation need bear any seal, unless required by law.

C. Offices. The Corporation shall maintain its principal office at 2925 Huntington Dr., Las Cruces, New Mexico 88011, but may have offices and transact business at such other places as the Board of Directors may from time to time appoint or the purposes of the Corporation may require.

ARTICLE II.  
MEMBERS

There shall be no members of the Corporation. All responsibility and function shall be vested in the Board of Directors.

ARTICLE III.  
PURPOSE

The purposes for which this Corporation is organized are stated in the Articles of Incorporation. The essence of these purposes are that this Corporation is to be operated exclusively for charitable, religious, educational and scientific purposes. The Directors of the Corporation will endeavor to raise funds and manage those funds for these stated purposes.

ARTICLE IV. )  
BOARD OF DIRECTORS

A. Powers. Subject to the limitations of the Articles of Incorporation of the Corporation these Bylaws and the laws of the State of New Mexico, the affairs of the Corporation shall be managed by the Board of Directors.

B. Number and Qualification. The authorized number of Directors of the Corporation shall be three (3), provided, however, that such authorized number may be changed [but in no event to a number less than three (3)] by an amendment of these Bylaws duly adopted by an action of the Board of Directors of the Corporation. Directors need not be residents of the State of New Mexico.

C. Election and Term of Office. The Directors shall be elected at each annual meeting of the Board of Directors by the Board. Each director shall

hold office for one (1) year and until a successor is elected and qualified, or until the director's death, resignation or removal. Directors may be reelected to serve more than one term in office.

D. Resignation. A Director may resign at any time by giving written notice to the Secretary of the Corporation who shall advise the Board of Directors of the resignation. The resignation shall take effect at the time it specifies, or, if no time is specified, then upon receipt of the resignation by the Secretary of the Corporation. Unless specified in the resignation letter, acceptance of the resignation shall not be necessary to make it effective.

E. Removal. Any individual Director may be removed from office, with or without cause, by a two-thirds (2/3) vote of the Board of Directors.

F. Vacancies. A vacancy or vacancies in the Board of Directors occurring for any reason, including an increase in the authorized number of Directors, may be filled by the action of the Board of Directors of the Corporation. Each Director so elected shall hold office for the unexpired portion of the term he or she was elected to fill and until a successor is elected and qualified, or until death, resignation or removal.

G. Regular meetings. Regular meetings of the Board of Directors of the Corporation shall be held at such time and place as the Board of Directors may designate. An annual meeting of the Board of Directors shall be held without other notice than this Bylaw on November 15th of each year at the principal office of the Corporation at 5:00 PM for the purpose of electing a successor Board of Directors and for the transaction of such other business as may come before the meeting. In the event of failure, through oversight or otherwise, to hold the annual meeting of Directors in any year on the date specified, the meeting, upon waiver of notice or upon due notice, may be held at a later date, and any election had or business transacted at such meeting shall be as valid and effective as if had or transacted at the annual meeting on the date specified.

H. Special Meetings. Special meetings of the Board of Directors for any purpose or purposes shall be held whenever called by the Board of Directors or by the president of the Corporation, or if the president is absent or is unable or refuses to act, by any Vice-President or by any two (2) Directors.

I. Place of Meetings. Meetings of the Board of Directors shall be held at any place within or outside the State of New Mexico which may be designated from time to time by the Board of Directors. In the absence of such designation, meetings of the Board of Directors shall be held at the principal office of the Corporation.

J. Notices. Notice of any regular or special meeting of the Board of Directors (other than the annual meeting described in Paragraph G), in each case specifying the place, date and hour of the meeting, shall be given to each Director by delivering notice, orally or in writing, not more than twenty-five (25) days prior to the date of the meeting, but at least twenty-four (24) hours before the time set for the meeting or, if

notification is by mail, by mailing such notice at least seventy-two (72) hours before the time set for such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, with postage prepaid, addressed to the Director at the address shown on the records of the corporation.

K. Waiver of Notice. The transactions of any meeting of the Board of Directors, however called and noticed or wherever held, shall be as valid as though had at a meeting duly held after regular call and notice if a quorum is present and if, either before or after the meeting, a written waiver of notice of the meeting containing the same information as would have been required to be included in a proper notice of the meeting, is signed by (a) each Director not present at the meeting, and (b) each Director present at the meeting who objected to the transaction of any business because the meeting was not lawfully called or convened. All such waivers shall be filed with and made a part of the minutes of the meeting.

L. Action Without Meeting. Any action which may be taken at a meeting of the Board of Directors may be taken without a meeting if all the Directors consent in writing to such action. Action by written consent shall have the same force and effect as the unanimous vote of the Directors.

M. Quorum. A majority of the Directors in office shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be the act or decision of the Board of Directors, unless the law, Articles of Incorporation, or these Bylaws require a greater proportion.

N. Adjournment. Any meeting of the Board of Directors, whether regular or special, and whether or not a quorum is present, may be adjourned from time to time by the vote of a majority of the Directors present. Notice of the time and place of an adjourned meeting need not be given to absent Directors if the time and place are fixed at the meeting adjourned. At any such adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted at the meeting adjourned.

O. Organization. The President of the Corporation, or in the President's absence, a Chairman chosen by a majority of the Directors present, shall act as Chairman at every meeting of the Board of Directors. The Secretary of the Corporation, or in the Secretary's absence any person appointed by the Chairman of the meeting, shall act as Secretary of the meeting.

P. Compensation. Directors shall not receive any compensation for their services. Upon resolution of the Board of Directors, Directors may receive reimbursement of expenses of attendance at any meetings of the board.

#### ARTICLE V. OFFICERS

A. Officers and Qualifications. The officers of this Corporation shall consist of a President, one (1) or more Vice-Presidents (the number to be determined by the Board of Directors from time to time), a Secretary and a Treasurer, each of whom shall be elected annually by the Board from their

own Board of Directors. The Board may also appoint an Executive Director and one or more assistant secretaries and assistant treasurers. Each officer shall serve until a successor shall be elected or appointed and has qualified. Each officer shall perform the duties usually pertaining to the respective offices and such other duties as may from time to time be prescribed by the Board of Directors or required by the Bylaws.

**B. Duties of Officers.**

1. The President shall preside at all meetings and perform any other duties prescribed by the Board of Directors. The President shall sign all contracts and other documents which have been approved by the Board of Directors and shall draw checks upon the Treasury when directed by the Board of Directors.

2. In the absence of the President or upon the President's inability to act, the Vice-President shall perform all of the functions of the President. In the event of a permanent vacancy in the office of President due to death, resignation or removal, the Vice-President shall become the President until the Board of Directors appoints a successor. The Vice-President shall perform any other duties prescribed by the Board of Directors.

3. The Secretary shall keep a full and complete record of the proceedings of the Board of Directors; shall keep the seal of the Corporation and affix the seal to such papers and instruments as may be required in the regular course of business; shall make service of such notices as may be necessary or proper; shall supervise and control the keeping of the books and accounts of the Corporation; and shall discharge other duties as pertain to the office or as prescribed by the Board of Directors.

4. The Treasurer shall have charge of and be responsible for all funds, securities, receipts and disbursements of the Corporation and shall deposit or cause to be deposited in the name of the Corporation all monies or valuable effects in the banks, trust companies or depositories from time to time selected by the Board of Directors. The Treasurer shall give such fidelity bond as the Board of Directors shall designate, premiums of which shall be paid out of the funds of the Corporation. In general, the Treasurer shall perform all the duties ordinarily incident to the office of a Treasurer of a corporation and any other duties assigned by the Board of Directors. Upon expiration of his or her term of office, the Treasurer shall turn over to the successor all funds and records of the Corporation in the Treasurer's possession or custody or under his or her control pertaining to the affairs of the office of Treasurer. The signatures of both the President (or the Executive Director, if appointed) and the Treasurer shall be required to issue checks. The Treasurer shall prepare, or have prepared, regular financial statements, tax forms and reports, and annual tax forms and reports. The Treasurer may employ such personnel as may be needed, subject to Board approval, to assist in these duties.

5. The Executive Director, if appointed, shall be an employee of the Corporation. The Executive Director shall be the Chief Operating Officer of the Corporation with all consistent authority and responsibility. The

Executive Director shall be empowered to execute documents on behalf of the Corporation and generally carry out the objectives of the Corporation and shall report directly to the Board of Directors. Terms of employment, including compensation, shall be set by the Board of Directors.

ARTICLE VI.  
FISCAL YEAR

The fiscal year of the Corporation shall commence on January 1st of each year (except 1996) and end on December 31st of each year.

ARTICLE VII.  
PROHIBITION AGAINST SHARING IN CORPORATE EARNINGS

No Director, officer or employee of, or member of a committee, or person connected with this Corporation or any other private individual shall receive at any time any of the net earnings, or pecuniary profit from the operations of the Corporation, except as provided in Article IV Paragraph P, and no such person shall be entitled to share in the distribution of any corporate assets upon dissolution of the Corporation.

ARTICLE VIII.  
DISSOLUTION

In the event of dissolution, the assets of the Corporation, after all debts have been satisfied, then remaining in the hands of the Board of Directors shall be distributed, transferred, conveyed, delivered and paid over, in such amounts as the Board of Directors may determine subject to the provisions set forth in the Articles of Incorporation to an organization or organizations which are organized and operated exclusively for charitable, educational, religious or scientific purposes as specified in the Internal Revenue Code of 1986 (the "Code"), as amended from time to time, which are exempt and which are selected by the Board of Directors. If this process does not result in the disposition of all the assets of the Corporation, then the court of applicable jurisdiction of the county in which the principal office of the Corporation is then located shall determine which such organizations shall receive the balance of the assets of the Corporation.

ARTICLE IX. !  
EXEMPT ACTIVITIES

No Director, officer, employee or representative of this Corporation shall take any action or carry on any activity by or on behalf of the Corporation not permitted to be taken or carried on by an organization exempt under Code Section 501(c)(3) and its Regulations as they now exist or may hereafter be amended, or by organizations contributions to which are deductible under Code Section 170(c)(2) and its regulations as they now exist or may hereafter be amended. No such person shall engage in any activity which may result in this Corporation being considered a "private foundation" under Code Section 509.

ARTICLE X.  
AMENDMENTS

The Board of Directors shall have power to make, alter, amend and repeal the Bylaws of the Corporation.

The undersigned President and Secretary of the Corporation, known as the SOUTHERN NEW MEXICO COMMUNITY FOUNDATION, do hereby certify that the above and foregoing Bylaws were duly adopted by the Board of Directors of the Corporation as the Bylaws of the Corporation on the 18th day of July, 1972, and that they do now constitute the Bylaws of the Corporation.

Wm. J. Gregory  
SECRETARY

Richard H. Ligen  
PRESIDENT



1705328002203

**Form 8718**(Rev. January 1998)  
Department of the Treasury  
Internal Revenue Service**User Fee for Exempt Organization  
Determination Letter Request**▶ Attach this form to determination letter application.  
(Form 8718 is NOT a determination letter application.)

For IRS Use Only

Control number 150  
Amount paid CD  
User fee screener1 Name of organization  
**Southern New Mexico Community Foundation**2 Employer Identification Number  
**AG 111-1111**

Caution: Do not attach Form 8718 to an application for a pension plan determination letter. Use Form 8717 instead.

**3 Type of request****a** ☒ Initial request for a determination letter for:

• An exempt organization that has had annual gross receipts averaging not more than \$10,000 during the preceding 4 years, or

• A new organization that anticipates gross receipts averaging not more than \$10,000 during its first 4 years ▶ **\$150**  
Note: If you checked box 3a, you must complete the Certification below.**35-0455682 Fee****Certification**I certify that the annual gross receipts of **Southern New Mexico Community Foundation**  
name of organization

have averaged (or are expected to average) not more than \$10,000 during the preceding 4 (or the first 4) years of operation.

Signature ▶ **Richard Kuyper**Title ▶ **President****b** ☐ Initial request for a determination letter for:

• An exempt organization that has had annual gross receipts averaging more than \$10,000 during the preceding 4 years, or

• A new organization that anticipates gross receipts averaging more than \$10,000 during its first 4 years ▶ **\$500****c** ☐ Group exemption letters ▶ **\$500****Instructions**

The law requires payment of a user fee with each application for a determination letter. The user fees are listed on line 3 above. For more information, see Rev. Proc. 98-8, 1998-1, I R B 225

Check the box on line 3 for the type of application you are submitting. If you check box 3a, you must complete and sign the certification statement that appears under line 3a.

Attach to Form 8718 a check or money order payable to the Internal Revenue Service for the full amount of the user fee. If you do not include the full amount, your application will be returned. Attach Form 8718 to your determination letter application.

Send the determination letter application and Form 8718 to:

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

If you are using express mail or a delivery service, send the application and Form 8718 to:

Internal Revenue Service  
201 West Rivercenter Blvd.  
Attn: Extracting Stop 3125  
Covington, KY 41011

Attach Check or Money Order Here

POSTMARK

RECEIVED

SEP 30 '98

OCT 05 '98

CINCINNATI  
SERVICE CENTER

INTERNAL REVENUE SERVICE  
40 W. BASELINE ROAD  
TEMPE, AZ 85283

DEPARTMENT OF THE TREASURY

Date: January 8, 1999

Employer Identification Number:  
85-0455682

Southern New Mexico  
Community Foundation  
Richard B Gregory  
2925 Huntington Dr  
Las Cruces NM 88003-5064

Contact Person:  
MICHAEL ROSS, MC 4900 TEM  
Contact Telephone Number:  
(602) 207-8296  
Response Due Date:  
January 29, 1999

Dear Applicant:

Before we can determine whether your organization is exempt from Federal income tax, we must have enough information to show that you have met all legal requirements. You did not include the information needed to make the determination on your Form 1023, Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code.

To help us determine whether your organization is exempt from Federal income tax, please send us the requested information by the above date. We can then complete our review of your application.

If we do not hear from you within that time, we will assume you do not want us to consider the matter further and will close your case. In that event, as required by Code section 6104(c), we will notify the appropriate state officials that, based on the information we have, we cannot recognize you as an organization of the kind described in Code section 501(c)(3). As a result, the Internal Revenue Service will treat your organization as a taxable entity. If we receive the information after the response due date, we may ask you to send us a new Form 1023.

In addition, if you do not provide the requested information in a timely manner, we will consider that you have not taken all reasonable steps to secure the determination you requested. Under Code section 7428(b)(2), your not taking all reasonable steps in a timely manner to secure the determination may be considered as failure to exhaust administrative remedies available to you within the Service. Therefore, you may lose your rights to a declaratory judgement under Code section 7428.

Please mail the information requested in this letter to the following address:

ATTN: Michael Ross MC 4900 TEM  
Internal Revenue Service  
40 W. Baseline Road  
Tempe, AZ 85283

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

Thank you for your cooperation.

Sincerely yours,



Michael A. Ross  
Exempt Organization Specialist

cc:

Letter 1312(DO/CG)

1. The tax year on the 872-C submitted with the application is incorrect. Please provide an 872-C with the correct date. The correct date should be December 31, 1996.

2. To be considered for tax-exempt status under section 501(c)(3), an organization must be both organized and operated exclusively for one or more of the purposes specified in that section. Also, its activities must be restricted to those permitted a section 501(c)(3) organization and its assets in operation and upon dissolution must be permanently dedicated to a section 501(c)(3) purpose.

Your organizational document does not meet the organizational test of section 501(c)(3) and, therefore, must be amended. Your Article III, for example, states the corporation is organized for educational purposes. Since not all educational purposes are necessarily tax exempt this statement must be changed to include "...educational purposes within the meaning of section 501(c)(3) of the Internal Revenue Code."

Please amend your articles to include the underlined phrase above after "and scientific purposes" in your articles.

You must submit a copy of the Articles of Amendment along with a certificate from the state authorities showing the date the amendments were approved by the state.

3. Page 8 of the application asks for financial information of the organization. In cases where no financial information is available, proposed budgets for the following two years are required. Please provide these at this time.

4. Charitable organizations may make distributions to nonexempt organizations. The funds must be used for specific projects that further the purposes of the charitable organization. Also, the charitable organization must retain discretion and control the use of the funds and maintain records establishing the funds are used for charitable purposes. Rev. Rul. 68-489, 1968-2 C.B. 210

Please provide a statement that either your organization will either only distribute funds to organizations recognized by the Internal Revenue Service as tax exempt under Section 501(c)(3) or that it will comply with the requirements of Rev. Rul. 68-489 when making distributions to nonexempt organizations.

5. The application states it will attempt to develop the concept of the donor-directed fund. No other information is provided. Either:

a) Provide a statement that the activity of donor-directed funds has not been developed enough, or can not be described enough at this time, and the organization does not wish the IRS to consider this at this time. In the event the organization wishes to start this activity in the future, it will notify the IRS so we may consider the effect of the change on your exempt status. or,

b) Describe this program in detail so we may determine the effect of this activity on your tax-exempt status. Please see the attached articles for specific requirements. Include all items required by the attachments, so we may make this determination.

6. A board of directors that includes representatives from the community is an indication that the organization will serve public purposes rather than private interests. Do you plan to expand your board to include nonrelated members of the community? Provide details.

Please submit the names and qualifications of the board members. What is the occupation of each of your board members? Explain any relationship (blood, marriage, co-habitant, etc.) between your officers, director, trustees, etc. State whether any of your officers, directors, or trustees have business relationships with you or financial interests in businesses that do business with you.

7. The application states you will assist other organizations. Will this assistance be restricted to fund-raising only? If not, describe the other assistance you will provide in detail.

8. Provide more details as to how this organization will perform fund-raising for other organizations. Provide specific examples. You may wish to look over Publication 598, to see if the organization will be liable for Unrelated Business Income Tax.

Answers to these questions must be accompanied by the following declaration:

"Under penalties of perjury, I declare that I have examined this request including accompanying documents, and, to the best of my knowledge and belief, the facts presented in support of this request are true, correct, and complete."

The declaration must be signed by an officer of the organization who has knowledge of the facts, and not an authorized representative. Supporting affidavits by an authorized representative or other person must also be accompanied by a comparable declaration.

**RICHARD B. GREGORY, P.C.**

P.O. Box 5064  
Las Cruces, New Mexico 88003-5064

**Attorney At Law**

Telephone: (505) 522-0765  
(800) 755-0765  
Facsimile: (505) 522-0006

February 11, 1999

Internal Revenue Service  
40 W. Baseline Road  
Tempe, AZ 85283

ATTN: Michael Ross MC 4900 TEM

RE: Southern New Mexico Community Foundation  
85-0455682

Dear Mr. Ross:

This letter is the organization's response to your request dated January 8, 1999. It is being sent so that you receive it by February 12, 1999, the extended due date that you granted earlier. Even though the letter is on my law firm stationery, this response is being made in my capacity as President of the organization. A Penalty of Perjury Statement is included. I will respond to your questions in order.

1. A corrected Form 872-C in duplicate is attached.
2. A copy of the Articles of Amendment showing the change in Article III adding "educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code" is attached. These Articles will be filed with the New Mexico Public Regulation Commission either today or tomorrow. I will send the Certificate showing the date the amendments were approved as soon as I receive it.
3. A new Part IV (Financial Data) is attached showing projections for 1999 and 2000. It is anticipated that there will be no paid staff during this time, so expenses are minimal. We do anticipate that there will be staff members by the beginning of 2001.
4. For the foreseeable future, this organization will only distribute funds to organizations recognized by the Internal Revenue Service as tax exempt under Section 501(c)(3). If a change in policy is made, the Internal Revenue Service will be notified, and the organization will then comply with the requirements of Rev. Rul. 68-489.
5. The organization has not developed the activity of donor-directed funds at this time. Therefore, the organization does not wish the IRS to consider the concept of donor-directed funds for this organization at this time. When the organization

decides to start this activity in the future, it will notify the IRS so that the IRS may consider the effect of the change on its exempt status.

6. The formation of this organization was a direct outgrowth of a discussion by the Memorial Medical Center Foundation [a public Section 501(c)(3) organization which supports health care in our community] Board of Directors (a community based group of about 60 persons) regarding an expansion of its mission. The intent was to begin a broad base of service to the entire area of Southern New Mexico. It is anticipated that this organization will be combined with, controlled by or operated in conjunction with the Memorial Medical Center Foundation in the future. That has not happened as yet. However, the organization will expand its board to include nonrelated members of the community as soon as it starts receiving contributions. The new Board members will likely be chosen primarily from current and former members of the Memorial Medical Center Foundation Board of Directors. The current members of the Board and their qualifications are as follows:

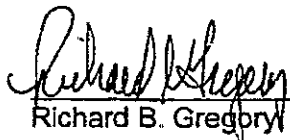
- a. Richard B. Gregory is an attorney and certified public accountant. He is currently the attorney for the Memorial Medical Center Foundation (on a volunteer basis). He has a tax and estate planning law practice and has many years of experience in advising and serving on charitable boards of directors.
- b. Nancy Gregory is a former teacher with a Masters degree in Education. She currently is the Business Manager for Richard B. Gregory, P.C. She is married to Richard B. Gregory.
- c. Patsy Duran is the Executive Director of the Memorial Medical Center Foundation. She is also the current President of the Las Cruces Chamber of Commerce and a former member of the Las Cruces School Board.

None of the current officers and directors has any business relationship with the organization or any financial interest in any business that does business with the organization.

7. One of the organization's goals is to assist small charitable organizations in the area that do not have the means or capability to handle all the compliance and management issues that they face. In keeping with the tradition of Memorial Medical Center Foundation, the organization will attempt to educate executive directors and board members of these charities as to their legal and fund-raising responsibilities. In addition, it is anticipated that specific expertise would be provided to these organizations with regard to sophisticated fund-raising activities, especially planned and deferred giving.

3. This organization will not be performing fund-raising for other organizations. Advising organizations on the requirements for fund-raising and actually handling the fund-raising are two (2) different (and in this case unrelated) matters.

UNDER PENALTIES OF PERJURY, I DECLARE THAT I HAVE EXAMINED THIS REQUEST INCLUDING ACCOMPANYING DOCUMENTS, AND, TO THE BEST OF MY KNOWLEDGE AND BELIEF, THE FACTS PRESENTED IN SUPPORT OF THIS REQUEST ARE TRUE, CORRECT, AND COMPLETE.

  
Richard B. Gregory, President

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

DEPARTMENT OF THE TREASURY

Date: **MAR 10 1999**

SOUTHERN NEW MEXICO COMMUNITY  
FOUNDATION  
C/O RICHARD B GREGORY  
2925 HUNTINGTON DR  
LAS CRUCES, NM 88003-5064

Employer Identification Number:

85-0455682

DLN:

17053280022038

Contact Person:

MICHAEL A ROSS

ID# 95199

Contact Telephone Number:

(602) 207-8281

Our Letter Dated:

January 7, 1999

Form:

1120

Tax Years:

All Years

90-Day User Fee Response Date:

**JUN 10 1999**

Dear Applicant:

On the above date we wrote you about your Form 1023, Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code. In that letter we asked you to send us additional information to show that you have met all legal requirements. To date we have not received the information necessary to make a determination of your tax-exempt status.

We therefore cannot process your application for recognition under Code section 501(c)(3) and have closed your case. Contributions to your organization are not deductible under Code section 170. In accordance with Code section 6104(c), we will notify the appropriate state officials of this action. If you want further consideration, please send us a new Form 1023.

User fees are not refundable for requests that are closed because information necessary to make a determination is not received. However, if you send us a new Form 1023 within 90 days from the date of this letter, no additional amount is due. If you send a new Form 1023 more than 90 days after the date of this letter, another user fee payment is required.

If you do send us a new Form 1023, PLEASE ATTACH A COPY OF THIS LETTER and be sure your application includes the information we requested in our earlier letter referred to above.

Section 7428 of the Code provides for bringing suit for a declaratory judgment in the United States Tax Court, the United States Claims Court, or the district court of the United States for the District of Columbia with respect to this determination. However, section 7428(b)(2) of the Code provides, in part, that, "A declaratory judgment or decree under this section shall not be issued in any proceeding unless the Tax Court, the Claims Court, or the district court of the United States for the District of Columbia determines that the organization involved has exhausted administrative remedies available to it within the Internal Revenue Service."

Since you have not provided the information needed, this may be considered as failure to exhaust administrative remedies available to you within the

Letter 1314 (DO/CG)



SOUTHERN NEW MEXICO COMMUNITY

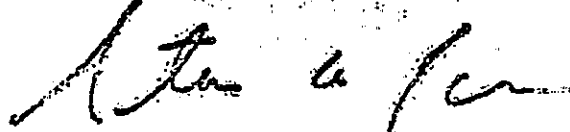
Service. Therefore, you may lose your rights to a declaratory judgment under Code section 7428.

You are required to file Federal income tax returns on the form and for the years shown in the heading of this letter. File these returns with your key District Director for exempt organization matters within 60 days from the date of this letter, unless a request for an extension of time is granted. We will not delay processing of income tax returns and assessment of any taxes due because of your bringing suit for declaratory judgment under Code section 7428. File returns for later tax years with the appropriate service center indicated in the instructions for those returns.

If you have any questions about this matter, please write to the person whose name is shown at the top of this letter, or you may call that person at the telephone number shown. If you write to us, please provide your telephone number and the most convenient time for us to call in case we need more information.

Thank you for your cooperation.

Sincerely yours,



District Director

Enclosures:  
Form 1023/Attachments

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

DEPARTMENT OF THE TREASURY

Date: JUN 04 1999

SOUTHERN NEW MEXICO COMMUNITY  
FOUNDATION  
C/O RICHARD B GREGORY  
2925 HUNTINGTON DRIVE  
LAS CRUCES, NM 88003-5064

Employer Identification Number:  
85-0455682  
DLN:  
319148289  
Contact Person:  
MICHAEL A ROSS ID# 95199  
Contact Telephone Number:  
(877) 829-5500

Accounting Period Ending:  
December 31  
Foundation Status Classification:  
509(a)(1)  
Advance Ruling Period Begins:  
June 19, 1996  
Advance Ruling Period Ends:  
December 31, 2000  
Addendum Applies:  
No

Dear Applicant:

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

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

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

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

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

Letter 1045 (DO/CG)

SOUTHERN NEW MEXICO COMMUNITY

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

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

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

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

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

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

Contributions to you are deductible by donors beginning June 19, 1996.

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

SOUTHERN NEW MEXICO COMMUNITY

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

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

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

You are required to make your annual return available for public inspection for three years after the return is due. You are also required to make available a copy of your exemption application, any supporting documents, and this exemption letter. Failure to make these documents available for public inspection may subject you to a penalty of \$20 per day for each day there is a failure to comply (up to a maximum of \$10,000 in the case of an annual return).

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

This determination is based on evidence that your funds are dedicated to the purposes listed in section 501(c)(3) of the Code. To assure your continued exemption, you should keep records to show that funds are spent only for those purposes. If you distribute funds to other organizations, your records should show whether they are exempt under section 501(c)(3). In cases where the recipient organization is not exempt under section 501(c)(3), you must have evidence that the funds will remain dedicated to the required purposes and that the recipient will use the funds for those purposes.

If you distribute funds to individuals, you should keep case histories showing the recipients' names, addresses, purposes of awards, manner of selection, and relationship (if any) to members, officers, trustees or donors of

SOUTHERN NEW MEXICO COMMUNITY

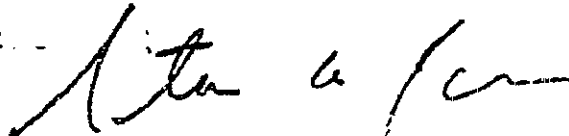
funds to you, so that you can substantiate upon request by the Internal Revenue Service any and all distributions you made to individuals. (Revenue Ruling 56-304, C.B. 1956-2, page 306.)

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

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

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

Sincerely yours,

A handwritten signature in dark ink, appearing to read "Ata A. [unclear]", is written over the typed name of the District Director.

District Director

Enclosure(s):  
Form 872-C

Form **872-C**

(Rev. April 1996)

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

(See instructions on reverse side.)

OMB No. 1545-0056

To be used with  
Form 1023. Submit  
in duplicate.

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

Southern New Mexico Community Foundation  
(Exact legal name of organization as shown in organizing document)2925 Huntington Dr. Las Cruces, NM 88011  
(Number, street, city or town, state, and ZIP code)

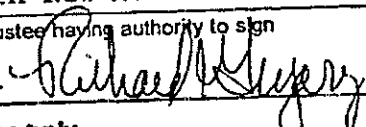
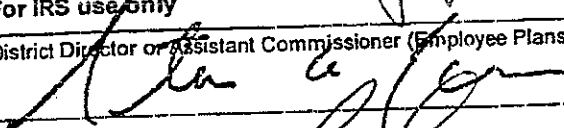
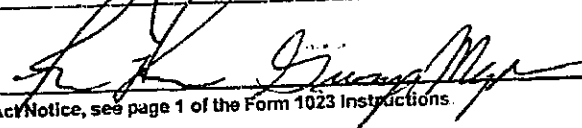
and the

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

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

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

Ending date of first tax year December 31 1996  
(Month, day, and year)

Name of organization (as shown in organizing document)		Date
Southern New Mexico Community Foundation		2/11/99
Officer or trustee having authority to sign		
Signature ▶ 	Title ▶ President	
For IRS use only		
District Director or Assistant Commissioner (Employee Plans and Exempt Organizations)		Date
		6/3/99
By ▶ 		

For Paperwork Reduction Act Notice, see page 1 of the Form 1023 Instructions.

SEE FORM 1023-99