

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

Read the instructions for each Part carefully.

A User Fee must be attached to this application.

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

Complete the Procedural Checklist on page 7 of the instructions.

Identification of Applicant		
1a Full name of organization (as shown in organizing document) Space Coast PC Users Group, Inc.	2 Employer identification number (EIN) (If none, see page 2 of the instructions.) <u>59 2965844</u>	
1b c/o Name (if applicable)	3 Name and telephone number of person to be contacted if additional information is needed <u>Edwin L. Hughes</u> (407) 254-1926	
1c Address (number and street)	Room/Suite	4 Month the annual accounting period ends <u>April</u>
P. O. Box 369	1d City or town, state, and ZIP code <u>Cocoa, FL</u>	<u>3 2 9 2 3 - 0 3 6 9</u>
5 Date incorporated or formed April 24, 1986	6 Activity codes (See page 3 of the instructions.) 123 149 125	7 Check here if applying under section: a <input type="checkbox"/> 501 (e) b <input type="checkbox"/> 501 (f) c <input type="checkbox"/> 501 (k)
8 Did the organization previously apply for recognition of exemption under this Code section or under any other section of the Code? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If "Yes," attach an explanation.		
9 Is the organization required to file Form 990 (or Form 990-EZ)? <input type="checkbox"/> N/A <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "No," attach an explanation (see page 3 of the Specific Instructions).		
10 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. ATTACH A CONFORMED COPY OF THE CORRESPONDING ORGANIZING DOCUMENTS TO THE APPLICATION BEFORE MAILING. (See **Specific Instructions for Part 1, Line 11**, on page 3.) **Get Pub. 557, Tax-Exempt Status for Your Organization**, for examples of organizational documents.)

a Corporation- Attach a copy of the Articles of Incorporation (including amendments and restatements) showing approval by the appropriate state official; also include a copy of the bylaws.

b Trust- Attach a copy of the Trust Indenture or Agreement, including all appropriate signatures and dates.

c Association Attach a copy of the Articles of Association, Constitution, or other creating document, with a declaration (see instructions) or other evidence the organization was formed by adoption of the document by more than one person; also include a copy of the bylaws.

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

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

Please Sign Here /S/ Edwin L. Hughes President June 19, 1998

(Signature) (Title or authority of signer) (Date)

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.

Monthly meetings

These meetings are open to the public. The meeting format allows for the exchange of problems and solutions among the attendees. The meeting also typically has a presentation by industry representatives of the latest products and trends.

Space Coast PC Journal

This is the monthly magazine published by the club and included in the membership dues. The Journal contains articles that provide reviews of new hardware and software, convey information about the good and bad features of new products, help the readers resolve problems and dilemmas with their personal computers.

The Journal also contains advertisements of computer products and services that are useful to the readers.

The Journal is available to the public in each of the county's sixteen public libraries.

Special Interest Groups

These are groups of users who hold meetings outside the monthly meetings to discuss their difficulties and successes with certain hardware and software products. The object is to improve their individual techniques and skills by sharing information and experiences with the group.

Classes

Classes are held as the need is perceived for members and the public at large. Typical classes are *DOS*, *Windows 3.1*, *Windows 95*, *Microsoft Office 97*, etc.

Resource Center

The club maintains a club computer with basic hardware and software configuration that is available to help computer users resolve problems with their own computers. The Resource Center Manager is very a experienced computer user who can help the other users to understand why they are having certain difficulties. The Resource Center computer is connected to the Internet and provides an excellent introduction to the tools and techniques of using the Internet to the best advantage.

Computer Doctors

The club has a few volunteers who make house calls to help other members with their computer problems.

Help Lines

The Journal contains a list of telephone numbers and Internet email addresses of those members who have expertise in hardware and software areas and are willing to help others with their problems over the telephone and/or Internet.

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

1. Membership Dues
2. Classes
3. Journal advertisements

-
- 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.

We have no fund-raising program. If we are recognized as 501(c)(3), we may apply for local or state grants. We presently have no plans to do so. Classes and Journal advertisements are taught/sold by volunteers. See attached.

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 Attached

No officer receives compensation.

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 11, 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 a 501(c)(3) organization): (a) grants; (b) purchases or sales of assets; (c) rental of facilities or equipment; (d) loans or loan guarantees; (e) reimbursement arrangements; (f) performance of services, membership, or fundraising solicitations; or (g) sharing of facilities, equipment, mailing lists or other assets, or paid employees? Yes No
If "Yes," explain fully and identify the other organizations involved.

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

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."

Club Computer, audio and video equipment. All in good working order.

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

10a Will any of the organization's facilities or operations be managed by another organization or individual under a contractual agreement? Yes No

b Is the organization a party to any leases? Yes No

If either of these questions is answered "Yes," attach a copy of the contracts and explain the relationship between the applicant and the other parties.

11 Is the organization a membership organization? Yes No

If "Yes," complete the following:

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

Anyone who has an interest in personal computers may join. Annual dues are \$25.00 for the immediate family.

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,

See attached

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

Receive monthly Journal. Are eligible for Computer Doctor housecalls, may visit Resource Center for individual instruction, pay reduced class fees.

12a If the organization provides benefits, services, or products, are the recipients required, or will they be required, to pay for them? N/A Yes No

If "Yes," explain how the charges are determined and attach a copy of the current fee schedule.

See attached

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

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

13 Does or will the organization attempt to influence legislation? Yes No

If "Yes," explain. Also, give an estimate of the percentage of the organization's time and funds that it devotes or plans to devote to this activity.

14 Does or will the organization intervene in any way in political campaigns, including the publication or distribution of statements? Yes No

If "Yes," explain fully.

Technical Requirements

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

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

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

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

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

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

If "No," answer question 4.

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

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

If "Yes," answer question 5.

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

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

If "No," answer question 6.

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

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

Technical Requirements (Continued)

- 8 Is the organization a private foundation?
 Yes (Answer question 9.)
 No (Answer question 10 and proceed as instructed.)

- 9 If you answer "Yes" to question 8, does the organization claim to be a private operating foundation?
 Yes (Complete Schedule E.)
 No

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

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

THE ORGANIZATION IS NOT A PRIVATE FOUNDATION BECAUSE IT QUALIFIES:

- | | | |
|---|---|--|
| a | <input type="checkbox"/> As a church or a convention or association of churches (CHURCHES MUST COMPLETE SCHEDULE A.) | Sections 509(a)(1) and 170(b)(1)(A)(i) |
| b | <input type="checkbox"/> As a school (MUST COMPLETE SCHEDULE B.) | Sections 509(a)(1) and 170(b)(1)(A)(ii) |
| c | <input type="checkbox"/> 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) |
| d | <input type="checkbox"/> As a governmental unit described in section 170(c)(1). | Sections 509(a)(1) and 170(b)(1)(A)(v) |
| e | <input type="checkbox"/> 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) |
| f | <input type="checkbox"/> As being organized and operated exclusively for testing for public safety. | Section 509(a)(4) |
| g | <input type="checkbox"/> 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) |
| h | <input type="checkbox"/> 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) |
| i | <input checked="" type="checkbox"/> 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). | Section 509(a)(2) |
| j | <input type="checkbox"/> 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, in question 10, go to question 11.

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 No grant received.

- 13 If you are requesting a definitive ruling under section 170(b)(1)(A)(iv) or (vi), check here and:
 a Enter 2% of line 8, column (e), Total, of Part IV-A. _____
 b Attach a list showing the name and amount contributed by each person (other than a governmental unit or "publicly supported" organization) whose total gifts, grants, contributions, etc., were more than the amount entered on line 13a above.

- 14 If you are requesting a definitive ruling under section 509(a)(2), check here and:
 a For each of the years included on lines 1, 2, and 9 of Part IV-A, attach a list showing the name of and amount received from each "disqualified person." (For a definition of "disqualified person," see **Specific Instructions**, Part 11, Line 4d, on **page 3.**) **N/A No such person**
 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. **N/A No such person.**

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

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	3 prior tax years or proposed budget for 2 years			
		(a) From 5/1/97 to 4/30/98	(b) 1 997	(c) 1 996	(d) 1 995	(e) TOTAL
Revenue	1 Gifts, grants, and contributions received (not including unusual grants-see pages 5 and 6 of the instructions) - - - - -	9,515.00	12,315.00	13,843.00	11,775.00	47,448.00
	2 Membership fees received					
	3 Gross investment income (see instructions for definition)					
	4 Net income from organization's unrelated business activities not included on line 3 - - - - -	315.00	296.00	125.00	254.00	1,016.00
	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)	6,015.00	4,494.00	4,721.00	5,765.00	20,995.00
	8 Total (add lines 1 through 7)	15,871.00	17,105.00	18,689.00	17,794.00	69,459.00
	9 Gross receipts from admissions, sales of merchandise or services, or furnishing of facilities in any activity that is not an unrelated business within the meaning of section 513. Include related cost of sales on line 22. - - - - -	675.25	16,140.00	3,009.82	4,288.09	9,613.16
	10 Total (add lines 8 and 9)	16,546.25	18,745.00	21,698.82	22,082.09	79,072.16
	11 Gain or loss from sale of capital assets (attach schedule) - - - - -					
	12 Unusual grants - - - - -					
	13 Total revenue (add lines 10 through 12) - - - - -	16,546.25	18,745.00	21,698.82	22,082.09	79,072.16
Expenses	14 Fundraising expenses - - - - -					
	15 Contributions, gifts, grants, and similar amounts paid (attach schedule) - - - - -					
	16 Disbursements to or for benefit of members (attach schedule)	15,306.82	18,436.73	19,011.80	0.00	
	17 Compensation of officers, directors, and trustees (attach schedule) - - - - -					
	18 Other salaries and wages					
	19 Interest - - - - -	188.75				
	20 Occupancy (rent, utilities, etc.) .					
	21 Depreciation and depletion					
	22 Other (attach schedule) - - - - -					
	23 Total expenses (add lines 14 through 22) - - - - -	15,495.57	18,436.73	19,011.80	22,809.14	
	24 Excess of revenue over expenses (line 13 minus line 23)	1,050.68	308.27	2,687.02	(727.05)	

Financial Data (Continued)

B. Balance Sheet (at the end of the period shown)		Current tax year Date <u>4/30/98</u>
Assets		
1	Cash	1 5,613.69
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)	7
8	Depreciable and depletable assets (attach schedule)	8 2,225.00
9	Land	9
10	Other assets (attach schedule)	10
11	Total assets (add lines 1 through 10)	11 7,838.69
Liabilities		
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	Total liabilities (add lines 12 through 15)	16 0.00
Fund Balances or Net Assets		
17	Total fund balances or net assets	17 7,838.69
18	Total liabilities and fund balances or net assets (add line 16 and line 17)	18 7,838.69

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

Attachment to Form 1023
Space Coast PC Users Group, Incorporated
P. O. Box 369, Cocoa, Fl 32923-0369
EIN 59-2965844

Part 1, Line 8. The corporation is currently recognized as a 501(c)(7) Sport and Recreation Club. See attached IRS letter 948(DO/CG).

The Board of Directors feels that this category does not properly reflect the language of our Articles of Incorporation or our current emphasis on educational activities. Therefore, we are submitting this application for reconsideration for designation as a 501(c)(3) organization.

Part 1, Line 9. The corporation's annual gross receipts have been less than \$25,000 for the history of the club. In the event that the gross receipts exceed \$25,000 in the future, we will file a form 990.

Part 2, Line 4. Officers and Directors

President:

Edwin L. Hughes
447 Pauma Valley Way
Melbourne, FL 32940-1918

Secretary:

Ed Hall
250 N Banana River Dr APT D13
Merritt Island, FL 32952-2557

Librarian & Resource Ctr. Mgr.

Ron Ingraham
9570 South Tropical Trail
Merritt Island, FL 32952

First Vice President

Steve Rosenthal
635 Rosada St.
Satellite Beach, FL 32937-

Treasurer:

Roseann Nelson
851 Belhurst Lane
Rockledge, FL 32955

Web Master:

Curt Potsic
862 Kings Post Road
Rockledge, FL 32955

Second Vice President

Dave Nottingham
P. O. Box 1981
Cocoa, FL 32923-1981

Journal Editor:

Jeanne Veilleux
5997 Cardiff Avenue
Cocoa, FL 32927

Membership Chairman

Robert D. Deem
894 Pine Baugh St.
Rockledge, FL 32955-8190

Part 2, Line 3. Our only fund-raising efforts are a) to increase our membership by announcing our meetings in the local newspapers, leaving literature at the local computer shops and giving copies of the Journal to advertisers in the Journal, most of whom are computer supplier or computer consultants and b) giving classes that are open to the public and c) selling advertisements in the Journal. All of these activities are performed by volunteers who are members. At one time, the mileage and other out-of-pocket expenses were reimbursed for the advertising seller.

Part 2, Line 11 b. The users group announces its classes and monthly meetings in the local newspapers. The users group also takes a booth at the local computer show each September to make the public aware of its existence. The attached brochure is handed out at the classes, to non-members at the club meetings and at the computer show.

Part 2, Line 12 a. Monthly meetings, special interest group meetings are open to the public and are free. A fee is charged for the classes. That fee covers the cost of textbooks and other materials supplied, the cost of the classroom and defrays the cost of the projection equipment used for the classes.

Classes held within the past year were:

Windows 95 Class, Members \$35, Non-members \$45. Includes \$30 textbook.
Microsoft Word 97, Members \$40, Non-members \$50. Includes a \$35 textbook.
Microsoft Access 98, Members \$15, Non-members \$25. No text was provided.

Job Description of the Second Vice President Space Coast PC Users Group, Inc.

Bylaws, ARTICLE V, Officers

Section 5. Second Vice-President - The Second Vice-President shall assume the duties of the President during his absence and the absence of the First Vice President and shall perform such other duties as directed by the Board of Directors.

Additional Responsibilities:

- I) Develop a six-month calendar of classes for publication each month.
- II) Develop a six-month calendar of SIGs and special Second-Saturday topics for publication each month.
- III) Develop a six-month calendar of seminars for publication each month.
- IV) Find instructors for classes.
- V) Find leaders for SIGs.
- VI) Find a computer lab where the SCPCUG can host classes and/or SIGs
- VII) Publish notices of the classes and special events to the local media so non-members can participate.
- VIII) Be custodian for the club projection equipment for the meetings, SIGs and classes.

These Responsibilities will be accomplished by the following activities:

- A) Polling the membership as necessary to ascertain their needs.
- B) Approving syllabus and fee structure for each new class.
- C) Assisting class instructors as requested: take registrations, collect fees, coordinate with treasurer, schedule room, order books, assure equipment availability, etc.
- D) Monitoring new instructors to insure high quality classes.
- E) Staying in regular contact with SIG Leaders.
- F) Making sure at least one appropriate room is available for each SIG each the month on the day and time requested by the SIG leader.
- G) Staying in regular contact with New Member Orientation Leader, offering help when requested, making sure he/she has the latest schedule of classes and SIGs.
- H) Providing the board of directors with the latest schedule of classes and SIGs in time for their publication in The Journal.

Furthermore, I/we agree to:

- 1) Keep this list of objectives and activities up to date.
- 2) Inform the President and board of directors of any changes to the list.
- 3) At the conclusion of my/our term of office, pass this information, in writing, to my/our successor(s).



Space Coast PC Users Group, Inc.

P. O. Box 369
Cocoa, FL 32923-0369
September 24, 1998



Internal Revenue Service
EP/ED Division - Group 7204
P. O. Box 13163 - Room 1420
Baltimore, MD 21203

Employer ID: 59-2965844
DLN: 17053174032048

Dear Ms Medina:

Thank you for your letter 1312 (DC/PL) of September 10, 1998. The following paragraphs provide answers to the questions you asked.

1) *Explain how exactly have your activities changed from those previously approved under section 501(c)(7)?*

Previously, our benefits and facilities were exclusively for our members. For example, if members of the community wanted to take one of our computer classes, they were required to join the club. This significantly increased their cost to take that class.

Now, we offer non-member prices for our classes. Recent classes have been as high as fifty percent non-members.

We have placed vastly increased emphasis on education. Our Second Vice Presidents, yes, we have two, are also our "Education Vice Presidents." That is their primary responsibility. I have attached a copy of the job description.

We now offer many more classes. See page 31 of The Journal for the current list.

We have introduced self-help study groups leading to certification as a *Microsoft Certified System Engineer*. Within the last year, three of our members have received that certification as a result of having participated in the study group.

We have adopted a community organization as our charitable focus. *Resurrection Ranch* is a drug-rehabilitation facility. We have successfully encouraged our members to donate equipment to the facility so the clients can have training in basic computer skills.

We have also donated equipment and manpower to two of the elementary schools in the community.

2) *Your application indicates that industry representatives are available at your meetings. Are there actual sales during the meetings? Ordering? Please explain in full detail.*

Our application states, "These meetings are open to the public. The meeting format allows for the exchange of problems and solutions among the attendees. The meeting also typically has a presentation by industry representatives of the latest products and trends."

A typical meeting agenda is shown in the box in the lower left-hand corner of the back page of the Journal.

We do not have "industry representatives ... available" in the sense of sales personnel from several companies standing around to talk to the audience, demonstrate their product, sell the product as is common at computer shows, trade shows and the like. The featured speaker is from one of the companies that provide the hardware and software for personal computer users. At the

Edwin L. Hughes
President
William McCabe
First Vice President

David Nottingham
Louise Armstrong
Second Vice Presidents
Ed Hall
Secretary

Roseann Nelson
Treasurer
Ronald Ingraham
Librarian & Resource
Center Manager

Jeanne Vielleux
Journal Editor
Bob Deem
Membership Chairman
Curt Potsic
WebMaster

vast majority of our meetings, there is one company representative. At occasional meetings, we may have speakers from two companies.

The speaker typically describes and demonstrates one or two of their latest products that are likely to be interesting to our audience. The presenter is usually a sales and marketing professional and the presentations are of very high quality. The club meetings are held in a county library and the library rules do not permit direct sales during the meeting. The speaker often brings products to be given away as the door prizes. The speaker may also distribute, with our permission, order sheets or flyers announcing special User Group Prices for some of the products. Since the club does not recompense the speaker in any way, we offer them as much latitude as we can in terms of how they present their products.

3) Please provide us with a copy of your Journal.

Enclosed is the September 1998 issue.

4) Are your classes available to other than members? If so, explain how your educational programs are communicated to non-members.

Our classes are available to other than members. Three weeks, or so, before the class is scheduled to take place, we put a notice in the local newspapers and provide several of the local radio stations with public service announcements. Enclosed is a copy of one such class announcement as it appeared in the paper in August. This announcement typically runs for one or two weeks.

We try to schedule the classes, seminars, etc. six months or more in advance. These schedules are announced each month at the meetings. Meetings are open to the public and are announced each month in the local newspapers.

The Journal contains a detailed calendar for the next month (page 33) as well as the list of classes and seminars for the next several months (page 31). The Journal is mailed to each of the county's 16 public libraries where it is available for non-members to read.

Local computer stores are aware of our activities. They tell their customers about our classes. It helps them sell new computers.

I hope this provides the information needed for you to complete the review of our application.

If you would like to discuss this matter with me on the telephone, I am usually available at 407-254-1926 from 9:00 a.m. to 5:00 p.m. Monday through Friday. If I am not in when you call, please leave a message on the answering machine.

Yours truly,

/S/ Edwin L. Hughes

President
Space Coast PC Users Group, Inc.

Encl:
Job Description of the Second Vice President
The Space Coast PC Journal
Classes