

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

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

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

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

Part I Identification of Applicant

1 Full name of organization (exactly as it appears in your organizing document)		2 c/o Name (if applicable)	
Sisters Graduate Resource Organization (Sisters GRO)		Sisters High School	
3 Mailing address (Number and street) (see instructions)	Room/Suite	4 Employer Identification Number (EIN)	
1700 W Mckinney Butte Rd.		38-3775863	
City or town, state or country, and ZIP + 4		5 Month the annual accounting period ends (01 - 12)	
Sisters, Oregon, 97759		06	
6 Primary contact (officer, director, trustee, or authorized representative)		b Phone: 541 383-2517	
a Name: Karen L. Hensley		c Fax: (optional) 541 383 2527	

Part II Organizational Structure

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

- 1** Are you a **corporation**? If "Yes," attach a copy of your articles of incorporation showing **certification of filing** with the appropriate state agency. Include copies of any amendments to your articles and be sure they also show state filing certification. **Yes** **No**
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Part III Required Provisions in Your Organizing Document

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

1 Section 501(c)(3) requires that your organizing document state your exempt purpose(s), such as charitable, religious, educational, and/or scientific purposes. Check the box to confirm that your organizing document meets this requirement. Describe specifically where your organizing document meets this requirement, such as a reference to a particular article or section in your organizing document. Refer to the instructions for exempt purpose language. Location of Purpose Clause (Page, Article, and Paragraph): [bylaws- Article #3](#)

2a Section 501(c)(3) requires that upon dissolution of your organization, your remaining assets must be used exclusively for exempt purposes, such as charitable, religious, educational, and/or scientific purposes. Check the box on line 2a to confirm that your organizing document meets this requirement by express provision for the distribution of assets upon dissolution. If you rely on state law for your dissolution provision, do not check the box on line 2a and go to line 2c.

2b If you checked the box on line 2a, specify the location of your dissolution clause (Page, Article, and Paragraph). Do not complete line 2c if you checked box 2a. [Articles of Incorporation page 1 article #8](#)

2c See the instructions for information about the operation of state law in your particular state. Check this box if you rely on operation of state law for your dissolution provision and indicate the state:

5 Have you adopted **bylaws**? If "Yes," attach a current copy showing date of adoption. If "No," explain how your officers, directors, or trustees are selected. **Yes** **No**

Part IV Narrative Description of Your Activities

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

Mission Statement:

Sisters Graduate Resource Organization (Sisters GRO)

Growing Funds for Growing Futures

Sisters GRO recognizes that a vibrant Community fosters the dreams, goals and ambitions of its young people. We are dedicated to growing our community's future by championing post high school education through scholarships and graduate support programs. By investing in our Sisters students, we invest in our community.

A group of volunteers at Sisters High School (SHS) has been working with the students and scholarships for over 15 years. As the monies increased for local scholarships we found a need to establish a foundation to support, the community in helping SHS students obtains their post secondary dreams

We have worked over the past four years with local individuals and business people, along with community organizations to increase donations from \$42,000 to \$90,000 in the 06-07 school year. This year our donations will exceed over \$145,000. With our fundraising plans, we expect the donations to increase at least 10% annually. Due to the significant dollar amounts involved the Sisters School District has recommended a non-profit organization beformed as an efficient means of dispersing scholarship funds to recipients.

Last year we introduced a successful program to honor graduating students. Each graduate was recognized at a Senior Celebration Evening. Local scholarships, collegiate scholarships, military enlistments, vocational commitments, and any non-traditional post-high school plan were mentioned.

PAST ACTIVITY

PAST ACTIVITY #1 *Maintaining Scholarship Data Base and College/University Catalogues and Information*

What:

Maintaining Scholarship Data Base and College/University Catalogues and Information

Who:

Volunteers

When:

Throughout the school year.

Where:

SHS – The counseling office served as the post-secondary education resource center until 2005-06

How:

Maintaining the scholarship data base and College/University catalogues and information furthers our exempt purpose because it provides needed information to students planning for post secondary education.

Percentage of Time:

5%

Funding:

None

PAST ACTIVITY #3 *Managing Local Donor Scholarships*

What:

Managing Local Donor Scholarships including communication with donors and informing students of availability

Who:

Volunteers

When:

Throughout the school year

Where:

SHS

How:

Managing local donor scholarships furthers our exempt purpose because it is a major funding source for graduate education and resource programs.

Percentage of Time:

5%

Funding:

Private donations

PAST ACTIVITY #3 *Community Senior Recognition*

What:

Community Senior Recognition Night - Recognition of seniors receiving awards and educational scholarships

Who:

Staff/Volunteers

When:

End of school year – June

Where:

Sisters High School

How:

The Senior Recognition connects the community with its graduating students, establishes and reinforces community pride and builds student self-esteem

Percentage of Time:

5%

Funding:

Private and Sisters High School

PRESENT ACTIVITY

PRESENT ACTIVITY #2 *Maintaining Scholarship Data Base and College/University Catalogues and Information*

What:

Maintaining Scholarship Data Base and College/University Catalogues and Information

Who:

Volunteers

When:

Throughout the school year.

Where:

SHS – ASPIRE office

How:

Maintaining the Scholarship Data Base and College/University Catalogues and Information provides needed information to students planning for post secondary education

Percentage of Time:

3%

Funding:

None

PRESENT ACTIVITY #3 *Managing Local Donor Scholarships*

What:

Managing Local Donor Scholarships including communication with donors and informing students of availability. Scholarship Coordinator position and forms set up for donors in setting up new scholarships.

Who:

Volunteers

When:

Throughout the school year

Where:

SHS

How:

Managing local donor scholarships furthers our exempt purpose because it is a major funding source for graduate resource education and programs.

Percentage of Time:

8%

Funding:

Private donations

PRESENT ACTIVITY #4 *Community Senior Recognition*

What:

Community Senior Recognition Night - Recognition of each graduating student's plan for post-graduation along with awards and scholarships.

Who:

Staff/Volunteers

When:

End of school year – June

Where:

Sisters High School

How:

The Senior Recognition connects the community with its graduating students, establishes and reinforces community pride and builds student self-esteem

Percentage of Time:

2%

Funding:

Private and School

PRESENT ACTIVITY #5 *Formation of Sisters Graduate Resource Organization*

What:

Formation of Sisters Graduate Resource Organization

Who:

Volunteers, Sisters High School administration

When:

January 2008

Where:

Sisters High School

How:

Establishes a non-profit entity and Board of Directors to carry out mission statement and purpose. Plans for fundraising and solicitation for scholarship campaigns and grant writing. Establish Web Site.

Percentage of Time:

10%

Funding:

Private donations, local scholarships

FUTURE ACTIVITY

FUTURE ACTIVITY #1 *Establish endowment funds*

What:

- Seek community sponsors
- Grant writing
- Solicitations from businesses and individuals

Who:

Sisters GRO Board

When:

Throughout the year

Where:

Central Oregon

How:

Creates a long term base for scholarship funding

Percentage of Time:

15%

Funding:

Grants, fundraising and private donations

FUTURE ACTIVITY #2 *Managing Local Donor Scholarships*

What:

Managing Local Donor Scholarships:

- Communication with donors
- Informing students of availability and application process.
- Maintaining local scholarship application website.
- Establish a Scholarship Coordinator position as liaison between Sisters GRO and SHS
- Board oversight of the scholarship selection process.
- Fulfillment of donor directives,

Who:

Sisters GRO Board, Faculty, Student. Community volunteers

When:

Throughout the year

Where:

SHS and the Sisters community

How:

Managing local donor scholarships furthers our exempt purpose because it is a major funding source for graduate resource scholarships and programs.

Percentage of Time:

15%

Funding:

Private donations

FUTURE ACTIVITY #3 *Community Senior Recognition*

What:

Community Senior Recognition Night - Recognition of each graduating students plan for post-graduation along with awards and scholarships.

Who:

Staff/Volunteers

When:

End of school year – June

Where:

Sisters High School

How:

The Senior Recognition furthers the exempt purposes by connecting the community with its graduating students, establishing and reinforcing community pride, the value of education, and building student self-esteem.

Percentage of Time:

1%

Funding:

Sisters GRO and Sisters School District

FUTURE ACTIVITY #4 *Sisters Graduate Resource Organization Fundraising*

What:

Sisters Graduate Resource Organization Fundraising

- Alumni Campaign

- Student Fundraisers
- Annual Campaign Letter
- Business solicitations
- Foundation grant solicitations (List)
- E-mail solicitations
- Fund-raising events-sponsored by Board
- Individual donor gifts
- Speaking Engagements

Increase Community Donations to Sisters GRO

- Increase number of scholarships by raising awareness in the community.
- Increase the donations for Sister GRO supported programs
- Increase the scholarship dollars by promoting the Sisters GRO
- Publicly recognizing donors and hosting donor appreciation events.

Who:

Sisters GRO Board Community volunteers, Sisters High School administration,

When:

January 2008, and through out the year

Where:

Sisters High School, and Sisters Community

How:

- Establishes a non-profit entity and Board of Directors to carry out mission statement and purpose. Our Plans for fundraising and solicitation for scholarship campaigns and grant writing. Establish Web Site.
- The increased community donations to Sisters GRO, fulfills our purpose of growing funds for growing futures.

Percentage of Time:

10%

Funding:

Private donations, local scholarships, fundraising and grants,

FUTURE ACTIVITY #5 Increase Participation in Sisters GRO Students Scholarship Programs

What:

Increase Participation in Sisters GRO Scholarship Programs

- Increase numbers of student scholarship applications by raising awareness of the available resources.
- Increase the scholarship dollars per student by promoting the Sisters GRO scholarship program in the community.
- Increase College bound students by expanding volunteer participation.

Who:

Sisters GRO Board

When:

Throughout the year

Where:

Sisters High School

How:

The increased participation by SHS students in the Sisters GRO scholarship programs fulfills our purpose of growing funds for growing futures.

Percentage of Time:

5%

Funding:

Grants, fundraising and private donations

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

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

- 1a In carrying out your exempt purposes, do you provide goods, services, or funds to individuals? If "Yes," describe each program that provides goods, services, or funds to individuals. Yes No
- 2 Do any of your programs limit the provision of goods, services, or funds to a specific individual or group of specific individuals? For example, answer "Yes," if goods, services, or funds are provided only for a particular individual, your members, individuals who work for a particular employer, or graduates of a particular school. If "Yes," explain the limitation and how recipients are selected for each program. Yes No

1a Sisters High School graduates will be recipients of scholarship funds which will be disbursed to the educational institution the student is attending or disbursed per the donor directive

2 Our program benefits will be restricted to graduates of Sisters High School, Sisters Oregon

Part VIII Your Specific Activities

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

Part VIII Your Specific Activities (Continued)

4a Do you or will you undertake fundraising? If "Yes," check all the fundraising programs you do or will conduct. (See instructions.) Yes No

- mail solicitations
- email solicitations
- personal solicitations
- vehicle, boat, plane, or similar donations
- foundation grant solicitations
- phone solicitations
- accept donations on your website
- receive donations from another organization's website
- government grant solicitations
- Other


Attach a description of each fundraising program.

Description of each **planned** fundraising program for Sisters Graduate Resource Organization

- E-mail solicitations
 - Solicitations will be conducted by emailing the following groups of people in the Sisters community
 - Alumni - conducted annually
 - Parents - conducted semiannually
 - Community – conducted annually
- Personal solicitations
 - Solicitations will be conducted by the Sisters GRO Board and volunteers on an individual basis.
 - Groups contacted will be: Alumni, Parents, Community members, employer matching funds, and retail donation sites
 - Conducted on an ongoing basis
- Business and Organization solicitations
 - Solicitations will be conducted by the Sisters GRO Board and volunteers on an individual basis .
 - Groups contacted will be local business, community groups and association, through:
 - Employer matching funds
 - Retail donation sites
 - Conducted on an ongoing basis
- Speaking Engagements
 - Conducted on an ongoing basis
- Foundation grant solicitations (List)
 - The Board members have taken grant-writing classes and will contact foundations with similar purposes for operation grants and scholarships.
 - Conducted on an ongoing basis
 - See attachment **Part VIII A Foundation grant solicitations List**
- Website Donations
 - On the Sisters GRO website www.sistersGRO.com donors will be able to obtain information on the organization and contribute
 - Links will be placed on the Sisters School District, Sisters High School, and the SHS ASPIRE web sites.
- Fund-raising events-sponsored by Board
 - Some ideas are to conduct
 - Art Stroll and dinner
 - Plant sales
 - Brand sales
- Individual donor gifts

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

- d** Do you or will you record in writing the decision made by each individual who decided or voted on compensation arrangements? Yes No
- e** Do you or will you approve compensation arrangements based on information about compensation paid by **similarly situated** taxable or tax-exempt organizations for similar services, current compensation surveys compiled by independent firms, or actual written offers from similarly situated organizations? Refer to the instructions for Part V, lines 1a, 1b, and 1c, for information on what to include as compensation. Yes No
- f** Do you or will you record in writing both the information on which you relied to base your decision and its source? Yes No
- g** If you answered "No" to any item on lines 4a through 4f, describe how you set compensation that is **reasonable** for your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed in Part V, lines 1a, 1b, and 1c.

- 5a** Have you adopted a **conflict of interest policy** consistent with the sample conflict of interest policy in Appendix A to the instructions? If "Yes," provide a copy of the policy and explain how the policy has been adopted, such as by resolution of your governing board. If "No," answer lines 5b and 5c. Yes No 
- b** What procedures will you follow to assure that persons who have a conflict of interest will not have influence over you for setting their own compensation?
- c** What procedures will you follow to assure that persons who have a conflict of interest will not have influence over you regarding business deals with themselves?

Note: A conflict of interest policy is recommended though it is not required to obtain exemption. Hospitals, see Schedule C, Section I, line 14.

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

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

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- 1a** In carrying out your exempt purposes, do you provide goods, services, or funds to individuals? If "Yes," describe each program that provides goods, services, or funds to individuals. Yes No
- b** In carrying out your exempt purposes, do you provide goods, services, or funds to organizations? If "Yes," describe each program that provides goods, services, or funds to organizations. Yes No
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- 2** Do any of your programs limit the provision of goods, services, or funds to a specific individual or group of specific individuals? For example, answer "Yes," if goods, services, or funds are provided only for a particular individual, your members, individuals who work for a particular employer, or graduates of a particular school. If "Yes," explain the limitation and how recipients are selected for each program. Yes No
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- 3** Do any individuals who receive goods, services, or funds through your programs have a family or business relationship with any officer, director, trustee, or with any of your highest compensated employees or highest compensated independent contractors listed in Part V, lines 1a, 1b, and 1c? If "Yes," explain how these related individuals are eligible for goods, services, or funds. Yes No
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Sister High School graduates will be recipients of scholarship funds which will be disbursed to the educational institution the student is attending or disbursed per the donor directive.

Part VIII Your Specific Activities *(Continued)*

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

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

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

Section I *Names of individual recipients are not required to be listed in Schedule H. Public charities and private foundations complete lines 1a through 7 of this section. See the instructions to Part X if you are not sure whether you are a public charity or a private foundation.*

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- 1a Describe the types of educational grants you provide to individuals, such as scholarships, fellowships, loans, etc.
 b Describe the purpose and amount of your scholarships, fellowships, and other educational grants and loans that you award.
 c If you award educational loans, explain the terms of the loans (interest rate, length, forgiveness, etc.).
 d Specify how your program is publicized.
 e Provide copies of any solicitation or announcement materials.
 f Provide a sample copy of the application used.
- a) Scholarships
 b) Scholarship purpose is to defray cost of tuition, room & board, books & supplies
 Scholarship amount may be determined by donor or Board varying from \$100 to \$35,000
 c) N/A
 d) Publicized: volunteer, web site, inner-school communication, news releases, email
 e) Materials are in the process of development
 f) see attachment of the Sisters High School Local Scholarship application

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- 3 Describe the specific criteria you use to determine who is eligible for your program. (For example, eligibility selection criteria could consist of graduating high school students from a particular high school who will attend college, writers of scholarly works about American history, etc.)

Graduating high school students from Sisters High School that will continue post-secondary education or job training.

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- 4a Describe the specific criteria you use to select recipients. (For example, specific selection criteria could consist of prior academic performance, financial need, etc.)
 b Describe how you determine the number of grants that will be made annually.
 c Describe how you determine the amount of each of your grants.
 d Describe any requirement or condition that you impose on recipients to obtain, maintain, or qualify for renewal of a grant. (For example, specific requirements or conditions could consist of attendance at a four-year college, maintaining a certain grade point average, teaching in public school after graduation from college, etc.)
- a) Specific selection criteria will consist of prior academic performance, financial need, written essay, aptitude or talent, community involvement or service
 b) The number of grants will be determined by the number of donor sponsored scholarships and annual fundraising total. A financial formula may be used by the board to determine the number of scholarships for the year.
 c) The amount of each grant will be determined by the donor-sponsor or the Board.
 d) Specific requirements or conditions could consist of attendance at a four-year college, vocational or community college.

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- 5 Describe your procedures for supervising the scholarships, fellowships, educational loans, or other educational grants. Describe whether you obtain reports and grade transcripts from recipients, or you pay grants directly to a school under an arrangement whereby the school will apply the grant funds only for enrolled students who are in good standing. Also, describe your procedures for taking action if the terms of the award are violated.

The funds are released to the educational institution or as directed by the donor within the parameters of the law. Scholarships will be paid directly to a school under an arrangement whereby the school will apply the grant funds only for enrolled students who are in good standing. In case of violation of the terms of the award the Board will review specific situations in conjunction with the donor as necessary for resolution or possible revocation. I

6 Who is on the selection committee for the awards made under your program, including names of current committee members, criteria for committee membership, and the method of replacing committee members?

Selection committee may consist of current Sisters GRO Board members and may also include Sisters High School faculty and administration and current donors. Criteria for a committee membership position is based on the above plus confirmation with Conflict of Interest Policy. Method of replacing committee members is subject to Bylaws.

7 Are relatives of members of the selection committee, or of your officers, directors, or **substantial contributors** eligible for awards made under your program? If "Yes," what measures are taken to ensure unbiased selections? Yes No

Note. If you are a private foundation, you are not permitted to provide educational grants to **disqualified persons**. Disqualified persons include your substantial contributors and foundation managers and certain family members of disqualified persons.

Within the selection process we will defer to the Conflict of Interest Policy. The subject party would abstain from participating in any part of the selection process.

