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August 4, 1989

Internal Revenue Service  
EP/EO Division  
P.O. Box 17010  
Baltimore, Maryland 21203

Dear Madam/Sir:

Enclosed is Form 1023, Application for Recognition of Exemption under Section 501(c)(3), filed on behalf of The Center for Public Integrity. Also enclosed is a duly executed Power of Attorney form, a duly executed User Fee form (Form 8718) and a check for \$300 to cover the user fee.

If you have any questions or require any further information, please contact the undersigned.

Thank you.

Sincerely,

  
Gail M. Harmon

Enclosures

cc: client

**Application for Recognition of Exemption**  
**Under Section 501(c)(3) of the Internal Revenue Code**  
 For Paperwork Reduction Act Notice, see page 1 of the instructions.

OMB No. 1545-0056  
 Expires 3-31-89

To be filed in the key district for the area in which the organization has its principal office or place of business.

This application, when properly completed, constitutes the notice required under section 508(a) of the Internal Revenue Code so that an applicant may be treated as described in section 501(c)(3) of the Code, and the notice required under section 508(b) for an organization claiming not to be a private foundation within the meaning of section 509(a). (Read the instructions for each part carefully before making any entries.) If required information, a conformed copy of the organizing and operational documents, or financial data are not furnished, the application will not be considered on its merits and the organization will be notified accordingly. Do not file this application if the applicant has no organizing instrument (see Part II).

**Part I Identification**

1 Full name of organization  The Center for Public Integrity		2 Employer identification number (If none, see instructions)  SS-4 attached	
3a Address (number and street) 11807 Briar Mill Lane.		Check here if applying under section: <input type="checkbox"/> 501(e) <input type="checkbox"/> 501(f) <input type="checkbox"/> 501(k)	
3b City or town, state, and ZIP code Reston, VA 22904		4 Name and telephone number of person to be contacted Gail Harmon ((202) 328-3500	
5 Month the annual accounting period ends March	6 Date incorporated or formed March 30, 1989	7 Activity codes 124      125      120	
8 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 number(s), years filed, and Internal Revenue office where filed.			

**Part II Type of Entity and Organizational Document (see instructions)**

Check the applicable entity box below and attach a conformed copy of the organization's organizing document and bylaws as indicated for each entity.

Corporation—Articles of incorporation and bylaws.  Trust—Trust indenture.  Other—Constitution or articles of association and bylaws.  
 See Exhibits 2 and 3

**Part III Activities and Operational Information**

1 What are or will be the organization's sources of financial support? List as follows:

Corporation contributions  
 labor Union contributions  
 foundation grants  
 membership dues

*revenue sources*

2 Describe the organization's fund-raising program, both actual and planned, and explain to what extent it has been put into effect. (Include details of fund-raising activities such as selective mailings, formation of fund-raising committees, use of professional fund raisers, etc.) Attach representative copies of solicitations for financial support.

See exhibit 4

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

*Charles R. E. Hewitt*  
 (Signature)

*Chairman*  
 (Title or authority of signer)

*7/4/89*  
 (Date)

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

- 3 Give a **detailed** narrative description of the organization's past, present, and proposed future activities, and the purposes for which it was formed. The narrative should identify the specific benefits, services, or products the organization has provided or will provide. If the organization is not fully operational, explain what stage of development its activities have reached, what further steps remain for it to become fully operational, and when such further steps will take place. (**Do not state the purposes and activities of the organization in general terms or repeat the language of the organizational documents.**) If the organization is a school, hospital, or medical research organization, include enough information in your description to clearly show that the organization meets the definition of that particular activity that is contained in the instructions for Part VI-A.

See Exhibit 5

## 4 The membership of the organization's governing body is:

a Names, addresses, and titles of officers, directors, trustees, etc.	b Annual compensation
Charles Lewis, President and Director 11807 Briar Mill Ln. Reston, VA 22094	\$110,000 (for services as executive director)
Charles Piller, Secretary and Director 3522 Wilson Ave. Oakland, CA 94602	None
Alex Benes, Treasurer and Director 1412 27th Street North Bergen, NJ 07047	None

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

4 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 the Specific Instructions for line 4d.)  Yes  No  
If "Yes," explain.

e Have any members of the organization's governing body assigned income or assets to the organization, or is it anticipated that any current or future member of the governing body will assign income or assets to the organization?  Yes  No  
If "Yes," attach a complete explanation stating which applies and including copies of any assignments plus a list of items assigned. See Exhibit 6

5 Does the organization control or is it controlled by any other organization?  Yes  No  
Is the organization the outgrowth of another organization, or does it have a special relationship to another organization by reason of interlocking directorates or other factors?  Yes  No  
If either of these questions is answered "Yes," explain.

6 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.

7 a 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. None yet

b To what extent have you used, or do you plan to use, contributions as an endowment fund, i.e., hold contributions to produce income for the support of your exempt activities? None

8 Will any of the organization's facilities be managed by another organization or individual under a contractual agreement?  Yes  No  
If "Yes," attach a copy of each contract and explain the relationship between the applicant and each of the other parties.

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

9 a Have the recipients been required or will they be required to pay for the organization's benefits, services, or products?  Yes  No  
If "Yes," explain and show how the charges are determined.

See Exhibit 7

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

10 Is the organization a membership organization?  Yes  No  
If "Yes," complete the following: See Exhibit 8

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

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

c Are benefits, services, or products limited to members?  Yes  No  
If "No," explain.

11 Does or will the organization engage in activities tending to influence legislation or intervene in any way in political campaigns?  Yes  No  
If "Yes," explain. (Note: You may wish to file Form 5768, Election/Revocation of Election by an Eligible Section 501(c)(3) Organization to Make Expenditures to Influence Legislation.)

12 Does the organization have a pension plan for employees?  Yes  No

13 a Are you filing Form 1023 within 15 months from the end of the month in which you were organized as required by section 508(a) and the related regulations? (See General Instructions.)  Yes  No

b If you answer "No," to 13a and you claim that you fit an exception to the notice requirements under section 508(a), attach an explanation of your basis for the claimed exception.

c If you answer "No," to 13a and section 508(a) does apply to you, you may be eligible for relief under regulations section 1.9100 from the application of section 508(a). Do you wish to request relief?  Yes  No

d If you answer "Yes," to 13c, attach a detailed statement that satisfies the requirements of Rev. Proc. 79-63.

e If you answer "No," to both 13a and 13c and section 508(a) does apply to you, your 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 your 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 you were formed (see instructions)?  Yes  No

**Part IV** Statement as to Private Foundation Status (see instructions)

1 Is the organization a private foundation?  Yes  No

2 If you answer "Yes," to question 1 and the organization claims to be a private operating foundation, check here  and complete Part VII.

3 If you answer "No," to question 1, indicate the type of ruling you are requesting regarding the organization's status under section 509 by checking the box(es) below that apply:

a Definitive ruling under section 509(a)(1), (2), (3), or (4)  Complete Part VI.

b Advance ruling under  sections 509(a)(1) and 170(b)(1)(A)(vi) or  section 509(a)(2)—see instructions.

(Note: If you want an advance ruling, you must complete and attach two Forms 872-C to the application.)

**Part V Financial Data**

**Statement of Support, Revenue, and Expenses for the period beginning** \_\_\_\_\_, 19\_\_\_\_, **and ending** \_\_\_\_\_, 19\_\_\_\_\_.

**Note:** Complete the financial statements for the current year and for each of the three years immediately before it. If in existence less than four years, complete the statements for each year in existence. If in existence less than one year, also provide proposed budgets for the two years following the current year. See Exhibit 9

<b>Support and Revenue</b>	1	Gross contributions, gifts, grants, and similar amounts received	1
	2	Gross dues and assessments of members	2
	3 a	Gross amounts derived from activities related to organization's exempt purpose (attach schedule)	3c
	b	Minus cost of sales	
	4 a	Gross amounts from unrelated business activities (attach schedule)	4c
	b	Minus cost of sales	
	5 a	Gross amount received from sale of assets, excluding inventory items (attach schedule)	5c
	b	Minus cost or other basis and sales expenses of assets sold	
6	Investment income (see instructions)	6	
7	Other revenue (attach schedule)	7	
8	<b>Total support and revenue</b>	8	
<b>Expenses</b>	9	Fundraising expenses	9
	10	Contributions, gifts, grants, and similar amounts paid (attach schedule)	10
	11	Disbursements to or for benefit of members (attach schedule)	11
	12	Compensation of officers, directors, and trustees (attach schedule)	12
	13	Other salaries and wages	13
	14	Interest	14
	15	Rent	15
	16	Depreciation and depletion	16
	17	Other (attach schedule)	17
	18	<b>Total expenses</b>	18
	19	Excess of support and revenue over expenses (line 8 minus line 18)	19

**Balance Sheet**  
(at the end of the period shown above)

<b>Assets</b>		
20	Cash: a Interest bearing accounts	20a
	b Other	20b
21	Accounts receivable, net	21
22	Inventories	22
23	Bonds and notes (attach schedule)	23
24	Corporate stocks (attach schedule)	24
25	Mortgage loans (attach schedule)	25
26	Other investments (attach schedule)	26
27	Depreciable and depletable assets (attach schedule)	27
28	Land	28
29	Other assets (attach schedule)	29
30	<b>Total assets</b>	30
<b>Liabilities</b>		
31	Accounts payable	31
32	Contributions, gifts, grants, etc., payable	32
33	Mortgages and notes payable (attach schedule)	33
34	Other liabilities (attach schedule)	34
35	<b>Total liabilities</b>	35
<b>Fund Balances or Net Worth</b>		
36	Total fund balances or net worth	36
37	<b>Total liabilities and fund balances or net worth</b> (line 35 plus line 36)	37

If there has been any substantial change in any aspect of your financial activities since the period shown above ended, check the box and attach a detailed explanation

**Part VI Non-Private Foundation Status (Definitive ruling only)**

**A.—Basis for Non-Private Foundation Status (Check one of the boxes below.)**

The organization is not a private foundation because it qualifies as:

	✓	Kind of organization	Within the meaning of	Complete
1		a church or a convention or association of churches	Sections 509(a)(1) and 170(b)(1)(A)(i)	
2		a school	Sections 509(a)(1) and 170(b)(1)(A)(ii)	
3		a hospital or a cooperative hospital service organization or a medical research organization operated in conjunction with a hospital	Sections 509(a)(1) and 170(b)(1)(A)(iii)	
4		a governmental unit described in section 170(c)(1)	Sections 509(a)(1) and 170(b)(1)(A)(v)	
5		being organized and operated exclusively for testing for public safety	Section 509(a)(4)	
6		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)	Part VI.—B
7		normally receiving a substantial part of its support from a governmental unit or from the general public	Sections 509(a)(1) and 170(b)(1)(A)(vi)	Part VI.—B
8		normally receiving not more than one-third of its support from gross investment income and more than one-third of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions (subject to certain exceptions)	Section 509(a)(2)	Part VI.—B
9		being operated solely for the benefit of or in connection with one or more of the organizations described in 1 through 4, or 6, 7, and 8 above	Section 509(a)(3)	Part VI.—C

**B.—Analysis of Financial Support (Complete if you checked box 6, 7, or 8 above.)**

	(a) Most recent tax year	(Years next preceding most recent tax year)			(e) Total
	19 .....	(b) 19 .....	(c) 19 .....	(d) 19 .....	
1 Gifts, grants, and contributions received					
2 Membership fees received					
3 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					
4 Gross investment income (see instructions for definition)					
5 Net income from organization's unrelated business activities not included on line 4					
6 Tax revenues levied for and either paid to or spent on behalf of the organization					
7 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)					
8 Other income (not including gain or loss from sale of capital assets)—attach schedule					
9 Total of lines 1 through 8					
10 Line 9 minus line 3					
11 Enter 2% of line 10, column (e) only					

12 If the organization has received any unusual grants during any of the above tax years, attach a list for each year showing the name of the contributor, the date and amount of grant, and a brief description of the nature of such grant. Do not include such grants on line 1 above—(See instructions).

THE CENTER FOR PUBLIC INTEGRITY, INC.  
List of Exhibits for Form 1023

1. Form SS-4
2. Articles of Incorporation
3. Bylaws
4. Answer to Part III, Question 2
5. Answer to Part III, Question 3
6. Answer to Part III, Question 4e
7. Answer to Part III, Question 9a
8. Answer to Part III, Question 10
9. Statement of Support, Revenue and Expenses for the period  
1989 - 1991
10. Power of Attorney
11. Form 872-C (two copies)
12. Form 8718, User Fee for Exempt Organization Determination  
Letter Request

EXHIBIT 1