

# Application for Recognition of Exemption

OMB No. 1545-0056

## Under Section 501(c)(3) of the Internal Revenue Code

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 in the instructions.**

### Part I Identification of Applicant

<b>1a</b> Full name of organization (as shown in organizing document) COMMUNITY FOUNDATION OF THE FLORIDA KEYS, INC.		<b>2</b> Employer identification number (if none, see instructions.) 65-0648968
<b>1b</b> c/o Name (if applicable) N/A	<b>3</b> Name and telephone number of person to be contacted if additional information is needed MARVA GREEN 305-294-2581	
<b>1c</b> Address (number and street) P.O. Box 1529	<b>4</b> Month the annual accounting period ends JUNE	
<b>1d</b> City or town, state, and ZIP code Key West, FL 33041	<b>5</b> Date incorporated or formed 2/22/96	
<b>6</b> Activity codes (COMMUNITY TRUST) 903   X   X	<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 checked="" type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach an explanation.		
<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.		

**11** Check the box for the type of organization. BE SURE TO 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. ATTACHMENT I
- b  Trusts - Attach a copy of the Trust Indenture or Agreement, including all appropriate signatures and dates. ATTACHMENT II
- c  Association - Attach a copy of the Articles of Association, Constitution, or other creating document, with a declaration 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) \_\_\_\_\_ (Date)

**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.

ATTACHMENT III

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

1) CONTRIBUTIONS  
2) INVESTMENT INCOME

- 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.

ATTACHMENT IV

**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

SEE ATTACHMENT V

c Do any of the above persons serve as members of the governing body by reason of being public officials or being appointed by public officials? .....

Yes  No

If "Yes," name those persons and explain the basis of their selection or appointment.

d Are any members of the organization's governing body "disqualified persons" with respect to the organization (other than by reason of being a member of the governing body) or do any of the members have either a business or family relationship with "disqualified persons"? (See Specific Instructions for Part II, Line 4d, on page 3.) .....

Yes  No

If "Yes," explain.

5 Does the organization control or is it controlled by any other organization? .....

Yes  No

Is the organization the outgrowth of (or successor to) another organization, or does it have a special relationship with another organization by reason of interlocking directorates or other factors? .....

Yes  No

If either of these questions is answered "Yes," explain.

6 Does or will the organization directly or indirectly engage in any of the following transactions with any political organization or other exempt organization (other than 501(c)(3) organizations): (a) grants; (b) purchases or sales of assets; (c) rental of facilities or equipment; (d) loans or loan guarantees; (e) reimbursement arrangements; (f) performance of services, membership, or fundraising solicitations; or (g) sharing of facilities, equipment, mailing lists or other assets, or paid employees? .....

Yes  No

If "Yes," explain fully and identify the other 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

10 a 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) your members receive in exchange for their payment of dues?

12 a 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 your 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 which 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.

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

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, are you filing Form 1023 within 27 months from the end of the month in which the organization was created or formed? *N/A*  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? *N/A*  Yes  No

If "No," your organization qualifies for 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? *N/A*  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? *N/A*  Yes  No

7 If you answer "Yes" to the 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. *N/A*

**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 the question on line 8, does the organization claim to be a private operating foundation? *N/A*  
 Yes (Complete Schedule E)  
 No

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

10 If you answer "No" to the question on line 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)  As a church or a convention or association of churches (CHURCHES MUST COMPLETE SCHEDULE A.) Sections 509(a)(1) and 170(b)(1)(A)(i)

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- (b)  As a school (MUST COMPLETE SCHEDULE B.) Sections 509(a)(1) and 170(b)(1)(A)(ii)

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- (c)  As a hospital or a cooperative hospital service organization, or a medical research organization operated in conjunction with a hospital (MUST COMPLETE SCHEDULE C.) Sections 509(a)(1) and 170(b)(1)(A)(iii)

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- (d)  As a governmental unit described in section 170(c)(1). Sections 509(a)(1) and 170(b)(1)(A)(v)

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- (e)  As being operated solely for the benefit of, or in connection with, one or more of the organizations described in a through d, g, h, or i (MUST COMPLETE SCHEDULE D.) Section 509(a)(3)

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- (f)  As being organized and operated exclusively for testing for public safety. Section 509(a)(4)

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- (g)  As being operated for the benefit of a college or university that is owned or operated by a governmental unit. Sections 509(a)(1) and 170(b)(1)(A)(iv)

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- (h)  As receiving a substantial part of its support in the form of contributions from publicly supported organizations, from a governmental unit, or from the general public. Sections 509(a)(1) and 170(b)(1)(A)(vi)

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- (i)  As normally receiving not more than one-third of its support from gross investment income and more than one-third of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions (subject to certain exceptions). Sections 509(a)(2)

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- (j)  The organization is a publicly supported organization but is not sure whether it meets the public support test of block h or block i. The organization would like the IRS to decide the proper classification. Sections 509(a)(1) and 170(b)(1)(A)(vi) 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, go to question 11.



**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. *N/A*

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

- a Enter 2% of line 8, column (e) of Part IV-A. \_\_\_\_\_
- b Attach a list showing the name and amount contributed by each person (other than a governmental unit or "publicly supported" organization) whose total gifts, grants, contributions, etc., were more than the amount entered on line 13a above.

14 If you are requesting a definitive ruling under section 509(a)(2), check here  and: *N/A*

- 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 a "disqualified person," see Specific Instructions, Part II, Line 4)
- 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.)

	Yes	No	If "Yes," complete Schedule:
Is the organization a church? .....		X	A
Is the organization, or any part of it, a school? .....		X	B
Is the organization, or any part of it, a hospital or medical research organization? .....		X	C
Is the organization a section 509(a)(3) supporting organization? .....		X	D
Is the organization a private operating foundation? .....		X	E
Is the organization, or any part of it, a home for the aged or handicapped? .....		X	F
Is the organization, or any part of it, a child care organization? .....		X	G
Does the organization provide or administer any scholarship benefits, student aid, etc.? .....		X	H
Has the organization taken over, or will it take over, the facilities of a "for profit" institution? .....		X	I



**Part IV Financial Data**

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

**A. Statement of Revenue and Expenses**

	Current tax year (BUDGET)	3 prior tax years or proposed budget for 2 years			(e) TOTAL
	(a) From 7/1/96 to 6/97	(b) 19 95 2/96 - 6/96	(c) 19 97	(d) 19 98	
<b>Revenue</b>					
1 Gifts, grants, and contributions received (not including unusual grants — see pages 5 and 6 of the instructions) .....	40,000	NONE	60,000	120,000	220,000
2 Membership fees received .....					
3 Gross investment income (see instructions for definition) .....	300		1500	4000	5800
4 Net income from organization's unrelated business activities not included on line 3 .....					
5 Tax revenues levied for and either paid to or spent on behalf of the organization .....					
6 Value of services or facilities furnished by a governmental unit to the organization without charge (not including the value of services or facilities generally furnished the public without charge) .....					
7 Other income (not including gain or loss from sale of capital assets) (attach schedule) .....					
8 Total (add lines 1 through 7) .....	40,300	NONE	61,500	124,000	225,800
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. Including related cost of sales on line 22 .....					
10 Total (add lines 8 and 9) .....	40,300		61,500	124,000	225,800
11 Gain or loss from sale of capital assets (attach schedule) .....					
12 Unusual grants .....					
13 Total revenue (add lines 10 through 12) .....	40,300	NONE	61,500	124,000	225,800
<b>Expenses</b>					
14 Fundraising expenses .....					
15 Contributions, gifts, grants, and similar amounts paid (attach schedule) .....	10,000		20,000	20,000	
16 Disbursements to or for benefit of members (attach schedule) .....					
17 Compensation of officers, directors, and trustees (attach schedule) .....					
18 Other salaries and wages .....				20,000	
19 Interest .....					
20 Occupancy (rent, utilities, etc.) .....				10,000	
21 Depreciation and depletion .....					
22 Other (attach schedule) ATTACHMENT VI .....	4,400		5,250	9,300	
23 Total expenses (add lines 14 through 22) .....	14,400	NONE	25,250	59,300	
24 Excess of revenue over expenses (line 13 minus line 23) .....	25,900	NONE	36,250	64,700	

**Part IV** Financial Data (Continued)

B. Balance Sheet (at the end of the period shown)		Current tax year
		Date
<b>Assets</b>		
1	Cash .....	1 5850
2	Accounts receivable, net .....	2
3	Inventories .....	3
4	Bonds and notes receivable (attach schedule) .....	4
5	Corporate stocks (attach schedule) .....	5
6	Mortgage loans (attach schedule) .....	6
7	Other investments (attach schedule) <u>GOVERNMENT SECURITIES (ENDOWMENT FUND)</u> .....	7 121,000
8	Depreciable and depletable assets (attach schedule) .....	8
9	Land .....	9
10	Other assets (attach schedule) .....	10
11	<b>Total assets</b> (add lines 1 through 10) .....	11 126,850
<b>Liabilities</b>		
12	Accounts payable .....	12
13	Contributions, gifts, grants, etc., payable .....	13
14	Mortgages and notes payable (attach schedule) .....	14
15	Other liabilities (attach schedule) .....	15
16	<b>Total liabilities</b> (add lines 12 through 15) .....	16
<b>Fund Balances or Net Assets</b>		
17	Total fund balances or net assets .....	17 126,850
18	<b>Total liabilities and fund balances or net assets</b> (add line 16 and line 17) .....	18 126,850
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 <span style="float: right;">▶ <input type="checkbox"/></span>		



**ARTICLES OF INCORPORATION**  
**OF**  
**COMMUNITY FOUNDATION OF THE FLORIDA KEYS, INC.**  
**A Florida Nonprofit Corporation**

THE UNDERSIGNED hereby associates himself for the purpose of becoming a corporation under the laws of the State of Florida, by and under the provisions of the Statutes of the said State of Florida, providing for the formation, rights, privileges, immunities, and liabilities of corporations for nonprofit.

ARTICLE ONE

The name of the Corporation is: **COMMUNITY FOUNDATION OF THE FLORIDA KEYS, INC.**

ARTICLE TWO

The address of the principal office of the corporation is 1010 Kennedy Drive, Key West, Florida 33040, and the mailing address of the corporation is 1010 Kennedy Drive, Key West, Florida 33040.

ARTICLE THREE

The term of existence of the Corporation is perpetual; and the corporate existence will commence on the filing of these Articles by the Department of State for the State of Florida.

ARTICLE FOUR

The purposes for which the Corporation is organized are:

- (1) To receive and maintain real or personal property, or both, and, subject to the restrictions and limitations hereinafter set forth, to us and apply the whole or any part of the income therefrom and the principal thereof exclusively for charitable purposes, in the geographical location of The Florida Keys, either directly or by contributions to organizations that qualify as exempt organizations under Section 501(c)(3), 170(b)(1)(A), 2522(a) and 2055(a) of the Internal Revenue Code and Regulations issued pursuant thereto as they may now exist or as they may hereafter be amended.

THIS INSTRUMENT PREPARED BY:  
John S. Bohatch, Esquire  
RICHMAN, GUTTENMACHER, BOHATCH & FUERST, P.A.  
19 West Flagler Street, 14th Floor  
Miami, Florida 33130  
Bar No. 509930



- (2) No part of the net earnings of the corporation shall inure to the benefit of, or be distributable to, any Director, Officer, or member of the corporation, or any other private individual (except that reasonable compensation may be paid for services rendered to or for the corporation, and reasonable expenses may be paid thereto, affecting one or more of the corporation's 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 on dissolution of the corporation. No substantial part of the activities of the corporation shall include the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall neither participate nor intervene (including the publication or distribution of statements) in any political campaign on behalf of any candidate for public office, at any time.
- (3) The corporation shall distribute its income for each taxable year at such time and in such manner as not to become subject to tax on undistributed income imposed by Section 4942 of the Internal Revenue Code, or corresponding provisions of any subsequent federal tax laws.
- (4) The corporation shall not engage in any act of self-dealing as defined in Section 4941(d) of the Internal Revenue Code, or corresponding provisions of any subsequent federal tax laws.
- (5) The corporation shall not retain any excess business holdings as defined in Section 4943(c) of the Internal Revenue Code, or corresponding provisions of any subsequent federal tax laws.
- (6) The corporation shall not make any investments in such manner as to subject it to tax under Section 4944 of the Internal Revenue Code, or corresponding provisions of any subsequent federal tax laws.
- (7) The corporation shall not make any taxable expenditures as defined in Section 4945(d) of the Internal Revenue Code, or corresponding provisions of any subsequent federal tax laws.
- (8) Notwithstanding any other provision of these Articles of Incorporation, the corporation shall not conduct or carry on any activities not permitted to be conducted or carried on by an organization exempt from taxation under Section 501(c)(3) of the Internal Revenue Code and Regulations issued pursuant thereto as they now exist or as they may hereafter be amended, or by an organization, contributions to which are deductible under Section

170(c)(2) of the Internal Revenue Code and the as they now exist or as they may hereafter be amended.

- (9) Upon the dissolution of the corporation, the Board of Directors shall, after paying all of the liabilities of the corporation, dispose of all of the assets of the corporation exclusively for the purposes of the corporation in such manner, or to such organization or organizations organized and operated exclusively for charitable, educational, religious or scientific purposes as shall at the time qualify as an exempt organization or organizations under Section 501(c)(3) of the Internal Revenue Code (or the corresponding provisions of any future United States Internal Revenue Laws), as the Board of Directors may determine. Any of such assets not so disposed of shall be disposed of by the Circuit Court 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 the Court shall determine, which are organized and operated exclusively for such purposes.
- (10) Pursuant to Section 617.0202 (d) of Florida Statutes, Directors are elected according to the terms of the Bylaws of the corporation.

ARTICLE FIVE

The names and street addresses of the initial Board of Directors of the Corporation are:

<u>NAME</u>	<u>ADDRESS</u>
GILBERT A. PETERS	Barnett Trust & Investment Services 1010 Kennedy Drive, First Floor Key West, Florida 33040
RAYMOND H. BAKER	1523 Washington Street Key West, Florida 33040
NANCE FRANK	1717 George Street Key West, Florida 33040
MICHAEL DIVELY	1230 Seminary Avenue Key West, Florida 33040

ARTICLE SIX

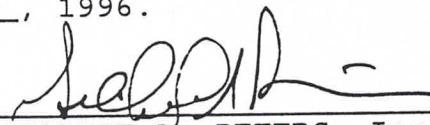
The name and residence address of the incorporator is:

<u>NAME</u>	<u>ADDRESS</u>
GILBERT A. PETERS	Barnett Trust & Investment Services 1010 Kennedy Drive, First Floor Key West, Florida 33040

ARTICLE SEVEN

The name and street address of the initial registered agent and registered office of this corporation is: JOHN S. BOHATCH, ESQ., 19 W. Flagler Street, 14th Floor, Miami, Florida 33130. However, this corporation may, from time to time, move the principal office to any other address in Florida, and shall have the right and power to transact business and establish offices within and without the State of Florida, and in foreign countries, as may be necessary or convenient.

IN WITNESS WHEREOF, I have subscribed my name this 22<sup>nd</sup> day of February, 1996.

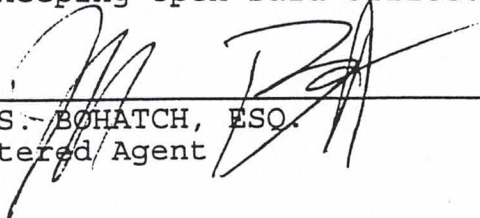
  
\_\_\_\_\_  
GILBERT A. PETERS, Incorporator

This instrument was prepared by JOHN S. BOHATCH, ESQ., whose address is Richman, Guttenmacher, Bohatch & Fuerst, P.A., 19 W. Flagler Street, 14th Floor, Miami, FL 33130.



ACKNOWLEDGEMENT

Having been named to accept service of process for the above corporation, at place designated in this certificate, I hereby accept to act in this capacity, and agree to comply with the provisions of said Act relative to keeping open said office.

  
\_\_\_\_\_  
JOHN S. BOHATCH, ESQ.  
Registered Agent

## PART II, QUESTION 1

### DESCRIPTION OF ACTIVITY

The Community Foundation of the Florida Keys, Inc. has been formed for charitable purposes. The most broad definition of our scope of activity is to accumulate charitable contributions to be held as an endowment, the income from which is to be used for charitable purposes in the community.

Our community foundation will provide services to charitable donors by forming permanent and temporary funds. Our organization will provide investigation of potential donees, reporting, investing, monitoring of donees and other administrative services. By providing such services to several donors, we should be able to provide economies of scale and ready information to the donors about community needs and the capacity of certain organizations to meet such needs. We will also have information about deferred and long term charitable giving available to the donors' attorneys, accountants and other financial advisors.

Our community foundation will provide a benefit to nonprofit organizations by providing a source of funds for routine and emergency needs and by working to match nonprofit needs with donors. We also plan to provide training and technical assistance in finding potential funding sources and writing effective grant proposals. We hope to promote interagency activity by having two or more nonprofits create projects upon which they will work together. This might be described as nonprofit collaborations, where arts organizations work with public health organizations, environmental groups work with the local chamber of commerce or a museum provides assistance to the schools for a summer program.

To the residents of the Florida Keys, we plan to provide a means by which charitable capital is created and preserved. The organization also provides a way for endowment funds to address concerns which arise after the endowment is created or constructively use funds designated for a particular purpose, the need for which no longer exists. One of the most tragic examples is a trust created to eradicate polio, which for all practical purposes no longer exists. The trust funds are now idle. Community foundations are designed to recognize changing needs and to respond to them.

Our board has worked diligently to define a mission statement and goals which are included in this application. The process of developing these goals helped to educate our board in the responsibilities and potential for good inherent in a community trust. These goals are consistent with the objectives described above.

## INITIATION OF ACTIVITY

Considerable thought has been devoted to creating various committees and strategies to implement our group's goals in the near term and the long range. The organization's "planning for success" memo is included in the application package for your information. We contacted the Dade Community Foundation and have received excellent practical support on the structure, organization and operation of community foundations. Their generosity in assisting our fledgling community foundation was much appreciated.

ATTACHMENT  
III B

The Board has made contributions to the fund and we have received other contributions from individuals and businesses who know the board members and support our purpose. We have begun to contact various business segments such as realtors, accountants and attorneys to acquaint them with our existence and purpose. An informational brochure has been prepared.

ATTACHMENT  
III C

The Board's Grants Advisory Committee has established criteria for proposals and has received several applications. All organizations considered must provide, among other things, proof of exemption from income tax. A listing of grants under consideration at this time has been included in this application.

ATTACHMENT  
III D

## WHERE AND BY WHOM

Our initial projects/grantees are based in the Key West area. As we develop, we want to include the upper and middle keys as a source of board members and contributors, and as a recipient of benefits from our community foundation.

Although we are not a membership foundation, our long term goals are to make the board as representative of the keys community as possible. Our current bylaws provide for five to fifteen members of the board of governors. Our current board membership is at ten. As part of our business community outreach program, we hope to attract additional diversification.



June 20, 1996

## Mission Statement

To enhance the interests of donors  
and the work of nonprofit and charitable organizations in the Florida Keys--  
and to connect them creatively  
for the betterment of our community

*Previous forms:*

*To connect the interests of donors  
to the work of charitable organizations in the Florida Keys  
for the benefit of the communities they serve.*

*Your partner in improving life in the Keys ...  
a new, creative and permanent source of help  
for nonprofit and charitable services and their donors.*

## Goals

1. Encourage philanthropy and charitable giving, providing grantmaking expertise and other philanthropic services to donors with varied interests.
2. Demonstrate to donors that a permanent, community-focused, community-managed fiduciary will ensure that the objectives of their gifts and bequests will be achieved as intended.
3. Provide effective governance of the Foundation, protecting and wisely managing the assets of philanthropic funds established by donors.
4. Strengthen the work of nonprofit and charitable organizations through financial and technical assistance.
5. Serve as a catalyst for nonprofit activities, bringing about creative partnerships among various organizations, including private-and-public-sector collaborations, to better serve the community's needs--and in so doing, to help bring the diverse groups of the Florida Keys together, to work toward building an ever-greater sense of community
6. Create and sustain a positive public image, to further the above goals--through effective outreach, timely communications and perceptive grantmaking

## IV Planning For Success

The next 12 months: Strategies and implementation plans to achieve our goals.

[Note: One year is a conventional, convenient frame of reference for planning and establishing priorities and milestones. But as a practical matter, the considerations that will be involved in developing many plans will require time-lines extending well beyond 12 months.]

### Development Committee

Secure sufficient operating funds to cover administrative expenses, miscellaneous overheads and undertake "illustrative" grants. Set a goal that is consistent with near term budget requirements (at least two years out). For example, Barnett Bank's \$5K may provide leverage for a challenge to other local banks and businesses. A goal of \$100K by year's end may be feasible if undertaken in parallel with an effort to secure gifts from Governors and sources known to the Governors. Establish milestones.

Create and begin implementation of development strategies: Cultivation of financial advisors. Donor education. Produce literature and other "marketing" materials that will be required. Establish measurable goals.

### Finance/Administration Committee

Establish initial organization structure and administrative arrangements. Officers. Committees. By-laws. Other board of governors policies and procedures. Mailing address. Telephone. Letterhead. Etc. Banking relationship(s). Investment policies. Bookkeeping. Audit, tax returns, other required filings.

### Grants Advisory Committee

Establish grant making process, criteria, etc. Identify possibilities for small grants that will merit community endorsement and at the same time illustrate the intentions/directions of the Foundation going forward. Consider convening a meeting of community charities to explain the Foundation's mission, priorities, processes.

### Committee on the Board

Develop criteria for Board membership and Committee membership. Begin the process of recruiting governors who represent the middle and upper Keys (Marathon, Tavernier, Key Largo, etc.). Consider asking political leadership to suggest candidates, as they did in Key West. Begin process of recruiting Board members who represent business leadership and personal wealth in Key West.

## Outreach

Develop and implement an announcement plan and outreach strategy. This should expressly take into account the plans that will be developed by committees so that coordination is assured and appropriate support is provided. For example, the Development Committee, The Grants Advisory Committee, The Finance/Administration Committee and The Committee on the Board will be active shortly and their plans and time tables will influence whatever announcement and outreach strategy we adopt.

Plan 2000: How the Foundation will look and function 4 years hence.

Goal: Strategy, plans and resources in place to ensure that the Foundation has evolved and matured sufficiently to fulfill the full scope of its intended mission.

Tasks and milestones:

- Endowment generating significant income to sustain a grant making program and administrative expense. Establish targets for income, overheads, grants and technical support for next 5 year planning period.
- Comprehensive services in place for (a) donors and financial advisors; (b) charities in the form of grants, technical assistance and clearing house - data base functions; (c) community at large, including catalyst initiatives.
- Intended geographic coverage achieved, or at least assured. Board criteria validated. Optimum board of governors in place: Diversity. Commitment. Participation. Size.
- Grant making process validated. Grant making strategy succeeding, or modified as required. Annual targets established and achieved.
- Satisfactory on-going public relations effort; results verified.
- Desired staff resources in place and functioning effectively. Office facilities appropriate and adequate.

The Year 2050:

- Objectives and milestones achieved. (e.g., \$50 million invested. \$5 million available for grants. Overheads not to exceed 5% of budget.)



## Make your involvement in the Keys a legacy.

The Foundation is perpetual, so your gift lives forever. And establishing a fund in the Foundation is not complicated. There are five major kinds of funds you can consider:

**Unrestricted:** You provide with greatest flexibility for the changing needs of the Keys. The Foundation uses a percentage of these assets each year as grants to local nonprofits.

**Field of Interest:** Here you support areas of specific interest to you: the arts, education, children, homelessness, etc. The Community Foundation makes grants from these funds according to your directions.

**Designated:** Here you specify the particular organization that is to receive distributions from your fund. The Foundation regularly reviews designated nonprofits to make sure each continues to serve the purpose you intend.

**Donor Advised:** You participate in the grantmaking as actively as you wish. The Fund spares you the cost and administration associated with a private foundation, and offers a greater tax deduction.

**Scholarships:** Honoring an individual, if you wish. You decide the selection criteria and participate in the selection process, the Foundation providing assistance.

Founding Board of Governors

Edward M. Block, Chair  
Raymond H. Baker, Vice-Chair  
Phyllis Allen  
Nance Frank  
Marva E. Green, CPA  
Scotti G. Merrill  
Robert R. Padron  
Mark Perman, MD  
Gilbert A. Peters  
Judith Ranger  
Special Consultant:  
Edward B. Knight

The potential rewards for generations to come are literally without limit.

Building permanent endowment for the changing needs of the Keys.

# Community Foundation

OF THE FLORIDA KEYS

Your partner.

# Community Foundation

## A new partnership

With the Community Foundation of the Florida Keys, a new kind of partnership comes to our islands.

It is a partnership that links, in creative ways, our area's financial benefactors to our nonprofit and charitable services ... and then helps to connect the results to the lives of the men, women and children of the Keys.

**Donors.** Nonprofits. Community. The Foundation's role is to enhance the interests of each, and to help them relate to each other as skillfully and as productively as possible.

## Advantages to donors

**Leadership and Accountability:**

- A Board of Governors, composed of knowledgeable community leaders who represent our diverse community, provides overall direction and policy.

- Our records are public, our programs are carefully monitored, and an independent audit ensures fiscal responsibility.

**Financial Benefits:**

- The Foundation is a cost-effective way to do your charitable giving. It also offers greater tax deductions than a private foundation.

**Permanence and Recognition:**

- The Foundation ensures that your gift will impact the community in perpetuity.

- You may receive public recognition or remain anonymous, as you wish.
- You can specify that a fund be named for an individual, family, or group.

**Grantmaking Expertise:**

- The Foundation's knowledge of the community's needs and the nonprofit sector enables us to guide grantmaking.

**Flexibility and Simplicity:**

- The Foundation can receive different assets (i.e. cash, stock, artwork, real and tangible property of all kinds).
- Minimal paperwork to create a fund, then no audits or filings.
- You can receive tax deductions when you need them, and decide at some future time where your charitable interests lie.

## Advantages to nonprofits

Permanently endowed, the Foundation can act as a "savings account" for the community, backing up the "checking account" work of the nonprofits — with the ability to assist a nonprofit in time of need.

Nonprofits will gain in access to funds, to centralized grant data and to technical help of many sorts.

Their service to the Keys will also be strengthened by new modes of cooperation—the Foundation can stimulate and fund new

collaborations among nonprofits, to meet tasks otherwise left untouched.

The Community Foundation is a goal-definer, a catalyst, a horizon-extender. It is a place where all nonprofits, all the interests of all the Keys, can meet and speak to each other, to their mutual benefit.

## The rewards

Donors gain. Nonprofits gain. The community gains. The Community Foundation concept, understandably, is taking hold throughout the country.

It is, in a sense, neighbors helping neighbors in a new, systematic way—"barn raising" as a continuing community service.

Empowering its work is a permanent and ever-growing endowment: the combined assets of funds established by many donors, with diverse interests, at all levels of giving.

It is an endowment protected and managed to be of perpetual service to our community's ever-changing needs. Its benefits will flow to residents of the Keys not only during our present lifetimes but for generations to come.

Community Foundations are now active in more than 400 areas in the United States alone. It is the fastest growing philanthropic service in the entire world.

In the Florida Keys, its time has come.

**COMMUNITY FOUNDATION OF THE FLORIDA KEYS**

## Proposal Review Process, 4/2/97

<b>CATEGORY</b>	<b>APPLICANT</b>	<b>AMOUNT REQUESTED</b>
Children and Families/ Education	Florida Keys Healthy Start Coalition (Teen Talks)	\$1,750.00
Children and Families	Florida Keys Outreach Coalition & Key West Housing Authority (Safeport)	\$2,000.00
Children/Education	Key West Art & Historical Society (Images Camp & Art Camp)	\$2,000.00
Children and Families/ Health/Human Services	Keys Region, Florida Easter Seal Society (Playground equipment)	\$2,000.00
	Monroe County Health Department/AHEC (Toothbrushes for dental hygiene kits)	\$687.20

**TOTAL: \$8,437.20**



**PART II, QUESTION 3**

Our initial approach to fundraising has been very low key. In order to get seed money, the members of the board have all made contributions. Individuals and businesses personally known to us have contributed.

Going forward, we intend to focus our fundraising efforts on deferred giving, where we receive donations from estates, and on gifts where the donor has a specific objective in mind but no particular affinity for any particular nonprofit.

In order to make ourselves known to donors and their advisors, we are conducting familiarization meetings with realtors, financial advisors, community leaders, clergy and other professional groups to inform them of the community foundation concept and our existence. This approach is more educational in nature than a real solicitation. It is possible that these meetings may generate some current contributions.

Our organization is also developing a list of potential deferred givers. These prospects will be personally contacted and informed of our ability to assist them with their charitable giving plan.

Our informational brochure is included in this application.

BOARD OF GOVERNORS

Edward Block, Chairman  
1300 Tropical Ave.  
Key West, FI 33040

Judith Ranger  
519 Elizabeth St.  
Key West, FI 33040

Ray Baker, Vice Chairman  
1523 Washington St.  
Key West, FI 33040

Robert Padron, Sec/Trea.  
1626 South St.  
Key West, FI 33040

Phyllis Allen  
1909 Patterson St.  
Key West, FI 33040

Scotti Merrill  
1500 Atlantic Blvd., Apt. 203  
Key West, FI 33040

Nance Frank  
1717 George St.  
Key West, FI 33040

Marva Green  
1438 Kennedy Dr.  
Key West, FI 33040

Mark Perman, MD  
105 Front St.  
Key West, FI 33040

Gib Peters  
Barnett Asset Mgt.  
1010 Kennedy Dr.  
Key West, FI 33040

Community Foundation of the Florida Keys, Inc.							
Form 1023							
				Fiscal Yr	Fiscal Yr	Fiscal Yr	Fiscal Yr
				1996	1995	1997	1998
line 15, contributions and grants							
To be determined by contributor							
restrictions and board of governors *				10000	0	20000	20000
line 22, other expenses							
grant making expenses				100	0	500	500
development expenses				2000	0	2000	3000
legal fees				300	0	500	1000
accounting fees				0	0	500	500
printing				300	0	300	1000
postage				100	0	200	300
telephone				700	0	450	500
travel				500	0	500	1000
office expenses				200	0	200	1000
supplies				200	0	100	500
				4400	0	5250	9300

\* SEE ATTACHED SCHEDULE FOR GRANTS CURRENTLY UNDER CONSIDERATION ATTACHMENT III D



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

**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,

COMMUNITY FOUNDATION OF THE FLORIDA KEYS,  
(Exact legal name of organization as shown in organizing document) *INC*

P.O. BOX 1529, KEYWEST, FL 33041  
(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

6/30/96  
(Month, day, and year)

Name of organization (as shown in organizing document)	Date
Officer or trustee having authority to sign	
Signature ►	Title ►
<b>For IRS use only</b>	
District Director or Assistant Commissioner (Employee Plans and Exempt Organizations)	Date

By ►

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

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Signature ►

Title ►

**For IRS use only**

District Director or Assistant Commissioner (Employee Plans and Exempt Organizations)

Date

By ►

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

**User Fee for Exempt Organization  
Determination Letter Request**

For IRS Use Only

Department of the Treasury  
Internal Revenue Service

▶ Attach this form to determination letter application.  
(Form 8718 is NOT a determination letter application.)

Control number \_\_\_\_\_  
Amount paid \_\_\_\_\_  
User fee screener \_\_\_\_\_

1 Name of organization  
**COMMUNITY FOUNDATION OF THE FLORIDA KEYS, INC**

2 Employer Identification Number

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

**3 Type of request.**

**Fee**

- 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 2a, you must complete the Certification below.

**Certification**

I certify that the annual gross receipts of \_\_\_\_\_  
Name of organization

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

Signature ▶

Title ▶

- 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.

▶ **\$ 465**

- c  Group exemption letters ..... ▶ **\$ 500**

Attach Check or Money Order Here