

Entered

Internal Revenue Service

Date: July 19, 2007

ASSOCIATION OF AMERICAN EDUCATORS  
FOUNDATION  
27405 PUERTA REAL STE 230  
MISSION VIEJO CA 92691-6388

Department of the Treasury  
P. O. Box 2508  
Cincinnati, OH 45201

Person to Contact:  
Ms. Chandler 17-52729  
Customer Service Representative  
Toll Free Telephone Number:  
877-829-5500  
Federal Identification Number:  
33-0623003

Dear Sir or Madam:

This is in response to your request of July 19, 2007, regarding your organization's tax-exempt status.

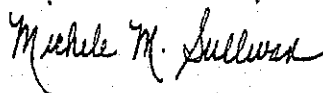
In July 1994 we issued a determination letter that recognized your organization as exempt from federal income tax. Our records indicate that your organization is currently exempt under section 501(c)(3) of the Internal Revenue Code.

Our records indicate that your organization is also classified as a public charity under section 509(a)(3) of the Internal Revenue Code.

Our records indicate that contributions to your organization are deductible under section 170 of the Code, and that you are qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Internal Revenue Code.

If you have any questions, please call us at the telephone number shown in the heading of this letter.

Sincerely,



Michele M. Sullivan, Oper. Mgr.  
Accounts Management Operations 1

Entered in PCG

Internal Revenue Service  
Director, Exempt Organizations  
Rulings and Agreements

Department of the Treasury  
P.O. Box 2508  
Cincinnati, OH 45201

Date: **FEB 16 2006**

Association of American  
Educators Foundation  
c/o Jay Rotz  
1747 Pennsylvania Avenue, NW  
Washington, DC 20006

Employer Identification Number:  
33-0623003

Contact Person - ID Number:  
Dorothy Lawrence - 31-07373

Contact Telephone Number:  
(877) 829-5500 Toll-Free

Accounting Period Ending:

December 31

Form 990 Required:

Yes

Dear Sir or Madam:

Based on information which you have submitted, we have determined that you have terminated your private foundation status under the provisions of section 507(b)(1)(B) of the Internal Revenue Code of 1986 and that, as of January 1, 2000, you are an organization of the type described in section 509(a)(3) of the Code. We have determined that you are a Type 1 supporting organization under section 509(a)(3). A Type 1 is operated, supervised, or controlled by, a Type 2 is supervised or controlled in connection with, and a Type 3 is operated in connection with one or more publicly supported organizations.

This modifies our letter of January 26, 2000 in which we stated that you would be treated as an organization that is not a private foundation until the expiration of your 60-month advance ruling period.

Your exempt status under section 501(a) of the Internal Revenue Code as an organization described in section 501(c)(3) is still in effect.

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

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

Since you are not a private foundation within the meaning of section 509(a) of the Code, you are not subject to the excise tax under Chapter 42 of the Code. However, you are not automatically exempt from other Federal excise taxes. If you have any questions about excise, employment, or other Federal taxes, please let us know.

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Association of American Educators  
33-0623003

Grantors and contributors may rely on this determination unless the Internal Revenue Service publishes notice to the contrary. However, if you lose your section 509(a)(3) status, a grantor or contributor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act, or the substantial or material change on the part of the organization that resulted in your loss of such status, or if he or she acquired knowledge that the Internal Revenue Service had given notice that you would no longer be classified as a section 509(a)(3) organization.

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

Contribution deductions are allowable to donors only to the extent that their contributions are gifts, with no consideration received. Ticket purchases and similar payments in conjunction with fundraising events may not necessarily qualify as deductible contributions, depending on the circumstances. See Revenue Ruling 67-246, published in Cumulative Bulletin 1967-2, on page 104, which sets forth guidelines regarding the deductibility, as charitable contributions, of payments made by taxpayers for admission to or other participation in fundraising activities for charity.

In the heading of this letter we have indicated whether you must file Form 990, Return of Organization Exempt From Income Tax. If "Yes" is indicated, you are required to file Form 990 only if your gross receipts each year are normally more than \$25,000. However, if you receive a Form 990 package in the mail, please file the return even if you do not exceed the gross receipts test. If you are not required to file, simply attach the label provided, check the box in the heading to indicate that your annual gross receipts are normally \$25,000 or less, and sign the return.

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

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

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Association of American Educators  
33-0623003

activities are unrelated trade or business as defined in section 513 of the Code.

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

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

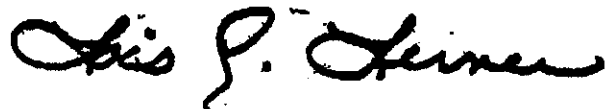
If distributions are made to individuals, case histories regarding the recipients should be kept showing names, addresses, purposes of awards, manner of selection, and relationship, if any, to members, officers, trustees or donors of funds to you, so that any and all distributions made to individuals can be substantiated upon request by the Internal Revenue Service. (Revenue Ruling 56-304, 1956-2, p.306.)

We have sent a copy of this letter to your representative as indicated in your power of attorney.

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

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

Sincerely,



Lois G. Lerner  
Director, Exempt Organizations  
Rulings and Agreements

cc: Association of American Educators  
Foundation



July 15, 2005

ADVISORY BOARD

Leta Rains Andrews  
Disney Outstanding  
Teacher of 1993 & 1993  
Texas Teacher of the Year

Tracey Bailey  
1993 National Teacher  
of the Year

Patricia Ann Baltz  
Disney Outstanding  
Teacher of 1993 & 1993  
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1994 Milken Foundation  
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Andy Broussard  
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Associated Professional  
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Eric Buehrer  
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Dr. Lewis Hodge  
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University of Tennessee

Dr. William Kilpatrick  
Professor of Education,  
Boston College

Dr. Kevin Ryan  
Dir., Center for the  
Advancement of Ethics  
and Character

Yvonne Engel, Program Administrator  
The Lynde and Harry Bradley Foundation  
1241 North Franklin Place  
Milwaukee, WI 53202-2901

Dear Yvonne,

Per your request, I have enclosed the completed Grantee Tax Exempt Status form.

We have not, as yet, received our permanent IRS determination letter. Our attorney, Alan Dye, of Webster, Chamberlain & Bean contacted the IRS at the Cincinnati office and was told that the IRS was four to six months behind in processing determination letters.

He does not feel, however, that there should be a problem with receiving the exemption (see attached fax from Alan's office).

I will send you a copy just as soon as we receive it.

Sorry for the inconvenience.

Sincerely,

  
Gary Beckner  
Executive Director

Enclosure

25201 Paseo de Alicia  
Suite 104, Laguna Hills  
California 92653-4627  
949-595-7979  
800-704-7799  
Fax 949-595-7970  
<http://www.aateachers.org>

WEBSTER, CHAMBERLAIN & BEAN  
1747 Pennsylvania Avenue, N.W., Suite 1000  
Washington, D.C. 20006  
(202) 785-9500  
(202) 835-0243 (FAX)

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FACSIMILE COVER SHEET

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TO: Gary Beckner

FAX #: 949 595-7970

FROM: Jay Rotz

DATE: 2/9/05

CLIENT: AAE

Total Number of Pages (including cover page): 35

*Beth of*  
MEMO: Please sign the attached power of attorney on the second page, and fax it back to me as soon as possible. I have the necessary information to establish that the Foundation will be a public charity (509(a)(3)), and it is clear that it will qualify.

If you have any questions, please call or e-mail: [jrotz@wc-b.com](mailto:jrotz@wc-b.com)

The information contained in this transmission is privileged and confidential. It is intended only for use of the individual or entity named above. If the reader of this message is not the intended recipient, you are hereby notified that any dissemination, distribution, or copy of this communication is strictly prohibited. If you received this communication in error, please notify us immediately by telephone. If there are any problems with this transmittal, please call Jay at 202-785-9500, ext. 28. Thank you.

Entered in PCG

INTERNAL REVENUE SERVICE  
O. BOX 2508  
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: JAN 26 2001

Employer Identification Number:  
33-0623003

DLN:  
17053345748019

Contact Person:  
MARK BRECKNER

ID# 95217

Contact Telephone Number:  
(877) 829-5500

ASSOCIATION OF AMERICAN EDUCATORS  
FOUNDATION

C/O EDWARD D COLEMAN  
WEBSTER CHAMBERLAIN & BEAN  
1747 PENNSYLVANIA AVE NW 1000  
WASHINGTON, DC 20006

60 Month Period Ends:  
December 31, 2004

Addendum Applies:  
No

Dear Applicant:

We have received your notification of intent to terminate your private foundation status under section 507(b)(1)(B) of the Internal Revenue Code during a 60 month period beginning January 1, 2000.

The information submitted indicates that you intend to operate as an organization described in section 509(a)(3) of the Code during the 60 month period.

Based on your proposed activities and support, it is held that you can reasonably be expected to terminate your private foundation status under section 507(b)(1)(B) of the Code. Accordingly, you will be treated as a public charity described in section 509(a)(3) of the Code for an advance ruling period of 60 months beginning January 1, 2000.

Within 90 days after the end of your 60 month period, you must establish to the satisfaction of the Internal Revenue Service that you have qualified as an organization which meets the requirements of paragraph (1), (2), or (3) of section 509(a) of the Code for the 60 month period. If you do establish that fact, you will be so classified for all purposes beginning with the first day of the first taxable year of the 60 month period and, thereafter, so long as you continue to meet the requirements of section 509(a)(1), (2), or (3). If, however, you do not meet these requirements for the 60 month period, you will be classified as a private foundation as of the first day of the first taxable year of the 60 month period.

If you satisfy the requirements of section 507(b)(1)(B) of the Code at the end of your 60 month period, you will not be subject to the provisions of section 507(a), (c), or (g) of the Code.

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

You are required to file Form 990-PF, Return of Private Foundation or

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Section 4947(a)(1) Trust Treated as a Private Foundation, until you complete your 60 month termination and are classified as a section 509(a)(3) organization. Form 990-PF must be filed by the 15th day of the fifth month after the end of your annual accounting period. The law imposes a penalty of \$20 a day, up to a maximum of \$10,000 or 5 percent of your gross receipts (whichever is less), for failure to file a return on time unless there is reasonable cause for the delay. For organizations with gross receipts exceeding \$1,000,000 in any year, the penalty is \$100 per day per return, unless there is reasonable cause for the delay. The maximum penalty for an organization with gross receipts exceeding \$1,000,000 shall not exceed \$50,000. This penalty may also be charged if a return is not complete, so please be sure your return is complete before you file it.

If you do not pay the tax imposed by section 4940 of the Code for any taxable year or years during the 60 month period, and it is subsequently determined that such tax is due for such year or years, you will be liable for interest in accordance with section 6601 of the Code. Since any failure to pay such taxes during the 60 month period is due to reasonable cause, the penalty under section 6651 with respect to the tax imposed by section 4940 shall not apply.

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

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

We have sent a copy of this letter to your representative as indicated in your power of attorney.

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

Sincerely yours,

*Steven T. Miller*

Steven T. Miller  
Director, Exempt Organizations

Enclosure(s):  
Form 872-B



INTERNAL REVENUE SERVICE  
DISTRICT DIRECTOR  
2 CUPANIA CIRCLE  
MONTEREY PARK, CA 91755-7406

DEPARTMENT OF THE TREASURY

Date: JUL 20 1994

ASSOCIATION OF AMERICAN EDUCATORS  
FOUNDATION  
26285 AMAPOLA LANE  
MISSION VIEJO, CA 92691

Employer Identification Number:  
33-0623003  
Case Number:  
954131055  
Contact Person:  
RANDY HOWARD  
Contact Telephone Number:  
(213) 725-7002  
Accounting Period Ending:  
Dec. 31  
Foundation Status Classification:  
170(b)(1)(A)(vi)  
Advance Ruling Period Begins:  
Oct. 4, 1993  
Advance Ruling Period Ends:  
Dec. 31, 1997

Dear Applicant:

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

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

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

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

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

If we publish a notice in the Internal Revenue Bulletin stating that we will no longer treat you as a publicly supported organization, grantors and contributors may not rely on this determination after the date we publish the

Letter 1045 (DO/CG)

ASSOCIATION OF AMERICAN EDUCATORS

notice. In addition, if you lose your status as a publicly supported organization, and a grantor or contributor was responsible for, or was aware of, the act or failure to act, that resulted in your loss of such status, that person may not rely on this determination from the date of the act or failure to act. Also, if a grantor or contributor learned that we had given notice that you would be removed from classification as a publicly supported organization, then that person may not rely on this determination as of the date he or she acquired such knowledge.

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

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

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

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

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

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

If you are required to file a return you must file it by the 15th day of the fifth month after the end of your annual accounting period. We charge a penalty of \$10 a day when a return is filed late, unless there is reasonable cause for the delay. However, the maximum penalty we charge cannot exceed \$5,000 or 5 percent of your gross receipts for the year, whichever is less. We

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may also charge this penalty if a return is not complete. So, please be sure your return is complete before you file it.

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

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

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

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

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

Sincerely yours,

A handwritten signature in dark ink, appearing to read "Richard R. Orosco", with a horizontal line extending from the end of the signature.

Richard R. Orosco  
District Director