



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matters of)
) MUR 6391 & MUR 6471
Commission on Hope, Growth &)
Opportunity)

**STATEMENT OF REASONS OF
VICE CHAIRMAN STEVEN T. WALTHER**

I. Introduction

Two administrative complaints were filed against the Commission on Hope, Growth & Opportunity ("CHGO"), a District of Columbia non-profit association formed on March 31, 2010 and organized under section 501(c)(4) of the Internal Revenue Code. The first complaint ("DCCC Complaint") was filed on October 7, 2010, by the Democratic Congressional Campaign Committee ("DCCC") and is referenced as Matter Under Review ("MUR") 6391.¹ The second complaint ("CREW Complaint") was filed on May 23, 2011, and amended ("CREW Amended Complaint") on April 26, 2012 by Citizens for Responsibility and Ethics in Washington ("CREW") and its former Executive Director, Melanie Sloan, and is referenced as MUR 6471.² The complaints alleged that CHGO violated the Federal Election Campaign Act ("FECA" or the "Act") by (1) failing to properly report its spending on election-related communications, (2) failing to include proper disclaimers on them, and (3) failing to organize, register and report as a political committee.³

DCCC alleged that CHGO violated the Act by spending over \$600,000 in the 2010 elections to air several advertisements that were either independent expenditures or electioneering communications, and that CHGO failed to report the advertisements and failed to include proper disclaimers.

CREW alleged that CHGO violated the Act by spending over \$2.3 million in the 2010 elections to broadcast fifteen advertisements in twelve Congressional races, and that the

¹ DCCC's FEC complaint is available at <http://eqs.fec.gov/eqsdocsMUR/15044380002.pdf>.

² The CREW Complaint and the CREW Amended Complaint are available at <http://eqs.fec.gov/eqsdocsMUR/15044380186.pdf> and <http://eqs.fec.gov/eqsdocsMUR/15044380263.pdf>.

³ See 52 U.S.C. § 30102 ("Organization of political committees"), 52 U.S.C. § 30103 ("Registration of political committees") and 52 U.S.C. § 30104 ("Reporting requirements").

advertisements were either independent expenditures or electioneering communications that CHGO failed to report and failed to include proper disclaimers. CREW further alleged that CHGO's extensive election-related spending, along with the lack of any significant non-electoral activity, indicated that CHGO may have violated the FECA by failing to organize, register, and report as a political committee in 2010.

In response to the complaints, CHGO denied the allegations, asserting that the advertisements did not constitute express advocacy, that it did not engage in electoral politics at the federal level, and that its public communications were specifically issue-oriented. According to CHGO, its sole purpose was to educate the public on matters of economic policy formulation, and therefore it was not a political committee.⁴ CHGO further stated that none of its communications was targeted at any specific electoral constituency, that any error in disclosing electioneering communications was made in good faith, and that the policy behind disclosure was satisfied by the disclaimer CHGO attached to each advertisement, as well as by the information made available by broadcasters as required by the Federal Communications Commission ("FCC").

On September 16, 2014, the Commission unanimously found reason to believe ("RTB") in these matters that CHGO violated the Act by failing to report several advertisements that it had disseminated in 2010 as electioneering communications or independent expenditures. However, the Commission deadlocked twice – on September 16, 2014 and October 1, 2015 – on the central issue of whether there was reason to believe CHGO had achieved political committee status.⁵ As a political committee, CHGO would have been required to register with the Commission and file disclosure reports that would have publicized all of its contributions and disbursements in a timely manner.

On October 1, 2015, the Commission voted again on the political committee status issue. Three Commissioners, Commissioner Ravel, Commissioner Weintraub and I, voted to find RTB that CHGO may have violated the Act by failing to report and register as a political committee and failing to file reports as a political committee. Following the second and fateful deadlock, the Commission voted, as a matter of common practice, to close the file.⁶

On November 6, 2015, Commissioners Matthew S. Petersen, Caroline C. Hunter and Lee E. Goodman, jointly issued their "Statement of Reasons" ("Controlling Group SOR") stating why they voted in each instance in these matters against the recommendations of the Office of General Counsel ("OGC") to find reason to believe on the political committee status issue, which

⁴ CHGO's responses to the complaints are available at <http://eqs.fec.gov/eqs/searcheqs?SUBMIT=continue>.

⁵ See Amended Certification in MUR 6391 and 6471, dated Sept. 16, 2014, *available at* <http://eqs.fec.gov/eqsdocsMUR/15044380338.pdf>, and Certification in MUR 6391 and 6471, dated Oct. 1, 2015, *available at* <http://eqs.fec.gov/eqsdocsMUR/15044380400.pdf>. I voted in each of those instances, along with Commissioners Ann M. Ravel and Ellen L. Weintraub, to find reason to believe that CHGO may have violated the Act's political committee status provisions.

⁶ See Certification in MUR 6391 and 6471, dated Oct. 1, 2015. The vote to close the file was approved by five Commissioners; I dissented.

effectively prevented the Commission from further pursuing CHGO for failing to organize, register and report as a political committee.⁷

On November 23, 2015, CREW, one of the two administrative complainants, exercised its statutory right to file suit in U.S. District Court pursuant to section 30109(a)(8) of the Act, alleging that the Commission's dismissal by the Commission of that matter was "contrary to law."⁸ CREW currently seeks a court order declaring that the Commission's dismissal of MUR 6471 was contrary to law, and requiring the Commission to conform with such declaration,⁹ which, if granted, would allow the Commission to complete the enforcement process. Notwithstanding my disagreement with the content of the Controlling Group SOR, I voted, consistent with Commission tradition and practice, to authorize OGC to defend the Commission in this suit.¹⁰

⁷ See Controlling Group SOR in MURs 6391 and 6471 by Vice Chairman Matthew S. Petersen and Commissioners Caroline C. Hunter and Lee E. Goodman, dated Nov. 6, 2015, *available at* <http://eqs.fec.gov/eqsdocsMUR/15044381253.pdf>. In this matter, where one of the complainants that initiated the MUR, CREW, has filed suit in U.S. District Court pursuant to 52 U.S.C. § 30109(a)(8), the Controlling Group is required to provide a "statement of their reasons" for voting against OGC's recommendation. See *Democratic Cong. Campaign Comm. v. FEC*, 831 F.2d 1131, 1132 (D.C. Cir. 1987); *FEC v. Nat'l Republican Senatorial Comm.*, 966 F. 2d 1471, 1476 (D.C. Cir. 1992) ("[W]hen the Commission deadlocks 3-3 and so dismisses a complaint, that complaint, like any other, is judicially reviewable under Section 437g(a)(8). . . . [T]o make judicial review a meaningful exercise, the three Commissioners who voted to dismiss must provide a statement of their reasons for so voting. Since those Commissioners constitute a controlling group for purposes of the decision, their rationale necessarily states the agency's reasons for acting as it did."); *Common Cause v. FEC*, 655 F. Supp. 619 (D.D.C. 1986), *rev'd on other grounds*, 842 F.2d 436 (D.C. Cir. 1988). On March 3, 2016 Commissioner Goodman issued a "Supplemental Statement of Commissioner Lee E. Goodman". In that document, Commissioner Goodman expresses dissatisfaction with what he believes were unclear and inconsistent tests or analyses by OGC on the political committee status issue. However, as seen from OGC's reports, it is clear that OGC was attempting to cover all bases – not just its own view – given the disparity between the Controlling Group and Commissioners Ravel, Weintraub and me on what is required to make a finding of RTB on political committee status. In view of the unwillingness of the Controlling Group to adhere to the analysis we supported, OGC stated in GCR #3 that "under any analysis," the "major purpose" test was clearly satisfied.

⁸ See *CREW v. FEC*, Case No. 15-2038 (D.D.C. filed Nov. 23, 2015). CREW's district court complaint is available at http://www.fec.gov/law/litigation/crew152038_complaint.pdf. Section 30109(a)(8)(C) states that: "In any proceeding under this paragraph the court may declare that the dismissal of the complaint or the failure to act is *contrary to law*, and may direct the Commission to conform with such declaration within 30 days, failing which the complainant may bring, in the name of such complainant, a civil action to remedy the violation involved in the original complaint" (emphasis added). The complainant in MUR 6391, DCCC, chose not to exercise its statutory right to file suit in district court against the Commission under 52 U.S.C. § 30109(a)(8)(C).

⁹ *Id.*

¹⁰ The following explanatory footnote was included as footnote 1 of the FEC's Answer to the Complaint, dated February 12, 2016, available at http://www.fec.gov/law/litigation/crew_152038.shtml:

This litigation is commenced against the Federal Election Commission (Commission) on the grounds that the Commission did not approve a recommendation of the Commission's Office of General Counsel (OGC) to find "reason to believe" (RTB) that a violation of the FECA or of its regulations occurred in this case and that the file was consequently closed. 52 U.S.C. § 30109(a)(8) (formerly 2 U.S.C. § 437g(a)(8)). The reason for the inaction of the Commission is because there were not four or more Commissioners' votes to proceed on the RTB recommendation. Courts have held that, in order to properly

I am issuing this Statement of Reasons to express why I believe the court should (a) declare that the Controlling Group's rationale for not finding RTB is arbitrary and capricious and therefore "contrary to law," and (b) "direct the Commission to conform with such declaration."¹¹

II. The Controlling Group's Rationale For Not Finding Reason to Believe Is Contrary to Law

The Controlling Group's rationale for not finding reason to believe is contrary to law, and the court should rule accordingly, as discussed below.

The basis of the Controlling Group's refusal to vote to find reason to believe that CHGO may have achieved political committee status can be summed up in the following statements in the Controlling Group's SOR:

- "The information available at the time [of OGC's pre-investigation recommendations to the Commission on December 27, 2013] did not support a finding of reason to believe that CHGO had failed to organize, register, and report as a political committee."¹²
- "The information learned during this period [OGC's Commission-authorized investigation in 2014 and 2015] did not definitively resolve whether there was reason to believe CHGO was a political committee and raised novel legal issues that the Commission had no briefing or time to decide."¹³

review the inaction of the Commission, the court must be supplied with a "statement of reasons" of those Commissioners who voted against, or abstained from voting for, the OGC recommendation, who the court has called the "controlling group." See *Democratic Cong. Campaign Comm. v. FEC*, 831 F.2d 1131, 1132 (D.C. Cir. 1987); *FEC v. Nat'l Republican Senatorial Comm.*, 966 F.2d 1471, 1476 (D.C. Cir. 1992) ("[W]hen the Commission deadlocks 3-3 and so dismisses a complaint, that complaint, like any other, is judicially reviewable under Section [30109(a)(8)] . . . [T]o make judicial review a meaningful exercise, the three Commissioners who voted to dismiss must provide a statement of their reasons for so voting. Since those Commissioners constitute a controlling group for purposes of the decision, their rationale necessarily states the agency's reasons for acting as it did."); *Common Cause v. FEC*, 655 F. Supp. 619 (D.D.C. 1986), *rev'd on other grounds*, 842 F.2d 436 (D.C. Cir. 1988). The Commission has historically voted by a majority vote (pursuant to 52 U.S.C. §§ 30106(c) and 30107(a)(6) (formerly 2 U.S.C. §§ 437c(c) and 437d(a)(6))) to authorize the OGC's appearance on behalf of the Commission in suits commenced pursuant to 52 U.S.C. 30109(a)(8) (formerly 2 U.S.C. § 437g(a)(8)). Accordingly, the views of the Commissioners who voted to pursue enforcement are not defended by the OGC, although their statements of reasons are part of the administrative record and available for the Court's consideration. Furthermore, the OGC's representational role in this matter does not change OGC's recommendation to find RTB or any of the reasons supporting it, which are part of the administrative record.

¹¹ See fn. 8, *supra* (quoting from Act).

¹² Controlling Group SOR at 3 (portion in brackets added for clarification).

¹³ Controlling Group SOR at 4 (portion in brackets added for clarification).

- The information that was learned during that investigation indicated “that CHGO no longer existed and that the statute of limitations effectively foreclosed further enforcement efforts”¹⁴

¹⁴ *Id.* As discussed below, three public documents are attached to this statement to assist the discussion of the salient issues:

Attachment A, which is publicly available at <https://assets.documentcloud.org/documents/326131/1024-commission-on-hope-growth-and-opportunity.pdf>, is an August 16, 2010 letter from the IRS approving CHGO’s application for tax-exempt status, which also includes (a) CHGO’s “Application for Recognition of Exemption Under Section 501(a)” (“IRS Application”), which was signed by CHGO counsel William B. Canfield (“Canfield”) on March 31, 2010, and (b) CHGO’s Articles of Association, which were signed by CHGO’s President and Executive Director Steve Powell and CHGO counsel Canfield on March 31, 2010. In response to the question on the IRS Application “Has the organization spent or does it plan to spend *any money* attempting to influence the selection, nomination, election, or appointment of any person to any Federal, state, or local public office or to an office in a political organization?” (emphasis added), CHGO counsel Canfield answered “No.”

Attachment B, which is publicly available at <http://www.guidestar.org/FinDocuments/2010/271/920/2010-271920168-07d711d1-90.pdf>, (and attached as Exhibit C to CREW’s Amended Complaint) is CHGO’s tax return for 2010 (IRS Form 990). That document, as discussed later, shows that CHGO spent over \$4.7 million during the 2010 calendar year. The tax return was executed by CHGO counsel Canfield on November 14, 2011. In response to question “Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office?” (during the 2010 calendar year), CHGO counsel Canfield answered “No.” The tax return further shows that Canfield received compensation of \$50,000 in 2010.

Attachment C, which is publicly available at <http://www.guidestar.org/FinDocuments/2011/271/920/2011-271920168-08862c6f-90.pdf>, is CHGO’s tax return for 2011 (IRS Form 990). That document, as discussed later, shows that CHGO paid out \$31,000 for compensation, legal and other fees, designates its status as “terminated,” and states that “no assets are remaining for this entity.” The tax return was executed on May 4, 2012 by J. Stephen Powell as CHGO’s President/Executive Director. This return containing a notice of termination was dated just 18 days after Michael H. Mihalke (who apparently was responsible for billing and invoicing CHGO’s advertisements) sent an email to CHGO treasurer James D. Warring and CHGO counsel Canfield expressing concerns about possible FEC involvement, suggesting that CHGO be terminated “most quickly” because “[t]here is an outstanding matter at the Federal Elections [sic] Commission and my sense is that we ought to shut it down to make things less complicated moving forward.” See footnote 33.

Attachment D is a portion of the subpoena response of Michael H. Mihalke, in which CHGO states, as discussed later, that its goal was “[t]o make an impact using express advocacy in targeted Senate races on key issues including financial reform, energy, taxes, pharmaceuticals, health care and other key concerns,” and identifies certain states as “potential targets.”

These documents, along with other information discussed in this statement, conclusively show that CHGO was active for nine (9) months, from March 31 through December 31, 2010, during which it spent over \$4 million on express advocacy expenditures and electioneering communications. These uncontroverted facts demonstrate a clear electoral purpose and stand in stark contrast to Mr. Canfield’s statement in CHGO’s 2010 IRS Application that CHGO had not spent, and did not plan to spend, “any money” to influence elections.

As to the issue of CHGO’s assets, a filing with the IRS is only that, and investigations often show that such filings are not always accurate; further, if CHGO had filed with the Commission as a political committee, those filings could have revealed with much more certainty the extent of CHGO’s receipts and final disbursements, and to what extent any assets may still exist.

Not only was there sufficient information supporting reason to believe findings when OGC presented its initial recommendations to the Commission on December 27, 2013, the investigation conducted by OGC during 2014 and 2015 confirmed that information and uncovered overwhelming additional facts (discussed by OGC in subsequent reports) which, considered together, demonstrated that there was reason to believe CHGO is a political committee under the Act.

A. First General Counsel's Report (December 27, 2013)

On December 27, 2013, OGC submitted its First General Counsel Report ("GCR #1") to the Commission for its consideration; however, consideration was delayed and it was not discussed in executive session until July 22, 2014, and ultimately not voted on in executive session until September 16, 2014.¹⁵ GCR #1 recommended that the Commission find reason to believe CHGO may have violated the Act (a) by failing to properly report its independent expenditures and electioneering communications, and (b) by failing to include proper disclaimers on its advertisements.¹⁶ In addition, GCR #1 recommended that the Commission find reason to believe CHGO may have violated the Act (a) by failing to organize and register as a "political committee," and as a consequence, additionally, (b) by failing to file with the FEC the disclosure reports required of a political committee.¹⁷ I approved OGC's recommendations shortly after GCR #1 was submitted to the Commission; however, the matter was not placed on an executive session and discussed until several months later, on July 22, 2014, and was not voted on by the Commission until September 16, 2014.

OGC based its political committee status recommendations on a wealth of undisputed evidence that did not persuade the Controlling Group. Because the Commission had not yet authorized OGC to conduct an investigation, which procedurally can only happen after a finding of RTB, the Commission was limited to the information in the two original complaints and one amended complaint and on the specificity of the denials in CHGO's responses, along with certain publicly available information. Still, even with those limitations, the facts as disclosed in GCR #1 in support of OGC's recommendations were compelling:

- CHGO's Form 990 for 2010 filed with the Internal Revenue Service ("IRS") (see Attachment B), which was provided in CREW's amended complaint, showed that CHGO spent over \$4.5 million on "media placement" and "media production" during the 2010 calendar year, out of total spending of over \$4.7 million.

¹⁵ GCR #1 is available at <http://eqs.fec.gov/eqsdocsMUR/15044380072.pdf>.

¹⁶ See 52 U.S.C. § 30104(c) ("Statements by other than political committees"), 52 U.S.C. § 30104(f) ("Disclosure of electioneering communications") and 52 U.S.C. § 30120(a)(3) and (d)(2) ("Identification of funding and authorizing sources" and "Communications by others").

¹⁷ Specifically, GCR #1 recommended that the Commission find reason to believe that CHGO failed to organize, register, and report as a political committee as required, respectively, by 52 U.S.C. § 30102 ("Organization of political committees"), 52 U.S.C. § 30103 ("Registration of political committees") and 52 U.S.C. § 30104 ("Reporting requirements").

- Although exact figures were unavailable at the time, based only on the advertisements identified in the complaints and responses, it appeared that there was reason to believe that CHGO may have spent over \$1.7 million on television advertisements that contained express advocacy alone (not including the additional amount that it appears that CHGO spent on electioneering communications).
- The information suggested (a) that CHGO spent over \$530,000 on non-express advocacy advertisements that clearly supported or opposed a clearly identified candidate, and (b) that the advertisements were run in the respective candidates' districts within approximately six weeks of the 2010 general election.

Because the available facts established – and remain uncontroverted to this date – that over \$2.2 million was spent on advertisements identified in both complaints and one amended complaint (\$1.7 million of express advocacy and \$530,000 in non-express advocacy communications); and since, in light of CHGO's overall spending of \$4.77 million in 2010 and the fact that its IRS disclosures revealed over \$4.5 million on "media placement" and "media production," OGC concluded that there was reason to believe that CHGO's "major purpose" may have been conducting federal campaign activity.¹⁸ Indeed, given that there was no other information about how CHGO spent the \$4.5 million, it was reasonable to infer at the time that far more than \$2.2 million was spent on the advertisements at issue.

As to whether CHGO's spending on the identified advertisements comprised a majority of its spending, in my view – which view is consistent with the Commission's policy as enunciated in its 2007 Supplemental Explanation and Justification on Political Committee Status ("2007 E&J")¹⁹ – the facts clearly supported an initial finding that there was reason to believe that CHGO may have achieved political committee status. From the outset it has been the Commission's interpretation of the law that *a majority of express advocacy communications is not required in order to find RTB* that an organization's major purpose is the nomination or election of federal candidates; in fact, the Commission stated in the 2007 E&J – which is still in effect – that it would evaluate "[e]ach organization's full range of campaign activities."²⁰ As OGC stated in GCR #1:

¹⁸ The Act and Commission regulations define a "political committee" as "any committee, club, association or other group of persons which receives contributions aggregating in excess of \$1,000 during a calendar year or which makes expenditures aggregating in excess of \$1,000 during a calendar year." 52 U.S.C. § 30101(4)(A); 11 C.F.R. § 100.5. In *Buckley v. Valeo*, 424 U.S. 1 (1976), the Supreme Court ruled that defining political committee status "only in terms of the annual amount of 'contributions' and 'expenditures'" may be overbroad, as it would reach groups "engaged purely in issue discussion." *Id.* at 79. The Court therefore concluded that the term "political committee" "need only encompass organizations that are under the control of a candidate or the *major purpose of which is the nomination or election of a candidate.*" *Id.* (emphasis added). Accordingly, under the relevant provisions of the Act as construed by the Supreme Court, an organization that is not controlled by a candidate must register as a political committee only if (1) it satisfies the \$1,000 threshold and (2) it has as its "major purpose" the nomination or election of one or more federal candidates.

¹⁹ See 2007 Supplemental Explanation and Justification on Political Committee Status, 72 Fed. Reg. 5595 (Feb. 7, 2007) ("2007 E&J"), available at <http://sers.fec.gov/fosers/showpdf.htm?docid=347892007>.

²⁰ See 2007 E&J at 5596-97.

[A]lthough it is unclear at this stage whether the amount CHGO spent on federal campaign activity exceeds 50% of its budget, that fact is not dispositive. *See supra* at 25 and note 16; *see also Human Life of Washington, Inc. v. Brumsickle*, 624 F.3d 990, 1009 (9th Cir. 2010), *cert. denied*, 131 S. Ct. 1477 (2011) (“Nothing in *Buckley* suggests . . . that disclosure requirements are constitutional only when applied” to “organizations whose *single* major purpose was political advocacy”) (emphasis added). And that consideration is particularly compelling here, at the initial stage of the enforcement process, where the Commission would seek merely to obtain a full record and would not be finding a violation of the Act on the facts before it. *See* Statement of Policy Regarding Commission Action in Matters at the Initial Stage of the Enforcement Process, 72 Fed. Reg. 12,545 (Mar. 16, 2007) (“[R]eason to believe findings indicate only that the Commission has found sufficient legal justification to open an investigation to determine whether a violation of the Act has occurred.”). Accordingly, in light of the nature of the substantial spending for which the Commission currently has information, there is reason to believe that CHGO’s major purpose in 2010 was federal campaign activity (*i.e.*, the nomination or election of a federal candidate).²¹

On September 16, 2014, the Commission met in executive session and voted on the reason to believe recommendations in GCR #1.²² The Commissioners unanimously voted to find reason to believe that CHGO may have failed to file the required reports disclosing the communications identified in the complaints as required by the Act;²³ however, the political committee status recommendations in GCR #1 failed to garner the necessary four votes. Three Commissioners (Commissioners Ann M. Ravel and Ellen L. Weintraub and I) voted to approve the political committee status recommendations, while the Controlling Group voted against them. The Controlling Group states in its SOR that, among other things, it “was not prepared to extrapolate the breakdown of CHGO’s total spending (\$4.7 million) based on the \$2.2 million subset of spending alleged in the complaint.”²⁴

Despite the Commission’s failure to find RTB regarding the central allegation, the unanimous approval of an RTB finding regarding CHGO’s failure to file the required reports disclosing its communications at least provided OGC with the authority to commence an

²¹ GCR #1 at 38-39.

²² The Commission meets regularly in closed session to discuss and vote on pending enforcement actions, litigation and other matters that, by law, are kept confidential. *See* <http://www.fec.gov/agenda/agendas.shtml#executive>. These are usually referred to as “Executive Sessions.”

²³ *See* Certification in MUR 6391 & MUR 6471 (CHGO), dated September 16, 2014, *available at* <http://eqs.fec.gov/eqsdocsMUR/15044380338.pdf>. The certification stated that CHGO “violated 52 U.S.C. § 30104 (formerly 2 U.S.C. § 434) by failing to report the communications at issue in the report.”

²⁴ Controlling Group SOR at fn. 13. As mentioned elsewhere, more extrapolation by OGC followed, although I do not think further additional facts or extrapolation were necessary in order to find RTB on the political committee status issue on September 16, 2014.

investigation to obtain additional facts regarding that issue.²⁵ Assuming OGC could confirm the amounts at issue and obtain more information about CHGO's spending – whether that information was inculpatory *or* exculpatory – the Commission would have been well situated to make appropriate findings in advance of the impending statute of limitations, which was projected by OGC to start expiring in late September 2015.

Although, as discussed below, OGC compiled additional facts that far surpassed the low “reason to believe” threshold and presented uncontroverted facts to the Commission in sufficient time to potentially conciliate with CHGO, it was still not enough to convince the Controlling Group.

B. Second General Counsel's Report (July 28, 2015)

On July 28, 2015, after conducting a limited investigation in accordance with the reporting RTB finding previously approved by the Commission, OGC submitted its Second General Counsel's Report (“GCR #2”) for the Commission's consideration.²⁶ Although, as previously mentioned, the low RTB threshold regarding political committee status, in my opinion, had been satisfied several months earlier when OGC made its initial political committee status recommendations in GCR #1 circulated December 27, 2013, the subsequent investigation *confirmed what could already be inferred* by the information in GCR #1, i.e., that nearly all of CHGO's spending – \$4.59 million out of a total of \$4.77 million (96 %) as reported on its 2010 Form 990 filed with the IRS – was related to the advertisements identified in the complaints.

Although OGC's investigation was confined to the reporting RTB finding (and not the political committee status issue), the documents OGC gathered in connection with that RTB finding included statements that were highly relevant to CHGO's “major purpose” by shedding some light on the group's true goals and objectives:²⁷

- CHGO stated in a planning document (*see* Attachment D) that its goal was “[t]o make an impact using *express advocacy in targeted Senate races* on key issues including financial reform, energy, taxes, pharmaceuticals, health care and other key concerns.”²⁸ The planning document even identified twelve states as “potential targets.”²⁹

²⁵ See Amended Certification in MUR 6391 and 6471 (CHGO), dated Sept. 16, 2014, *available at* <http://eqs.fec.gov/eqsdocsMUR/15044380338.pdf>.

²⁶ GCR #2 is available at <http://eqs.fec.gov/eqsdocsMUR/15044380353.pdf>.

²⁷ The Commission stated in its 2007 E&J that, in determining an entity's major purpose, it considers a group's “overall conduct,” including public statements about its mission, organizational documents, government filings (e.g., IRS notices), the proportion of spending related to “federal campaign activity,” and the extent to which fundraising solicitations indicate that funds raised will be used to support or oppose specific candidates. 2077 E&J at 5597, 5605. As can be seen, the percentage of express advocacy spending is only one factor of many in considering the existence of “major purpose” and nowhere is it hinted that express advocacy must be a majority of a group's total spending.

²⁸ GCR #2 at 12 (emphasis added).

²⁹ *Id.*

- A September 15, 2010 letter to a potential donor from Wayne Berman, who was identified as a CHGO "consultant" by key witness Michael Mihalke (who was responsible for billing and invoicing CHGO's advertisements), described CHGO as "an organization which focuses on running independent expenditure campaigns in key districts *to support the election* of Republican candidates," and further assured the donor that contributions to CHGO *would not be disclosed*, thereby hiding the names of donors from the electorate.³⁰

In its follow-up investigation, OGC obtained no documents that supported CHGO's claim in its response to the complaints that its purpose was solely to educate the public on matters of economic policy formulation.

It is worth noting that OGC encountered a number of obstacles in the post-RTB period that severely hampered its investigation of CHGO, caused in no small part by CHGO's failure to abide by the law (as well as its failure to adhere to timely notices provided to it by OGC that cautioned CHGO's counsel to follow the law) to preserve records related to the complaints as required by law. These legal requirements were included in complaint notification letters from the Commission as early as 2010.³¹ OGC provided the following disturbing information in its July 28, 2015 report to the Commission:

The investigative record suggests that CHGO lacked a records retention policy, did not appear to otherwise attempt to retain records, and did not direct any of its vendors to retain records, despite notice from the Commission of the obligation to preserve relevant documents. None of the witnesses identified any records retention policy in place at CHGO or Meridian [its primary vendor for media placement and production] during the time CHGO conducted the activities at issue. Canfield [i.e., CHGO counsel William B. Canfield III] Subpoena Resp. at 2; Powell [i.e., CHGO President/Executive Director James S. Powell] Subpoena Resp. at 6; Response of Michael H. Mihalke to Order to Submit Answers to Questions and Subpoena to Produce Documents at 5 (June 26, 2015) ("Mihalke Subpoena Resp."). Additionally, all of the relevant witnesses stated that they either did not receive notice or did not recall receiving notice to retain records relating to CHGO in light of the Commission's open matter. Response of James D. Warring [i.e., CHGO treasurer and founder of Warring & Company, LLC, the firm responsible for CHGO's accounting and tax filings] to Order to Submit Answers to Questions and Subpoena to Produce Documents at 8 (June 29, 2015) ("Warring Subpoena Resp."); Powell Subpoena Resp. at 6; Mihalke

³⁰ *Id.*

³¹ The Commission's complaint notification letters to counsel stated:

Please note that you have a legal obligation to preserve all documents, records and materials relating to the subject matter of the complaint until such time as you are notified that the Commission has closed its file in this matter. See 18 U.S.C. § 1519.

Subpoena Resp. at 5. To the contrary, in response to the subpoenas Warring and Cedillo [i.e., Susi Cedillo, employee of Warring & Company, LLC] produced an April 16, 2012 e-mail from Mihalke to Warring and Canfield suggesting that CHGO be terminated "most quickly," because "[t]here is an outstanding matter at the Federal Elections [sic] Commission and my sense is that we ought to shut it down to make things less complicated moving forward." Warring Subpoena Resp. at FEC-481; Response of Susi Cedillo to Order to Submit Answers to Questions and Subpoena to Produce Documents (July 6, 2015) ("Cedillo Subpoena Resp.") at FEC-219.³²

In spite of these fact-finding challenges, OGC was successful in presenting the Commission with much stronger factual support that there was reason to believe that CHGO is a political committee. Accordingly, GCR #2 renewed OGC's previous recommendations, stating that

"since each of CHGO's advertisements was either an express-advocacy independent expenditure or electioneering communication, *both of which are indicative of major purpose*, we conclude that 96% of CHGO's spending in 2010 involved federal campaign activity."³³

GCR #2 also recommended that the Commission immediately authorize pre-probable conciliation with CHGO, given that the statute of limitations was to begin expiring in two months.

However, notwithstanding the foregoing, the Controlling Group contended OGC still had not obtained enough evidence to satisfy their arbitrary threshold for political committee status by definitively categorizing which disbursements were for express advocacy independent expenditures versus non-express advocacy electioneering communications. As the Controlling Group stated in its SOR:

It was . . . our expectation that OGC's investigation would provide a more thorough accounting of CHGO's spending, including its spending on each communication, and whether there were other communications not known to the Commission that CHGO had financed.³⁴

....

However, the investigation had not developed any more information detailing CHGO's spending on specific communications.³⁵

³² GCR #2 at fn. 20 (portion in brackets added for clarification). This is perhaps the reason why the IRS termination was filed as well, which unfortunately was used by the Controlling Group as a reason to not vote for RTB findings on the political committee status issue.

³³ GCR #2 at 10.

³⁴ Controlling Group SOR at 3.

³⁵ Controlling Group SOR at 3-4.

In each instance where the Controlling Group criticized the sufficiency of the evidence, OGC conducted further investigation in an attempt to satisfy their concerns. Although not necessary, in an effort to obtain yet more precise details about CHGO's spending on the advertisements at issue, OGC undertook additional investigative steps following an August 11, 2015 executive session discussion.³⁶ As discussed below, however, although OGC diligently pursued other potential leads and returned to the Commission the next month, on September 24, 2015, with a detailed breakdown of CHGO's spending, the additional copious evidence did not persuade the Controlling Group that the low reason to believe standard had been satisfied.

C. Third General Counsel's Report (September 24, 2015)

On September 24, 2015, OGC submitted its Third General Counsel's Report ("GCR #3") for Commission consideration.³⁷ OGC described the investigative efforts it had undertaken since the August 11 executive session, such as seeking political files from 144 television stations in broadcast areas utilized by CHGO, and obtaining documents from and interviewing representatives of previously unknown CHGO subvendors. Based on these new leads and other investigatory steps, OGC was able to provide the Commissioners with an even more comprehensive and detailed breakdown of CHGO's spending.

In GCR #3, OGC focused primarily on the portion of CHGO's spending that comprised express advocacy communications, stating that:

Though the Commission has not limited its consideration to spending on express advocacy communications when determining whether a group's spending indicates a major purpose of federal campaign activity, CHGO qualifies as a political committee *even if the Commission were to consider the entity's spending on independent expenditures alone*. As explained [on page 14 of GCR #3], CHGO spent \$2,933,631.34 on the production and placement of express advocacy advertisements. Using only this amount, it appears that CHGO's express advocacy spending amounted to 61% of its confirmed total of \$4,801,000 that it spent over the entire course of its organizational lifetime.³⁸

OGC also calculated that CHGO's combined spending on express advocacy and electioneering communications amounted to 85% of its total spending in 2010,³⁹ but since the Controlling Group – in departure of formal Commission policy as enunciated in its 2007 E&J – had historically refused to include electioneering communication disbursements in assessing a

³⁶ I supported a short delay during this period in order to permit OGC to pursue additional leads in its investigation.

³⁷ GCR #3 is available at <http://eqs.fec.gov/eqsdocsMUR/15044381224.pdf>.

³⁸ GCR #3 at 18-19 (emphasis added, footnotes omitted, portion in brackets added). OGC explained in a footnote that, to establish that CHGO's major purpose was to influence federal elections "under any analysis" of the test, it used the \$4,801,000 that CHGO spent during 2010 and 2011, the duration of the group's spending history, instead of the \$4.77 million it spent only in 2010. GCR #3 at fn. 2. OGC notes that "[t]he minimal spending undertaken in 2011 does not materially change the proportion of CHGO's spending on independent expenditures." *Id.*

³⁹ See GCR #3 at 18.

group's major purpose,⁴⁰ this higher figure was of little practical significance in terms of attracting the necessary four votes for finding reason to believe.

On September 29, 2015, just five days after OGC submitted GCR #3 to the Commission, OGC provided the Commission with a memorandum accompanied by a detailed spreadsheet containing all available cost information and an explanation of the methodology it used to allocate production and placement costs. This information was made available to the Commissioners at the next executive session considering the matter, which was on October 1, 2015. Despite this level of additional detail elicited in that short period, and even though the uncontroverted facts easily satisfied the reason to believe threshold – which I believe was satisfied at the initial stage of the enforcement process through GCR #1 – the Controlling Group ultimately rejected OGC's analysis that express advocacy communications constituted 61% of CHGO's spending. The Controlling Group simply stated that it was not "persuaded by OGC's calculations that 61% of CHGO's spending was devoted to communications that expressly advocated the election or defeat of a federal candidate."⁴¹

The matters came before the Commission on October 1, 2015 for a vote. Commissioners Ravel, Weintraub, and I voted to find RTB on the political committee status issue, and the Controlling Group voted against, leaving the Commission deadlocked on that issue. Instead of relying on alternative spending calculations or a competing analysis of the content of the advertisements,⁴² the Controlling Group focused on the fact that the statute of limitations was fast approaching, the fact that CHGO had filed termination documents with the IRS in 2011, and the fact that CHGO "had no money" or "people acting on its behalf."⁴³ Accordingly, the Controlling Group viewed closing the file as the Commission's "most prudent course" and once again voted against finding RTB that CHGO violated the Act's political committee provisions, leaving the Commission with little choice but to close the file.⁴⁴

D. The Failure to Find Reason to Believe Was Contrary to Law

A court may not disturb the dismissal of a Commission enforcement matter unless that dismissal was "contrary to law."⁴⁵ Courts have construed this phrase to reflect the standard that

⁴⁰ See, e.g., Statement of Reasons of Chairman Lee E. Goodman and Commissioners Caroline C. Hunter and Matthew S. Petersen, MUR 6538 (Americans for Job Security), *available at* <http://eqs.fec.gov/eqsdocsMUR/14044361962.pdf>; Statement of Reasons of Chairman Lee E. Goodman and Commissioners Caroline C. Hunter and Matthew S. Petersen, MUR 6589 (American Action Network), *available at* <http://eqs.fec.gov/eqsdocsMUR/14044362004.pdf>.

⁴¹ Controlling Group SOR at fn. 16.

⁴² Throughout the pendency of this case, the Controlling Group has never challenged OGC's characterization of the advertisements, i.e., which ones constitute electioneering communications and which ones were express advocacy independent expenditures.

⁴³ Controlling Group SOR at 4.

⁴⁴ *Id.* I voted against closing the file.

⁴⁵ See fn. 8, *supra* (quoting from Act).

normally governs judicial review of administrative decisions; *i.e.*, a Commission dismissal may be overturned only if it was “arbitrary or capricious, or an abuse of discretion,” or rests on an “impermissible interpretation of the Act.”⁴⁶ Although the “arbitrary and capricious” standard of review is a deferential one that presumes an agency’s action to be valid, a court is not required “to accept ‘meekly administrative pronouncements clearly at variance with established facts.’”⁴⁷

As I have expressed in my previous statements of reasons in enforcement matters,⁴⁸ the standard of proof as to whether or not to find reason to believe is very low; if it were otherwise, the Commission could open an investigation only on rare occasions. The Commission only has civil (*i.e.*, non-criminal) jurisdiction, but the standard for finding reason to believe is lower than other standards of proof in civil matters, including “preponderance of the evidence,” and “clear and convincing evidence.” The Commission is merely required to find that there is reason to believe a violation *may* have occurred before moving forward to the next stage of the matter, *i.e.*, usually initiating an investigation and/or engaging in conciliation.

It should be noted that the language was unanimously approved by the Commission in its publicly available “Guidebook for Complainants and Respondents on the FEC Enforcement Process,” which provides formal guidance to complainants and respondents in enforcement matters.⁴⁹ The Commission in 2009 and 2012 voted – unanimously – to provide the following explanation of a reason to believe finding:

The Act requires that the Commission find “reason to believe that a person has committed, or is about to commit, a violation” of the Act as a precondition to opening an investigation into the alleged violation. 2 U.S.C. § 437g(a)(2) [now 52 U.S.C. § 30109(a)(2)]. A “reason to believe” finding is not a finding that the respondent violated the Act, but instead *simply means that the Commission believes a violation may have occurred.*⁵⁰

As OGC concluded in GCR #3, *under any analysis*, the Commission should have found reason to believe that CHGO may have violated the Act by failing to organize, register, and

⁴⁶ *La Botz v. FEC*, 889 F.Supp.2d 51, 59-60 (D.D.C. 2012), quoting *Hagelin v. FEC*, 411 F.3d 237, 242 (D.C. Cir. 2005). See also *Orloski v. FEC*, 795 F.2d 156, 161 (D.C. Cir. 1986).

⁴⁷ *Antosh v. FEC*, 599 F. Supp. 850 (D.D.C. 1984), citing *Environmental Defense Fund v. Costle*, 657 F.2d 275, 283 (D.C. Cir.1981).

⁴⁸ See, *e.g.*, MUR 6396 (Crossroads GPS) Supplemental SOR by Commissioner Steven T. Walther, dated Dec. 30, 2014, available at <http://eqs.fec.gov/eqsdocsMUR/14044364941.pdf>; MUR 6570 (Berman for Congress, *et al.*) Supplemental SOR by Commissioner Steven T. Walther, dated Jan. 4, 2013, available at <http://eqs.fec.gov/eqsdocsMUR/13044324639.pdf>.

⁴⁹ See MUR 6396 (Crossroads GPS) Supplemental SOR at 9-10.

⁵⁰ See “Guidebook for Complainants and Respondents on the FEC Enforcement Process” (“Guidebook”) at 12 (emphasis added), available at http://www.fec.gov/em/respondent_guide.pdf. The Guidebook was unanimously approved by the Commission on Dec. 17, 2009; an updated edition was unanimously approved on May 10, 2012. See Minutes of FEC Dec. 17, 2009 Open Meeting, available at <http://www.fec.gov/agenda/2010/mtgdoc1002.pdf>; Minutes of FEC May 10, 2012 Open Meeting, available at http://www.fec.gov/agenda/2012/mtgdoc_1237.pdf.

report as a political committee.⁵¹ Regarding the examination of CHGO's "major purpose," it was arbitrary and capricious – and therefore contrary to law – for the Controlling Group to consider and rely upon, for purposes of determining whether to find reason to believe, only an organization's spending on express advocacy in relation to its other spending. The Commission itself has never limited a major purpose to express advocacy communications; indeed, such a narrow focus would effectively eviscerate the statutory test for political committee status, which is triggered when a group receives "contributions" or makes "expenditures" aggregating in excess of \$1,000 during a calendar year – since the Commission has consistently interpreted the term "expenditures" to include communications that contain "express advocacy."⁵² The Commission's view that the required major purpose test is not limited solely to communications that contain express advocacy (or its functional equivalent) has been upheld by every court that has reviewed the Commission's case-by-case approach in its 2007 E&J.⁵³

OGC went far beyond the call of duty in this case (and what is legally required) by ultimately determining, as part of its investigation of the apparent reporting violation (for which the Controlling Group voted along with the three other Commissioners to authorize an investigation), the precise level of express advocacy spending in proportion to CHGO's total spending. OGC calculated in GCR #3 that CHGO's express advocacy spending amounted to a staggering 61% of its \$4.8 million in total spending.

The Controlling Group's conclusory dismissal – without explanation – of OGC's express advocacy spending calculation easily meets the "arbitrary and capricious" standard of review. Further, it is not a reasonable justification to vote against finding reason to believe by pointing to factors such as the statute of limitations and the respondent's financial condition, particularly considering that the Controlling Group voted against OGC's reason to believe recommendations more than a year earlier. Although time was running short when the Controlling Group voted against OGC's political committee status recommendations the second time, it was premature to assume – as the Controlling Group appears to have done – that the Commission's enforcement options were completely foreclosed. For example, if the court were to reject the Controlling

⁵¹ As noted above, OGC stated in GCR #3 that CHGO spent \$2,933,631.34 on the production and placement of express advocacy advertisements, which amounted to 61% of its confirmed total of \$4,801,000 that it spent over the entire course of its organizational lifetime. OGC further stated that:

We have determined that, *under any analysis*, CHGO's expenditures reflect that express advocacy was a major purpose of the group – even when resolving any doubts regarding the purpose of the unused funds in favor of CHGO. For instance, if we were to remove from both the express advocacy expenditures and the total expenditures calculations of the amounts of the unused CHGO funds that, according to Mihalke, Reed distributed to Berman and himself to cover fundraising costs, it appears that CHGO's express advocacy spending amounted to 76% of its total of \$3,864,906 that it spent over the course of its organizational lifetime.

GCR #3 at 19 (emphasis added).

⁵² See 52 U.S.C. §§ 30101(4)(A) and (17)(A).

⁵³ See *Free Speech v. FEC*, 720 F.3d 788,798 (10th Cir. 2013), *cert. denied*, 134 S.Ct. 2288 (May 19, 2014); *Real Truth About Abortion, Inc. v. FEC*, 681 F.3d 544, 556 (4th Cir. 2012), *cert. denied*, 133 S.Ct. 841 (2013); *Shays v. FEC*, 511 F. Supp. 2d 19, 29-31 (D.D.C. 2007).

Group's rationale and deem the Commission's dismissal as contrary to law, the Commission could then find reason to believe and attempt to conciliate with CHGO through its officers, who have been previously identified and contacted by OGC.

The Controlling Group suggests that further pursuit of CHGO would be an exercise in futility, but since the Commission deadlocked on whether to take appropriate enforcement action (which would include a formal investigation) on CHGO's political committee status, there is no way of knowing the outcome. While a respondent's financial condition or legal status has never served as a bar to Commission enforcement,⁵⁴ the Commission may consider such factors and exercise appropriate flexibility during conciliation negotiations. In fact, in 2014, the Controlling Group voted to accept a negotiated settlement with a dissolved non-profit corporation that failed to report its electioneering communications, even though that corporation's resources were severely limited.⁵⁵ The non-profit corporation ultimately agreed to pay a small penalty, admit to the violations, and to file all of its required electioneering communication reports.⁵⁶

Even if CHGO paid no civil penalty, it may have been possible, for example, to obtain a settlement that would have required it to register with the Commission and file all applicable reports.⁵⁷ That information would be disclosed too late to have any impact on the 2010 elections

⁵⁴ On December 27, 2013, OGC submitted GCR #1 to the Commission, which included a link to CHGO's 2011 Form 990 in fn. 7. Footnote 7 of GCR #1 states as follows:

It does not appear that CHGO conducted activities after 2010, as its 2011 tax return reported only \$31,000 in expenditures for website maintenance, accounting and legal fees, and compensation to its President and Executive Director. Form 990- Return of Organization Exempt from Income Tax (May 4, 2012), available at <http://www.guidestar.org/FinDocuments/2011/271920/2011-271920168-08862c6f-90.pdf>.

Although that form listed CHGO's status as "terminated" and stated that CHGO had no remaining assets, there is no way of knowing whether the financial contentions set forth in that form were accurate. Also, the information the Controlling Group belatedly relied upon was the termination statement in CHGO's 2011 Form 990, but that information was made part of the record by OGC on December 27, 2013, as noted. In the intervening time, the Controlling Group voted to find RTB against CHGO (on September 16, 2014) even though CHGO was ostensibly terminated and had no money, according to its 2011 IRS form (see Attachment C). If termination was a valid factor – and it was not – it would have been just as valid at the time the Controlling Group voted to find RTB.

⁵⁵ MUR 6413 (Taxpayer Network), file available at <http://eqs.fec.gov/eqs/searcheqs?SUBMIT=summary&key=2>.

⁵⁶ In MUR 6413 (Taxpayer Network), the final settlement agreement included the following language:

In ordinary circumstances, the Commission would seek a substantially higher civil penalty based on the violations outlined in this agreement. However, the Commission is taking into account the fact that Taxpayer Network is a dissolved corporation that represents that it has limited funds and no ability to raise additional funds. Respondent will pay a civil penalty to the Commission in the amount of \$5,000, pursuant to 2 U.S.C. § 437g(a)(5)(A).

See Conciliation Agreement in MUR 6413 (Taxpayer Network), dated May 16, 2014, available at <http://eqs.fec.gov/eqsdocsMUR/14044353947.pdf>.

⁵⁷ Although the federal statute of limitations provision at 28 U.S.C. § 2462 may affect the Commission's ability to obtain civil penalties, it does not foreclose the Commission from seeking equitable relief:

that CHGO sought to influence; however, such disclosure would at least provide a complete public record of CHGO's spending and its sources of financial support. Ultimately, if CHGO failed to file the required reports, the Commission could seek relief in federal court, regardless of the statute of limitations.⁵⁸ Approving a finding on political committee status would demonstrate that the reason to believe standard concerning this important issue has not been eviscerated and could serve as important public guidance on this issue.

III. CONCLUSION

What separates this case from a typical political committee case is that CHGO *has never publicly disclosed any of its spending* to the Commission at any time and *has never publicly disclosed any* information about the sources of its funding, thereby frustrating the *public's right to know* about the group's spending and funding in connection with federal elections.

In this case, assuming CHGO's 2010 and 2011 tax returns are accurate (see Attachments B and C), CHGO was an entity that was active only during the last (9) months of an election year. All of its funds – except for \$31,000 listed on its 2011 tax return – were raised and spent between March 31, 2010 (the date of its formation) and December 31, 2010 (the last day of the 2010 IRS reporting period). Because its only activity appears to have been airing express advocacy and electioneering communications in the months leading up the 2010 general election, all of its contributions and disbursements of over \$4.8 million dollars appear to have been directly connected to those advertisements.

Despite its lofty purposes as provided to the IRS (e.g., that CHGO was “created to advance the principle that sustained and expanding growth is central to America’s economic future and the well-being of all Americans”),⁵⁹ the uncontroverted facts show that it was created solely to influence the outcome of federal elections and had no other purpose.

OGC went to great lengths to provide information and analysis to cover all of the various arguments that had been raised on how to analyze political committee status, even though only one was necessary. And OGC concluded by stating in GCR #3 that “under any analysis,” it would recommend finding RTB that CHGO may have violated the Act. Because OGC was in the midst of winding up its investigation regarding CHGO's expenditures, the matter was held over twice for short periods with my support; however, in my view, in each instance that the matter came before the Commission, and under any analysis, it was appropriate for the

Except as otherwise provided by Act of Congress, an action, suit or proceeding for the enforcement of any civil fine, penalty, or forfeiture, pecuniary or otherwise, shall not be entertained unless commenced within five years from the date when the claim first accrued if, within the same period, the offender or the property is found within the United States in order that proper service may be made thereon.

⁵⁸ See, e.g., *U.S. v. Banks*, 115 F.3d 916 (11th Cir. 1997) (statute of limitations cannot bar the government's equitable claims under 28 U.S.C. § 2462 when the government is acting in its official enforcement capacity).

⁵⁹ See Attachment A.

Commission to find RTB. The evidence was ultimately conclusive that no other finding was reasonable.

Once CHGO learned that it was the subject of multiple FEC complaints, it quickly (within 18 days) filed its termination report with the IRS. If CHGO's termination report effectively allowed it to dissolve itself and drain its remaining cash assets, this method may become a preferred strategy for any fly-by-night group that – although in existence for a very short period – may exert a large influence on the political process without registering as a political committee with the Commission.

If the court does not find the Commission's failure to find RTB in this matter to be contrary to law, it will be very difficult, I fear, for the FEC to ever be able to effectively enforce issues on finding political committee status – and the reporting value – the right of the voter to be informed – will not be vindicated.

The uncontroverted facts of this matter compel a finding of reason to believe that FECA violations may have occurred in connection with CHGO's alleged political committee status, and any vote against the recommendations was not rationally based, and thus contrary to law. Accordingly, I believe the court should reject the rationale of the Controlling Group SOR as arbitrary and capricious, and therefore contrary to law; if the court agrees, it should remand this matter to the Commission for appropriate proceedings.

For the foregoing reasons, I voted twice to approve the General Counsel's recommendations to find reason to believe that CHGO may have violated the Act by failing to organize, register, and report as a political committee as required by the Act.

3/21/16

Date

Steven T. Walther

Steven T. Walther
Vice Chairman

ATTACHMENT A

August 16, 2010 Letter from IRS Approving
CHGO's Application for Tax-Exempt Status

100474386288

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: **AUG 16 2010**

COMMISSION ON HOPE GROWTH AND
OPPORTUNITY
1900 M ST NW STE 600
WASHINGTON, DC 20036

Employer Identification Number:
27-1920168
DLN:
17053203318020
Contact Person:
ROGER W VANCE ID# 31173
Contact Telephone Number:
(877) 829-5500
Accounting Period Ending:
December 31
Form 990 Required:
Yes
Effective Date of Exemption:
March 31, 2010
Contribution Deductibility:
No

Dear Applicant:

We are pleased to inform you that upon review of your application for tax-exempt status we have determined that you are exempt from Federal income tax under section 501(c)(4) of the Internal Revenue Code. Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

Please see enclosed Publication 4221-NC, Compliance Guide for Tax-Exempt Organizations (Other than 501(c)(3) Public Charities and Private Foundations), for some helpful information about your responsibilities as an exempt organization.

Contributions to you are not deductible by donors under section 170(c)(2) of the Code.

Sincerely,



Robert Choi
Director, Exempt Organizations
Rulings and Agreements

Enclosure: Publication 4221-NC

Letter 948 (DO/CG)

Attachment A

17053203318020

Form **1024**
(Rev. September 1998)
Department of the Treasury
Internal Revenue Service

Application for Recognition of Exemption Under Section 501(a)

OMB No. 1545-0057

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

Read the instructions for each Part carefully. A User Fee must be attached to this application.
If the required information and appropriate documents are not submitted along with Form 8718 (with payment of the appropriate user fee), the application may be returned to the organization.

Complete the Procedural Checklist on page 6 of the instructions.

Part I. Identification of Applicant (Must be completed by all applicants; also complete appropriate schedule.) Submit only the schedule that applies to your organization. Do not submit blank schedules.

Check the appropriate box below to indicate the section under which the organization is applying:

- a ☐ Section 501(c)(2)—Title holding corporations (Schedule A, page 7)
- b ☒ Section 501(c)(4)—Civic leagues, social welfare organizations (including certain war veterans' organizations), or local associations of employees (Schedule B, page 8)
- c ☐ Section 501(c)(5)—Labor, agricultural, or horticultural organizations (Schedule C, page 9)
- d ☐ Section 501(c)(6)—Business leagues, chambers of commerce, etc. (Schedule C, page 9)
- e ☐ Section 501(c)(7)—Social clubs (Schedule D, page 11)
- f ☐ Section 501(c)(8)—Fraternal beneficiary societies, etc., providing life, sick, accident, or other benefits to members (Schedule E, page 13)
- g ☐ Section 501(c)(9)—Voluntary employees' beneficiary associations (Parts I through IV and Schedule F, page 14)
- h ☐ Section 501(c)(10)—Domestic fraternal societies, orders, etc., not providing life, sick, accident, or other benefits (Schedule E, page 13)
- i ☐ Section 501(c)(12)—Benevolent life insurance associations, mutual ditch or irrigation companies, mutual or cooperative telephone companies, or like organizations (Schedule G, page 15)
- j ☐ Section 501(c)(13)—Cemeteries, crematoria, and like corporations (Schedule H, page 16)
- k ☐ Section 501(c)(15)—Mutual insurance companies or associations, other than life or marine (Schedule I, page 17)
- l ☐ Section 501(c)(17)—Trusts providing for the payment of supplemental unemployment compensation benefits (Parts I through IV and Schedule J, page 18)
- m ☐ Section 501(c)(19)—A post, organization, auxiliary unit, etc., of past or present members of the Armed Forces of the United States (Schedule K, page 19)
- n ☐ Section 501(c)(25)—Title holding corporations or trusts (Schedule A, page 7)

1a Full name of organization (as shown in organizing document) Commission on Hope, Growth and Opportunity		2 Employer identification number (EIN) (if none, see Specific Instructions on page 2) 27 : 1920168
1b c/o Name (if applicable)		3 Name and telephone number of person to be contacted if additional information is needed William B. Canfield (202) 589-2651
1c Address (number and street) 1900 M street, N.W.	Room/Suite Room 600 Suite 600	
1d City, town or post office, state, and ZIP + 4 If you have a foreign address, see Specific Instructions for Part I, page 2. Washington, D.C. 20036		
1e Web site address N/A	4 Month the annual accounting period ends December	5 Date incorporated or formed March 31, 2010
6 Did the organization previously apply for recognition of exemption under this Code section or under any other section of the Code? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," attach an explanation.		
7 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.		

8 Check the box for the type of organization. ATTACH A CONFORMED COPY OF THE CORRESPONDING ORGANIZING DOCUMENTS TO THE APPLICATION BEFORE MAILING.

- a ☐ Corporation— Attach a copy of the Articles of Incorporation (including amendments and restatements) showing approval by the appropriate state official; also attach 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 that the organization was formed by adoption of the document by more than one person. **Make a copy of the bylaws.**

If this 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



William B. Canfield

(Type or print name and title or authority of signor)

03/31/10

(Date)

For Paperwork Reduction Act Notice, see page 5 of the instructions.

Cat. No. 12343K

17152010203001

Attachment A

Part II. Activities and Operational Information (Must be completed by all applicants)

- 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.

The Commission on Hope, Growth and Opportunity (the "Commission") is a public welfare organization created to advance the principle that sustained and expanding economic growth is central to America's economic future and the well-being of all Americans. The Commission believes and intends to inform the American public that economic expansion is necessary to America's economic future and that public policy makers must understand and make a commitment to this principle. The Commission will engage economists and other business experts to inform its understanding of the necessity for sustained economic growth and will bring the fruits of this expertise and research directly to the attention of decision makers at all levels of government. The Commission will communicate its public welfare message on the issue of sustained economic expansion to the public through all forms of mass communication, including, but not limited to, print advertising, cable television and radio messaging, as well as e-mail and direct mail communications. The Commission will share its research and findings with public policy formulators and will encourage its supporters to communicate their views on the issues of consequence to the Commission directly with policy makers at all levels of government. The Commission will seek the commitment of these policy makers to implement statutes, rules and regulations that are consistent with free-market principles and that adhere to economic growth and expansion.

- 2 List the organization's present and future sources of financial support, beginning with the largest source first.
- Once operational, the Commission will seek voluntary donations from those American citizens, business entities and labor organizations that support the Commission's commitment to the sustained growth of the American economy. All such donations will be utilized by the Commission to communicate with the public and policy makers and to research the economic consequences of sustained economic growth in the formulation of public policy.

Part II. Activities and Operational Information (continued)**3 Give the following information about the organization's governing body:**

a. Names, addresses, and titles of officers, directors, trustees, etc.	b. Annual compensation.
Steven Powell (President/Executive Director) 1310 Morning Glory Place, Vista, CA 92084	None
James Warring, CPA (Treasurer- Non Voting)) #300, 16528 Emory Lane, Rockville, MD 20853	None
William B. Canfield (General Counsel) #500, 1900 M Street NW, Washington, DC 20036	None

- 4** If the organization is the outgrowth or continuation of any form of predecessor, state the name of each predecessor, the period during which it was in existence, and the reasons for its termination. Submit copies of all papers by which any transfer of assets was effected.
N/A

- 5** If the applicant organization is now, or plans to be, connected in any way with any other organization, describe the other organization and explain the relationship (e.g., financial support on a continuing basis; shared facilities or employees; same officers, directors, or trustees).
N/A

- 6** If the organization has capital stock issued and outstanding, state: (1) class or classes of the stock; (2) number and par value of the shares; (3) consideration for which they were issued; and (4) if any dividends have been paid or whether your organization's creating instrument authorizes dividend payments on any class of capital stock.
N/A

- 7** State the qualifications necessary for membership in the organization; the classes of membership (with the number of members in each class); and the voting rights and privileges received. If any group or class of persons is required to join, describe the requirement and explain the relationship between those members and members who join voluntarily. Submit copies of any membership solicitation material. Attach sample copies of all types of membership certificates issued.
None

- 8** Explain how your organization's assets will be distributed on dissolution.
Upon dissolution, any assets remaining to the organization will either be refunded, pro-rata, to donors or will be donated to a tax-exempt charitable entity recognized by the Internal Revenue Service.

1904743862020

Part II. Activities and Operational Information (continued)

- 9 Has the organization made or does it plan to make any distribution of its property or surplus funds to shareholders or members? ☐ Yes ☒ No

If "Yes," state the full details, including: (1) amounts or value; (2) source of funds or property distributed or to be distributed; and (3) basis of, and authority for, distribution or planned distribution.

- 10 Does, or will, any part of your organization's receipts represent payments for services performed or to be performed? ☐ Yes ☒ No

If "Yes," state in detail the amount received and the character of the services performed or to be performed.

- 11 Has the organization made, or does it plan to make, any payments to members or shareholders for services performed or to be performed? ☐ Yes ☒ No

If "Yes," state in detail the amount paid, the character of the services, and to whom the payments have been, or will be, made.

- 12 Does the organization have any arrangement to provide insurance for members, their dependents, or others (including provisions for the payment of sick or death benefits, pensions, or annuities)? ☐ Yes ☒ No

If "Yes," describe and explain the arrangement's eligibility rules and attach a sample copy of each plan document and each type of policy issued.

- 13 Is the organization under the supervisory jurisdiction of any public regulatory body, such as a social welfare agency, etc.? ☐ Yes ☒ No

If "Yes," submit copies of all administrative opinions or court decisions regarding this supervision, as well as copies of applications or requests for the opinions or decisions.

- 14 Does the organization now lease or does it plan to lease any property? ☐ Yes ☒ No

If "Yes," explain in detail. Include the amount of rent, a description of the property, and any relationship between the applicant organization and the other party. Also, attach a copy of any rental or lease agreement. (If the organization is a party, as a lessor, to multiple leases of rental real property under similar lease agreements, please attach a single representative copy of the leases.)

- 15 Has the organization spent or does it plan to spend any money attempting to influence the selection, nomination, election, or appointment of any person to any Federal, state, or local public office or to an office in a political organization? ☐ Yes ☒ No

If "Yes," explain in detail and list the amounts spent or to be spent in each case.

- 16 Does the organization publish pamphlets, brochures, newsletters, journals, or similar printed material? ☐ Yes ☐ No

If "Yes," attach a recent copy of each.

Part III. Financial Data (Must be completed by all applicants)

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

Revenue	(a) Current Tax Year	3 Prior Tax Years or Proposed Budget for Next 2 Years			(e) Total
	From 3/31/10 To 12/31/10	(b) 2011	(c) 2012	(d)	
1 Gross dues and assessments of members	0	0	0		0
2 Gross contributions, gifts, etc.	5,000,000	7,500,000	10,000,000		22,500,000
3 Gross amounts derived from activities related to the organization's exempt purpose (attach schedule) (Include related cost of sales on line 9.)	0	0	0		0
4 Gross amounts from unrelated business activities (attach schedule)	0	0	0		0
5 Gain from sale of assets, excluding inventory items (attach schedule)	0	0	0		0
6 Investment income (see page 3 of the instructions)	0	0	0		0
7 Other revenue (attach schedule).	0	0	0		0
8 Total revenue (add lines 1 through 7)	5,000,000	7,500,000	10,000,000		22,500,000
Expenses					
9 Expenses attributable to activities related to the organization's exempt purposes.	5,000,000	7,500,000	10,000,000		22,500,000
10 Expenses attributable to unrelated business activities	0	0	0		0
11 Contributions, gifts, grants, and similar amounts paid (attach schedule).	0	0	0		0
12 Disbursements to or for the benefit of members (attach schedule)	0	0	0		0
13 Compensation of officers, directors, and trustees (attach schedule)	0	0	0		0
14 Other salaries and wages.	0	0	0		0
15 Interest	0	0	0		0
16 Occupancy	0	0	0		0
17 Depreciation and depletion	0	0	0		0
18 Other expenses (attach schedule)	0	0	0		0
19 Total expenses (add lines 9 through 18)	5,000,000	7,500,000	10,000,000		22,500,000
20 Excess of revenue over expenses (line 8 minus line 19)	0	0	0		0

B. Balance Sheet (at the end of the period shown)

Assets		Current Tax Year as of 12/10	
		1	2
1 Cash		unknown	0
2 Accounts receivable, net		0	0
3 Inventories		0	0
4 Bonds and notes receivable (attach schedule)		0	0
5 Corporate stocks (attach schedule)		0	0
6 Mortgage loans (attach schedule)		0	0
7 Other investments (attach schedule)		0	0
8 Depreciable and depletable assets (attach schedule)		0	0
9 Land		0	0
10 Other assets (attach schedule)		0	0
11 Total assets		unknown	
Liabilities			
		12	13
12 Accounts payable		0	0
13 Contributions, gifts, grants, etc., payable		0	0
14 Mortgages and notes payable (attach schedule)		0	0
15 Other liabilities (attach schedule)		0	0
16 Total liabilities.		0	0
Fund Balances or Net Assets			
		17	18
17 Total fund balances or net assets		0	
18 Total liabilities and fund balances or net assets (add line 16 and line 17)		unknown	

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. ☐

Schedule B**Organizations Described in Section 501(c)(4) (Civic leagues, social welfare organizations (including posts, councils, etc., of veterans' organizations not qualifying or applying for exemption under section 501(c)(19)) or local associations of employees.)**

- 1 Has the Internal Revenue Service previously issued a ruling or determination letter recognizing the applicant organization (or any predecessor organization listed in question 4, Part II of the application) to be exempt under section 501(c)(3) and later revoked that recognition of exemption on the basis that the applicant organization (or its predecessor) was carrying on propaganda or otherwise attempting to influence legislation or on the basis that it engaged in political activity? ☐ Yes ☒ No

If "Yes," indicate the earliest tax year for which recognition of exemption under section 501(c)(3) was revoked and the IRS district office that issued the revocation.

- 2 Does the organization perform or plan to perform (for members, shareholders, or others) services, such as maintaining the common areas of a condominium; buying food or other items on a cooperative basis; or providing recreational facilities or transportation services, job placement, or other similar undertakings? ☐ Yes ☒ No

If "Yes," explain the activities in detail, including income realized and expenses incurred. Also, explain in detail the nature of the benefits to the general public from these activities. (If the answer to this question is explained in Part II of the application (pages 2, 3, and 4), enter the page and item number here.)

- 3 If the organization is claiming exemption as a homeowners' association, is access to any property or facilities it owns or maintains restricted in any way? ☐ Yes ☒ No

If "Yes," explain.

- 4 If the organization is claiming exemption as a local association of employees, state the name and address of each employer whose employees are eligible for membership in the association. If employees of more than one plant or office of the same employer are eligible for membership, give the address of each plant or office.

Form **8718**(Rev. January 2010)
Department of the Treasury
Internal Revenue Service**User Fee for Exempt Organization
Determination Letter Request**▶ Attach this form to determination letter application.
(Form 8718 is NOT a determination letter application.)For
IRS
Use
Only

OMB No. 1545-1798

Control number
Amount paid
User fee screener

1 Name of organization

Commission on Hope, Growth and Opportunity

2 Employer identification Number

27

1920168

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

3 Type of request

Fee

- a ☐ Initial request for a determination letter for:
- An exempt organization that has had annual gross receipts averaging not more than \$10,000 during the preceding 4 years or
 - A new organization that anticipates gross receipts averaging not more than \$10,000 during its first 4 years ▶ \$400
- Note. If you checked box 3a, you must complete the *Certification* below.

Certification

I certify that the annual gross receipts of

name of organization

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

Signature ▶

Title ▶

- b ☒ Initial request for a determination letter for:
- An exempt organization that has had annual gross receipts averaging more than \$10,000 during the preceding 4 years or
 - A new organization that anticipates gross receipts averaging more than \$10,000 during its first 4 years ▶ \$850
- c ☐ Group exemption letters ▶ \$3,000

Instructions

The law requires payment of a user fee with each application for a determination letter. The user fees are listed on line 3 above. For more information, see Rev. Proc. 2009-8; 2009-1 I.R.B. 229, or latest annual update.

Check the box or boxes on line 3 for the type of application you are submitting. If you check box 3a, you must complete and sign the certification statement that appears under line 3a.

Attach to Form 8718 a check or money order payable to the "United States Treasury" for the full amount of the user fee. If you do not include the full amount, your application will be returned. Attach Form 8718 to your determination letter application.

Generally, the user fee will be refunded only if the Internal Revenue Service declines to issue a determination.

Where To File

Send the determination letter application and Form 8718 to:

Internal Revenue Service
P.O. Box 12192
Covington, KY 41012-0192

Who Should File

Organizations applying for federal income tax exemption, other than Form 1023 filers. Organizations submitting Form 1023 should refer to the instructions in that application package.

Paperwork Reduction Act Notice. We ask for the information on this form to carry out the Internal Revenue laws of the United States. If you want your organization to be recognized as tax-exempt by the IRS, you are required to give us this information. We need it to determine whether the organization meets the legal requirements for tax-exempt status.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating

to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. The rules governing the confidentiality of Form 8718 are covered in section 6104.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is 5 minutes. If you have comments concerning the accuracy of this time estimate or suggestions for making this form simpler, we would be happy to hear from you. You can write to the Internal Revenue Service, Tax Products Coordinating Committee, SE:W-CAR:MP:T:T:SP, 1111 Constitution Ave. NW, IR-6526, Washington, DC 20224. Do not send this form to this address. Instead, see *Where To File* above.

Cat. No. 647282

Form **8718** (1-2010)

COMMISSION ON HOPE, GROWTH AND OPPORTUNITY

ARTICLES OF ASSOCIATION

ARTICLE I

Name and Organization:

The name of this association is the Commission on Hope, Growth and Opportunity (the "Commission"). The Commission is designated an unincorporated nonprofit association created under the laws of the District of Columbia.

ARTICLE II

Intent and Purpose:

It is the intent of the Commission to become a public advocate for the continuing education of all American citizens concerning the importance of continued economic growth to America's economic future. The Commission consists of two or more individuals joined by mutual consent for the common, nonprofit purposes of educating the public on the necessity of sustained economic growth to the future well-being of the United States. The Commission may engage in any and all other public welfare activities permitted to an organization exempt from federal income tax under Section 501(c)(4) of the Internal Revenue Code of 1986, amended, or corresponding future provisions of the federal tax law. To these ends, the Commission may do and engage in any and all lawful activities that may be incidental or reasonably necessary to any of these purposes, including but not limited to, the creation and utilization of a commercial bank account at a financial institution, and it shall have and may exercise all other powers and authority now or hereafter conferred upon unincorporated, nonprofit associations in the District of Columbia.

ARTICLE III

Office and Duration:

1. The office of the Commission shall be located at the address at which the Treasurer or General Counsel (or alternate title) has official residence; or at such place as the Commission may from time to time determine, or as the business of the Commission may require.
2. The duration of the Commission shall be perpetual.

3. The death, removal, or resignation of any officer, member or supporter of the Commission shall not result in the dissolution of the Commission.

ARTICLE IV

Structure and Membership:

The Commission's membership consists of individuals and groups dedicated to the sustainment, promotion and advancement of growth in the American economy, through public education and information development. Membership is open to anyone wishing to render support, guidance and encouragement to individuals wishing to learn about and advance the role of economic growth in the economy of the United States and in furthering a robust public policy debate and policy formulation regarding economic growth.

The Commission is a purely voluntary organization, and no membership fee or annual dues are required for membership.

The Commission does not discriminate on the basis of race, color, sex, age, religious affiliation, handicap, national origin, or other personal factor.

ARTICLE V

Association Leadership:

The Commission shall be governed by at least three (3) officers to be determined by the association. The name and total number of officer positions will be determined as the association requires, changeable as circumstances necessitate. One person will be designated as Chairman/ Executive Director, one person shall be designated as the Treasurer and one person shall be designated as the General Counsel. The Treasurer's position shall be a non-management position and the Treasurer will NOT be a voting member of the board of the organization. Two-thirds of the then-existing membership will constitute a quorum for the conduct of all Commission business. Officers may be elected annually by nomination and a majority vote of at least a quorum of the association

ARTICLE VI

Accounting and Records:

The fiscal year of the Coalition shall be January 1 through December 31 of each year.

All minute books, correspondence, and other records of the Commission shall be preserved by the Treasurer or his designee. Records that have ceased to be of use for

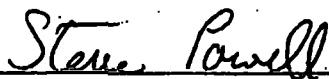
the conduct of the affairs of the Commission may be turned over for preservation to a depository designated by the Commission, or discarded.

ARTICLE VII

Dissolution:

In the event of the dissolution of the Commission, its property, funds, and other assets may be transferred to whatever organization or organizations operated exclusively for charitable, educational, and/or scientific purposes as the Commission may determine, provided such organization or organizations qualify as tax-exempt under the Internal Revenue Code of the United States.

IN WITNESS WHEREOF, the undersigned have executed these Articles of Association on this 31st day of March, 2010.


STEVE POWELL 3/31/10

President/Executive Director

ATTEST:


WILLIAM B. CANFIELD III 3/31/10

General Counsel
Suite 600
1900 M Street, N.W.
Washington, D.C. 20036

ATTACHMENT B

CHGO's Tax Return for Calendar Year 2010
(IRS Form 990)

160474180100

Form **990**Department of the Treasury
Internal Revenue Service**Return of Organization Exempt From Income Tax**

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

OMB No. 1545-0047

2010Open to Public
Inspection**A** For the 2010 calendar year, or tax year beginning

and ending

B Check if applicable:

- ☐ Address change
☐ Name change
☒ Initial return
☐ Terminated
☐ Amended return
☐ Application pending

C Name of organization

COMMISSION ON HOPE, GROWTH & OPPORTUNITY

Doing Business As THE COMMISSION

Number and street (or P.O. box if mail is not delivered to street address)

1900 M STREET, NW

Room/suite

600

City or town, state or country, and ZIP + 4

WASHINGTON, DC 20036

F Name and address of principal officer: STEVEN POWELL

SAME AS C ABOVE

D Employer identification number

27-1920168

E Telephone number

202-530-3332

G Gross receipts \$ 4,801,000.**H(a)** Is this a group returnfor affiliates? ☐ Yes ☒ No**H(b)** Are all affiliates included? ☐ Yes ☐ No

If "No," attach a list. (see instructions)

H(c) Group exemption number ▶**I** Tax-exempt status: ☐ 501(c)(3) ☒ 501(c)(4) (Insert no.) ☐ 4947(a)(1) or ☐ 527**J** Website: WWW.HOPEGROWTHOPPORTUNITY.COM**K** Form of organization: ☐ Corporation ☐ Trust ☒ Association ☐ Other ▶**L** Year of formation: 2010 **M** State of legal domicile: DC**Part I Summary**

Activities & Governance	1	Briefly describe the organization's mission or most significant activities: THE COMMISSION BELIEVES AND INTENDS TO INFORM THE AMERICAN PUBLIC THAT ECONOMIC EXPANSION IS	
	2	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.	
	3	Number of voting members of the governing body (Part VI, line 1a)	3 0
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4 0
	5	Total number of individuals employed in calendar year 2010 (Part V, line 2a)	5 0
	6	Total number of volunteers (estimate if necessary)	6 0
	Revenue	7a	Total unrelated business revenue from Part VIII, column (C), line 12
7b		Net unrelated business taxable income from Form 990-T, line 34	7b 0.
8		Contributions and grants (Part VIII, line 1h)	Prior Year Current Year
9		Program service revenue (Part VIII, line 2g)	4,801,000.
10		Investment income (Part VIII, column (A), lines 3, 4, and 7d)	0.
11		Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	0.
12		Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	4,801,000.
13		Grants and similar amounts paid (Part IX, column (A), lines 1-3)	0.
14		Benefits paid to or for members (Part IX, column (A), line 4)	0.
Expenses		15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	0.
	17	b Total fundraising expenses (Part IX, column (D), line 25)	4,770,000.
	18	Other expenses (Part IX, column (A), lines 11a-1d, 11f-24)	4,770,000.
	19	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	31,000.
	20	Revenue less expenses. Subtract line 18 from line 12	51,000.
	Net Assets or Fund Balances	21	Total assets (Part X, line 16)
22		Total liabilities (Part X, line 26)	31,000.
22		Net assets or fund balances. Subtract line 21 from line 20	

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here	Signature of officer	Date			
	William B. Canfield Jr. General Counsel	11/14/11			
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> self-employed	PTIN
	JAMES D. WARRING, CPA	[Signature]	11/11/2011		
	Firm's name	WARRING & COMPANY, LLC, CPAS			
	Firm's address	16528 EMORY LN, SUITE 300 ROCKVILLE, MD 20853-1228			
Phone no.					301-260-0809

May the IRS discuss this return with the preparer shown above? (see instructions)

☒ Yes ☐ No

032001 02-22-11 LHA For Paperwork Reduction Act Notice, see the separate instructions.

Form 990 (2010)

SEE SCHEDULE O FOR ORGANIZATION MISSION STATEMENT CONTINUATION

Attachment B

WB 15

Part III. Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III

☒**1** Briefly describe the organization's mission:

THE COMMISSION WILL SHARE ITS RESEARCH AND FINDINGS WITH PUBLIC POLICY FORMULATORS AND WILL ENCOURAGE ITS SUPPORTERS TO COMMUNICATE THEIR VIEWS ON THE ISSUES OF CONSEQUENCE TO THE COMMISSION DIRECTLY WITH POLICY MAKERS AT ALL LEVELS OF GOVERNMENT. THE COMMISSION WILL SEEK

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?☐ Yes ☒ No

If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services?☐ Yes ☒ No

If "Yes," describe these changes on Schedule O.

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ 0 including grants of \$ 0) (Revenue \$ 0)
N/A

4b (Code:) (Expenses \$ 0 including grants of \$ 0) (Revenue \$ 0)
N/A

4c (Code:) (Expenses \$ 0 including grants of \$ 0) (Revenue \$ 0)
N/A

4d Other program services. (Describe in Schedule O.)

(Expenses \$ Including grants of \$) (Revenue \$)

4e Total program service expenses

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A		X
2 Is the organization required to complete Schedule B, Schedule of Contributors?	X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I		X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II		
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III		X
6 Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III		X
9 Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV		X
10 Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V		X
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI		X
b Did the organization report an amount for investments - other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII		X
c Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII		X
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX		X
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X		X
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X		X
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI, XII, and XIII		X
b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional		X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E		X
14a Did the organization maintain an office, employees, or agents outside of the United States?		X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? If "Yes," complete Schedule F, Parts I and IV		X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Parts II and IV		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Parts III and IV		X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I		X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II		X
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III		X
20a Did the organization operate one or more hospitals? If "Yes," complete Schedule H		X
b If "Yes" to line 20a, did the organization attach its audited financial statements to this return? Note. Some Form 990 filers that operate one or more hospitals must attach audited financial statements (see instructions)		

Form 990 (2010)

Part IV Checklist of Required Schedules (continued)

	Yes	No
21 Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II	21	X
22 Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and II	22	X
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? If "Yes," complete Schedule J	23	X
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25	24a	X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b	
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c	
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d	
25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I	25a	X
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I	25b	X
26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II	26	X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? If "Yes," complete Schedule L, Part III	27	X
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
a A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28a	X
b A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28b	X
c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? If "Yes," complete Schedule L, Part IV	28c	X
29 Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M	29	X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M	30	X
31 Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I	31	X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II	32	X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I	33	X
34 Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1	34	X
35 Is any related organization a controlled entity within the meaning of section 512(b)(13)?	35	X
a Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2 <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2	36	
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI	37	X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19?	38	X

Note. All Form 990 filers are required to complete Schedule O

Form 990 (2010)

Part V Statements Regarding Other IRS Filings and Tax ComplianceCheck if Schedule O contains a response to any question in this Part V ☒

	Yes	No
1a Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	1a	2
b Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b	0
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	
2a Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	0
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file. (see instructions)	2b	
3a Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a	X
b If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O	3b	
4a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a	X
b If "Yes," enter the name of the foreign country: See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a	X
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b	X
c If "Yes," to line 5a or 5b, did the organization file Form 8886-T?	5c	
6a Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?	6a	X
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b	X
7 Organizations that may receive deductible contributions under section 170(c).		
a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a	X
b If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b	
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c	X
d If "Yes," indicate the number of Forms 8282 filed during the year	7d	
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e	
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f	
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g	
h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h	
8 Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	8	
9 Sponsoring organizations maintaining donor advised funds.		
a Did the organization make any taxable distributions under section 4966?	9a	
b Did the organization make a distribution to a donor, donor advisor, or related person?	9b	
10 Section 501(c)(7) organizations. Enter:		
a Initiation fees and capital contributions included on Part VIII, line 12	10a	
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b	
11 Section 501(c)(12) organizations. Enter:		
a Gross income from members or shareholders	11a	
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b	
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a	
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b	
13 Section 501(c)(29) qualified nonprofit health insurance issuers.		
a Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O.	13a	
b Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b	
c Enter the amount of reserves on hand	13c	
14a Did the organization receive any payments for indoor tanning services during the tax year?	14a	X
b If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O	14b	

Form 990 (2010)

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.Check if Schedule O contains a response to any question in this Part VI ☒**Section A. Governing Body and Management**

	Yes	No
1a Enter the number of voting members of the governing body at the end of the tax year	0	
1b Enter the number of voting members included in line 1a, above, who are independent	0	
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		X
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?		X
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		X
5 Did the organization become aware during the year of a significant diversion of the organization's assets?		X
6 Does the organization have members or stockholders?		X
7a Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?		X
7b Are any decisions of the governing body subject to approval by members, stockholders, or other persons?		X
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a The governing body?		X
b Each committee with authority to act on behalf of the governing body?		X
9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O		X

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

	Yes	No
10a Does the organization have local chapters, branches, or affiliates?		X
b If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?		
11a Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	X	
b Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
12a Does the organization have a written conflict of interest policy? If "No," go to line 13		X
b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?		
c Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done		
13 Does the organization have a written whistleblower policy?		X
14 Does the organization have a written document retention and destruction policy?		X
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a The organization's CEO, Executive Director, or top management official		X
b Other officers or key employees of the organization		X
If "Yes" to line 15a or 15b, describe the process in Schedule O. (See instructions.)		
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?		X
b If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?		

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed **NONE**

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.
☐ Own website ☐ Another's website ☒ Upon request

19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: **STEVEN POWELL - 202-530-3332**
1900 M STREET, WASHINGTON, DC 20036

Part-VII

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
1b Sub-total								70,000.	0.	0.
c Total from continuation sheets to Part VII, Section A								0.	0.	0.
d Total (add lines 1b and 1c)								70,000.	0.	0.

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 in reportable compensation from the organization

3	Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for such individual	3	X
4	For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual	4	X
5	Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person	5	X

Section 8. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization.

(A) Name and business address	(B) Description of services	(C) Compensation
MERIDIAN STRATEGIES, LLC, 400 7TH STREET, NW, SUITE 300, WASHINGTON, DC 20004	MEDIA PLACEMENT	4,319,825
MERIDIAN STRATEGIES, LLC, 400 7TH STREET, NW, SUITE 300, WASHINGTON, DC 20004	MEDIA PRODUCTION	275,000
MERIDIAN STRATEGIES, LLC, 400 7TH STREET, NW, SUITE 300, WASHINGTON, DC 20004	ADVERTISING & TECHNOLOGY	105,175

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization 3

Part VIII Statement of Revenue

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1 a Federated campaigns	1a					
	b Membership dues	1b					
	c Fundraising events	1c	4801000.				
	d Related organizations	1d					
	e Government grants (contributions)	1e					
	f All other contributions, gifts, grants, and similar amounts not included above	1f					
	g Noncash contributions included in lines 1a-1f \$						
	h Total. Add lines 1a-1f		4801000.				
Program Service Revenue	Business Code						
	2 a						
	b						
	c						
	d						
	e						
	f All other program service revenue						
	g Total. Add lines 2a-2f						
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)						
	4 Income from investment of tax-exempt bond proceeds						
	5 Royalties						
	6 a Gross Rents	(i) Real	(ii) Personal				
	b Less: rental expenses						
	c Rental income or (loss)						
	d Net rental income or (loss)						
	7 a Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
	b Less: cost or other basis and sales expenses						
	c Gain or (loss)						
	d Net gain or (loss)						
	8 a Gross income from fundraising events (not including \$ of contributions reported on line 1c). See Part IV, line 18	a					
	b Less: direct expenses	b					
	c Net income or (loss) from fundraising events						
	9 a Gross income from gaming activities. See Part IV, line 19	a					
	b Less: direct expenses	b					
	c Net income or (loss) from gaming activities						
	10 a Gross sales of inventory, less returns and allowances	a					
	b Less: cost of goods sold	b					
	c Net income or (loss) from sales of inventory						
Miscellaneous Revenue			Business Code				
11 a							
b							
c							
d All other revenue							
e Total. Add lines 11a-11d							
12 Total revenue. See instructions.			4801000.	0.	0.	0.	

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21				
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees				
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages				
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)				
9 Other employee benefits				
10 Payroll taxes				
11 Fees for services (non-employees):				
a Management	20,000.		20,000.	
b Legal	50,000.		50,000.	
c Accounting				
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other	55,000.		55,000.	
12 Advertising and promotion				
13 Office expenses				
14 Information technology	20,000.		20,000.	
15 Royalties				
16 Occupancy				
17 Travel				
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization				
23 Insurance				
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24f. If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O.)				
a MEDIA PLACEMENT	4,319,825.		4,319,825.	
b MEDIA PRODUCTION	275,000.		275,000.	
c WEBSITE MAINTENANCE	25,000.		25,000.	
d ECONOMIC RESEARCH	5,000.		5,000.	
e COPYRIGHT FEES	175.		175.	
f All other expenses				
25 Total functional expenses. Add lines 1 through 24f	4,770,000.	0.	4,770,000.	0.
26 Joint costs. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720). Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

		(A) Beginning of year	(B) End of year	
Assets	1 Cash - non-interest-bearing	1	51,000.	
	2 Savings and temporary cash investments	2		
	3 Pledges and grants receivable, net	3		
	4 Accounts receivable, net	4		
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L	5		
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions)	6		
	7 Notes and loans receivable, net	7		
	8 Inventories for sale or use	8		
	9 Prepaid expenses and deferred charges	9		
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a		
	b Less: accumulated depreciation	10b	10c	
	11 Investments - publicly traded securities	11		
	12 Investments - other securities. See Part IV, line 11	12		
	13 Investments - program-related. See Part IV, line 11	13		
	14 Intangible assets	14		
	15 Other assets. See Part IV, line 11	15		
16 Total assets. Add lines 1 through 15 (must equal line 34)	0.	16	51,000.	
Liabilities	17 Accounts payable and accrued expenses	17	20,000.	
	18 Grants payable	18		
	19 Deferred revenue	19		
	20 Tax-exempt bond liabilities	20		
	21 Escrow or custodial account liability. Complete Part IV of Schedule D	21		
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L	22		
	23 Secured mortgages and notes payable to unrelated third parties	23		
	24 Unsecured notes and loans payable to unrelated third parties	24		
	25 Other liabilities. Complete Part X of Schedule D	25		
	26 Total liabilities. Add lines 17 through 25	0.	26	20,000.
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	27		
	28 Temporarily restricted net assets	28		
	29 Permanently restricted net assets	29		
	Organizations that do not follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds	0.	30	0.
	31 Paid-in or capital surplus, or land, building, or equipment fund	0.	31	0.
	32 Retained earnings, endowment, accumulated income, or other funds	0.	32	31,000.
33 Total net assets or fund balances	0.	33	31,000.	
34 Total liabilities and net assets/fund balances	0.	34	51,000.	

Form 990 (2010)

Part XI Reconciliation of Net AssetsCheck if Schedule O contains a response to any question in this Part XI ☐

1	Total revenue (must equal Part VII, column (A), line 12)	1	4,801,000.
2	Total expenses (must equal Part IX, column (A), line 25)	2	4,770,000.
3	Revenue less expenses. Subtract line 2 from line 1	3	31,000.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	0.
5	Other changes in net assets or fund balances (explain in Schedule O)	5	0.
6	Net assets or fund balances at end of year. Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	31,000.

Part XII Financial Statements and ReportingCheck if Schedule O contains a response to any question in this Part XII ☐

	Yes	No
1 Accounting method used to prepare the Form 990: <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.		
2a Were the organization's financial statements compiled or reviewed by an independent accountant?		X
b Were the organization's financial statements audited by an independent accountant?		X
c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.		
d If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		X
b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits.		

Form 990 (2010)

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.
▶ Attach to Form 990 or 990-EZ.

OMB No. 1545-0047

2010

Open to Public
Inspection

Name of the organization

COMMISSION ON HOPE, GROWTH & OPPORTUNITY

Employer identification number

27-1920168

FORM 990, PART I, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

NECESSARY TO AMERICA'S ECONOMIC FUTURE AND THAT PUBLIC POLICY MAKERS
MUST UNDERSTAND AND MAKE A COMMITMENT TO THIS PRINCIPLE. THE COMMISSION
WILL ENGAGE ECONOMIST'S AND OTHER BUSINESS EXPERTS TO INFORM ITS
UNDERSTANDING OF THE NECESSITY FOR SUSTAINED ECONOMIC GROWTH AND WILL
BRING THE FRUITS OF THIS EXPERTISE AND RESEARCH DIRECTLY TO THE
ATTENTION OF DECISION MAKERS AT ALL LEVELS OF GOVERNMENT. THE
COMMISSION WILL COMMUNICATE ITS PUBLIC WELFARE MESSAGE ON THE ISSUE OF
SUSTAINED ECONOMIC EXPANSION TO THE PUBLIC THROUGH ALL FORMS OF MASS
COMMUNICATION, INCLUDING, BUT NOT LIMITED TO, PRINT, ADVERTISING, CABLE
TELEVISION AND RADIO MESSAGING, AS WELL AS E-MAIL AND DIRECT MAIL
COMMUNICATIONS.

FORM 990, PART III, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

THE COMMITMENT OF THESE POLICY MAKERS TO IMPLEMENT STATUTES, RULES AND
REGULATIONS THAT ARE CONSISTENT WITH FREE-MARKET PRINCIPLES AND THAT
ADHERE ECONOMIC GROWTH AND EXPANSION.

FORM 990, PART V, LINE 3B: N/A

FORM 990, PART VI, SECTION A, LINE 8A: N/A

FORM 990, PART VI, SECTION A, LINE 8B: N/A

FORM 990, PART VI, SECTION B, LINE 11: N/A

Name of the organization

COMMISSION ON HOPE, GROWTH & OPPORTUNITY

Employer identification number

27-1920168

FORM 990, PART VI, SECTION C, LINE 19: INFORMATION IS AVAILABLE AT THE
ORGANIZATION'S OFFICE LOCATION UPON REQUEST.

- If you are filing for an Additional (Not Automatic) 3-Month Extension, complete only Part II and check this box ☒ **X**
- Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.
- If you are filing for an Automatic 3-Month Extension, complete only Part I (on page 1).

Part II Additional (Not Automatic) 3-Month Extension of Time. Only file the original (no copies needed).	
Type or print	Name of exempt organization
File by the extended due date for filing your return. See instructions	Employer identification number
	COMMISSION ON HOPE, GROWTH & OPPORTUNITY
	27-1920168
	Number, street, and room or suite no. If a P.O. box, see instructions.
	1900 M STREET, NW, NO. 600
	City, town or post office, state, and ZIP code. For a foreign address, see instructions.
	WASHINGTON, DC 20036

Enter the Return code for the return that this application is for (file a separate application for each return)

01

Application Is For	Return Code	Application Is For	Return Code
Form 990	01		
Form 990-BL	02	Form 1041-A	08
Form 990-EZ	03	Form 4720	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.**STEVEN POWELL**

- The books are in the care of **1900 M STREET - WASHINGTON, DC 20036**

Telephone No. **202-530-3332**FAX No. ☐

- If the organization does not have an office or place of business in the United States, check this box ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) ☐. If this is for the whole group, check this box ☐. If it is for part of the group, check this box ☐ and attach a list with the names and EINs of all members the extension is for.

4 I request an additional 3-month extension of time until **NOVEMBER 15, 2011**5 For calendar year **2010**, or other tax year beginning ☐ and ending ☐6 If the tax year entered in line 5 is for less than 12 months, check reason: ☐ Initial return ☐ Final return ☐ Change in accounting period

7 State in detail why you need the extension

ADDITIONAL TIME IS NEEDED TO GATHER THE INFORMATION NECESSARY TO FILE A COMPLETE AND ACCURATE RETURN.

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	8a	\$	0.
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868.	8b	\$	0.
c Balance due. Subtract line 8b from line 8a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	8c	\$	0.

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature **W B Powell** Title **GENERAL COUNSEL**Date **11/14/11**

Form 8868 (Rev. 1-2011)

ATTACHMENT C

CHGO's Tax Return for Calendar Year 2011
(IRS Form 990)

Form **990**

Return of Organization Exempt From Income Tax

OMB No 1545-0047

2011

Department of the Treasury
Internal Revenue Service

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

Open to Public Inspection

A For the 2011 calendar year, or tax year beginning 01-01-2011 and ending 12-31-2011

B Check if applicable:

- ☐ Address change
☐ Name change
☐ Initial return
☒ Terminated
☐ Amended return
☐ Application pending

C Name of organization
COMMISSION ON HOPE GROWTH & OPPORTUNITY

Doing Business As
THE COMMISSION

Number and street (or P.O. box if mail is not delivered to street address) Room/suite
1900 M STREET NW NO 600

City or town, state or country, and ZIP + 4
WASHINGTON, DC 20036

D Employer identification number

27-1920168

E Telephone number

(202) 530-3332

G Gross receipts \$ 0

F Name and address of principal officer

J STEPHEN POWELL
1900 M STREET NW
WASHINGTON, DC 20036

H(a) Is this a group return for affiliates? ☐ Yes ☒ No

H(b) Are all affiliates included? ☐ Yes ☒ No
If "No," attach a list (see instructions)

H(c) Group exemption number ▶

I Tax-exempt status ☐ 501(c)(3) ☒ 501(c)(4) (insert no) ☐ 4947(a)(1) or ☐ 527

J Website: ▶ WWW.HOPEGROWTHOPPORTUNITY.COM

K Form of organization ☐ Corporation ☐ Trust ☒ Association ☐ Other ▶

L Year of formation 2010

M State of legal domicile DC

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities THE COMMISSION BELIEVES AND INTENDS TO INFORM THE AMERICAN PUBLIC THAT ECONOMIC EXPANSION IS NECESSARY TO AMERICA'S ECONOMIC FUTURE AND THAT PUBLIC POLICY MAKERS MUST UNDERSTAND AND MAKE A COMMITMENT TO THIS PRINCIPLE. THE COMMISSION WILL ENGAGE ECONOMISTS AND OTHER BUSINESS EXPERTS TO INFORM ITS UNDERSTANDING OF THE NECESSITY FOR SUSTAINED ECONOMIC GROWTH AND WILL BRING THE FRUITS OF THIS EXPERTISE AND RESEARCH DIRECTLY TO THE ATTENTION OF DECISION MAKERS AT ALL LEVELS OF GOVERNMENT. THE COMMISSION WILL COMMUNICATE ITS PUBLIC WELFARE MESSAGE ON THE ISSUE OF SUSTAINED ECONOMIC EXPANSION TO THE PUBLIC THROUGH ALL FORMS OF MASS COMMUNICATION, INCLUDING, BUT NOT LIMITED TO, PRINT, ADVERTISING, CABLE TELEVISION AND RADIO MESSAGING, AS WELL AS E-MAIL AND DIRECT MAIL COMMUNICATIONS.		
	2 Check this box <input checked="" type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	0
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	0
	5 Total number of individuals employed in calendar year 2011 (Part V, line 2a)	5	0
	6 Total number of volunteers (estimate if necessary)	6	0
	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	0
	b Net unrelated business taxable income from Form 990-T, line 34	7b	0
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9 Program service revenue (Part VIII, line 2g)	4,801,000	0
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	0	0
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	0	0
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	4,801,000	0
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	0	0
	14 Benefits paid to or for members (Part IX, column (A), line 4)	0	0
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	0	0
	16a Professional fundraising fees (Part IX, column (A), line 11e)	0	0
	b Total fundraising expenses (Part IX, column (D), line 25) ▶ 0		
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	4,770,000	31,000
	18 Total expenses—add lines 13-17 (must equal Part IX, column (A), line 25)	4,770,000	31,000
19 Revenue less expenses—subtract line 18 from line 12	31,000	-31,000	
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Current Year	End of Year
	21 Total liabilities (Part X, line 26)	51,000	0
	22 Net assets or fund balances—subtract line 21 from line 20	20,000	0

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here	Signature of officer	2012-05-04
	J STEPHEN POWELL, PRESIDENT / EXECUTIVE DIRECTOR Type or print name and title	Date
Paid Preparer's Use Only	Preparer's signature	Date
	JAMES D WARRING CPA	Check if self-employed <input type="checkbox"/>
	WARRING & COMPANY LLC CPAS 11 NORTH WASHINGTON ST SUITE 720 ROCKVILLE, MD 20850	Preparer's taxpayer identification number (see instructions) P00173611
	Preparer's name (or yours if self-employed), address, and ZIP + 4	EIN ▶ 51-0608962 Phone no ▶ (301) 260-0809

May the IRS discuss this return with the preparer shown above? (see instructions) ☐ Yes ☒ No

Attachment C

Part III Statement of Program Service AccomplishmentsCheck if Schedule O contains a response to any question in this Part III ☒**1** Briefly describe the organization's mission

THE COMMISSION WILL SHARE ITS RESEARCH AND FINDINGS WITH PUBLIC POLICY FORMULATORS AND WILL ENCOURAGE ITS SUPPORTERS TO COMMUNICATE THEIR VIEWS ON THE ISSUES OF CONSEQUENCE TO THE COMMISSION DIRECTLY WITH POLICY MAKERS AT ALL LEVELS OF GOVERNMENT. THE COMMISSION WILL SEEK THE COMMITMENT OF THESE POLICY MAKERS TO IMPLEMENT STATUTES, RULES AND REGULATIONS THAT ARE CONSISTENT WITH FREE-MARKET PRINCIPLES AND THAT ADHERE ECONOMIC GROWTH AND EXPANSION.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? ☐ Yes ☒ No

If "Yes," describe these new services on Schedule O

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? ☐ Yes ☒ No

If "Yes," describe these changes on Schedule O

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a	(Code N/A)	(Expenses \$ N/A)	including grants of \$	(Revenue \$)
4b	(Code N/A)	(Expenses \$ N/A)	including grants of \$	(Revenue \$)
4c	(Code N/A)	(Expenses \$ N/A)	including grants of \$	(Revenue \$)
4d	Other program services (Describe in Schedule O) (Expenses \$ including grants of \$) (Revenue \$)			
4e	Total program service expenses \$			

Form 990 (2011)

Attachment C

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A	1	No
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)?	2	No
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	3	No
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II	4	
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III	5	No
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I	6	No
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," complete Schedule D, Part II	7	No
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III	8	No
9 Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV	9	No
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V	10	No
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI	11a	No
b Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII	11b	No
c Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII	11c	No
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX	11d	No
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X	11e	No
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X	11f	No
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI, XII, and XIII	12a	No
b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional	12b	No
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13	No
14a Did the organization maintain an office, employees, or agents outside of the United States?	14a	No
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Part I	14b	No
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the U S ? If "Yes," complete Schedule F, Part II and IV	15	No
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the U S ? If "Yes," complete Schedule F, Part III and IV	16	No
17 Did the organization report a total of more than \$15,000, of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I	17	No
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	18	No
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	19	No
20a Did the organization operate one or more hospitals? If "Yes," complete Schedule H	20a	No
b If "Yes" to line 20a, did the organization attach its audited financial statements to this return? Note. All Form 990 filers that operated one or more hospitals must attach audited financial statements	20b	

Part IV Checklist of Required Schedules (continued)

21	Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II . . .</i>	21		No
22	Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III . . .</i>	22		No
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J . . .</i>	23		No
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer questions 24b-24d and complete Schedule K. If "No," go to line 25 . . .</i>	24a		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? . . .	24b		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? . . .	24c		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? . . .	24d		
25a	Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I . . .</i>	25a		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I . . .</i>	25b		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II . . .</i>	26		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? <i>If "Yes," complete Schedule L, Part III . . .</i>	27		No
28	Was the organization a party to a business transaction with one of the following parties? (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV . . .</i>	28a		No
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV . . .</i>	28b		No
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or owner? <i>If "Yes," complete Schedule L, Part IV . . .</i>	28c		No
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M . . .</i>	29		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M . . .</i>	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I . . .</i>	31	Yes	
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II . . .</i>	32		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I . . .</i>	33		No
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1 . . .</i>	34		No
35a	Is any related organization a controlled entity of the filing organization within the meaning of section 512(b)(13)?	35a		No
b	Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2 . . .</i>	35b		No
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2 . . .</i>	36		
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI . . .</i>	37		No
38	Did the organization complete Schedule O and provide explanations for Part VI, lines 11 and 19? Note. All Form 990 filers are required to complete Schedule O . . .	38	Yes	

Part V Statements Regarding Other IRS Filings and Tax ComplianceCheck if Schedule O contains a response to any question in this Part V ☐

	Yes	No
1a Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable.		
1b Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.		
1c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?		
2a Enter the number of employees reported on Form W-3, <i>Transmittal of Wage and Tax Statements</i> filed for the calendar year ending with or within the year covered by this return.		
2b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions).		
3a Did the organization have unrelated business gross income of \$1,000 or more during the year?		No
3b If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O.		
4a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account or securities account)?		No
b If "Yes," enter the name of the foreign country: _____ See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		No
5b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		No
5c If "Yes" to line 5a or 5b, did the organization file Form 8886-T?		
6a Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?		No
6b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
7 Organizations that may receive deductible contributions under section 170(c).		
a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?		No
b If "Yes," did the organization notify the donor of the value of the goods or services provided?		
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		No
d If "Yes," indicate the number of Forms 8282 filed during the year.		
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		
h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		
8 Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		
9 Sponsoring organizations maintaining donor advised funds.		
a Did the organization make any taxable distributions under section 4966?		
b Did the organization make a distribution to a donor, donor advisor, or related person?		
10 Section 501(c)(7) organizations. Enter		
a Initiation fees and capital contributions included on Part VIII, line 12.		
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities.		
11 Section 501(c)(12) organizations. Enter		
a Gross income from members or shareholders.		
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them).		
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?		
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year.		
13 Section 501(c)(29) qualified nonprofit health insurance issuers.		
a Is the organization licensed to issue qualified health plans in more than one state? Note. All 501(c)(29) organizations must list in Schedule O each state in which they are licensed to issue qualified health plans, the amount of reserves required by each state, and the amount of reserves the organization allocated to each state.		
b Enter the aggregate amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans.		
c Enter the aggregate amount of reserves on hand.		
14a Did the organization receive any payments for indoor tanning services during the tax year?		No
b If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O.		

Attachment C

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to lines 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response to any question in this Part VI ☒

Section A. Governing Body and Management

	Yes	No
1a Enter the number of voting members of the governing body at the end of the tax year		
1b Enter the number of voting members included in line 1a, above, who are independent		
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		No
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?		No
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		No
5 Did the organization become aware during the year of a significant diversion of the organization's assets?		No
6 Did the organization have members or stockholders?		No
7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?		No
7b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?		No
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following		
a The governing body?		No
b Each committee with authority to act on behalf of the governing body?		No
9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O		No

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

	Yes	No
10a Did the organization have local chapters, branches, or affiliates?		No
b If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?		
11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	Yes	
b Describe in Schedule O the process, if any, used by the organization to review the Form 990		
12a Did the organization have a written conflict of interest policy? If "No," go to line 13		No
b Were officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?		
c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done		
13 Did the organization have a written whistleblower policy?		No
14 Did the organization have a written document retention and destruction policy?		No
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a The organization's CEO, Executive Director, or top management official		No
b Other officers or key employees of the organization		No
If "Yes," to line 15a or 15b, describe the process in Schedule O (see instructions)		
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?		No
b If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?		

Section C. Disclosure

17 List the States with which a copy of this Form 990 is required to be filed ▶

18 Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
☐ Own website ☐ Another's website ☒ Upon request

19 Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public. See Additional Data Table

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization ▶
 J STEPHEN POWELL
 1900 M STREET
 WASHINGTON, DC 20036
 (202) 530-3332

Attachment C

Check if Schedule O contains a response to any question in this Part VII

☐ Check this box if neither the organization nor any related organizations compensated any current or former officer, director, or trustee

Attachment C

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)[illegible]

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization 0

		Yes	No
3	Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>	3	No
4	For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>	4	No
5	Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>	5	No

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation

2 Total number of independent contractors (including but not limited to those listed in Attachment C above) who received more than \$100,000 of compensation from the organization: 0

Part VIII Statement of Revenue

		(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a Federated campaigns 1a _____				
	b Membership dues 1b _____				
	c Fundraising events 1c _____				
	d Related organizations 1d _____				
	e Government grants (contributions) 1e _____				
	f All other contributions, gifts, grants, and similar amounts not included above 1f _____				
	g Noncash contributions included in lines 1a-1f \$ _____				
	h Total. Add lines 1a-1f ▶				
Program Service Revenue	2a _____ Business Code _____				
	b _____				
	c _____				
	d _____				
	e _____				
	f All other program service revenue				
	g Total. Add lines 2a-2f ▶				
Other Revenue	3 Investment income (including dividends, interest and other similar amounts) ▶				
	4 Income from investment of tax-exempt bond proceeds ▶				
	5 Royalties ▶				
	6a Gross rents (i) Real (ii) Personal				
	b Less rental expenses				
	c Rental income or (loss)				
	d Net rental income or (loss) ▶				
	7a Gross amount from sales of assets other than inventory (i) Securities (ii) Other				
	b Less cost or other basis and sales expenses				
	c Gain or (loss)				
	d Net gain or (loss) ▶				
	8a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18 a _____				
	b Less direct expenses b _____				
	c Net income or (loss) from fundraising events ▶				
	9a Gross income from gaming activities See Part IV, line 19 a _____				
	b Less direct expenses b _____				
	c Net income or (loss) from gaming activities ▶				
	10a Gross sales of inventory, less returns and allowances a _____				
	b Less cost of goods sold b _____				
	c Net income or (loss) from sales of inventory ▶				
Miscellaneous Revenue Business Code					
11a _____					
b _____					
c _____					
d All other revenue					
e Total. Add lines 11a-11d ▶					
12 Total revenue. See Instructions					

Attachment C

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D)

Check if Schedule O contains a response to any question in this Part IX ☐

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.		(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to governments and organizations in the United States See Part IV, line 21				
2	Grants and other assistance to individuals in the United States See Part IV, line 22				
3	Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16				
4	Benefits paid to or for members				
5	Compensation of current officers, directors, trustees, and key employees				
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7	Other salaries and wages				
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)				
9	Other employee benefits				
10	Payroll taxes				
11	Fees for services (non-employees)				
a	Management	15,000		15,000	
b	Legal	2,922		2,922	
c	Accounting	3,048		3,048	
d	Lobbying				
e	Professional fundraising See Part IV, line 17				
f	Investment management fees				
g	Other	5,000		5,000	
12	Advertising and promotion				
13	Office expenses				
14	Information technology				
15	Royalties				
16	Occupancy				
17	Travel				
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings				
20	Interest				
21	Payments to affiliates				
22	Depreciation, depletion, and amortization				
23	Insurance				
24	Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24f If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O)				
a	WEBSITE MAINTENANCE	5,000		5,000	
b	BANK FEES	30		30	
c					
d					
e					
f	All other expenses				
25	Total functional expenses. Add lines 1 through 24f	31,000	0	31,000	0
26	Joint costs. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720) Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Attachment C

Part X Balance Sheet

		(A) Beginning of year		(B) End of year
Assets	1 Cash—non-interest-bearing	51,000	1	0
	2 Savings and temporary cash investments		2	0
	3 Pledges and grants receivable, net		3	0
	4 Accounts receivable, net		4	0
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	0
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L		6	0
	7 Notes and loans receivable, net		7	0
	8 Inventories for sale or use		8	0
	9 Prepaid expenses and deferred charges		9	0
	10a Land, buildings, and equipment. cost or other basis. Complete Part VI of Schedule D	10a		
	b Less accumulated depreciation	10b	10c	0
	11 Investments—publicly traded securities		11	0
	12 Investments—other securities. See Part IV, line 11		12	0
	13 Investments—program-related. See Part IV, line 11		13	0
	14 Intangible assets		14	0
	15 Other assets. See Part IV, line 11		15	0
16 Total assets. Add lines 1 through 15 (must equal line 34)	51,000	16	0	
Liabilities	17 Accounts payable and accrued expenses	20,000	17	
	18 Grants payable		18	
	19 Deferred revenue		19	
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial account liability. Complete Part IV of Schedule D		21	
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties		23	
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17–24). Complete Part X of Schedule D		25	
	26 Total liabilities. Add lines 17 through 25	20,000	26	0
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets		27	
	28 Temporarily restricted net assets		28	
	29 Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds	0	30	0
	31 Paid-in or capital surplus, or land, building or equipment fund	0	31	0
	32 Retained earnings, endowment, accumulated income, or other funds	31,000	32	0
33 Total net assets or fund balances	31,000	33	0	
34 Total liabilities and net assets/fund balances	51,000	34	0	

Attachment C

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI ☐

1	Total revenue (must equal Part VIII, column (A), line 12)	0
2	Total expenses (must equal Part IX, column (A), line 25)	31,000
3	Revenue less expenses Subtract line 2 from line 1	-31,000
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	31,000
5	Other changes in net assets or fund balances (explain in Schedule O)	0
6	Net assets or fund balances at end of year Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	0

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII ☐

1	Accounting method used to prepare the Form 990 <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O	Yes	No
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?	2a	No
b	Were the organization's financial statements audited by an independent accountant?	2b	No
c	If "Yes," to 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	2c	
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separated basis		
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a	No
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	3b	

Liquidation, Termination, Dissolution or Significant Disposition of Assets

▶ Complete if the organization answered "Yes" to Form 990, Part IV, lines 31 or 32 or Form 990-EZ, line 36.

copies of any articles of dissolution, resolutions or plans.
► Attach to Form 990 or 990-EZ.

Name of the organization

Employer identification number

27-1920168

Liquidation, Termination or Dissolution. Complete if the organization answered "Yes" to Form 990, Part IV, line 31, or Form 990-EZ, line 36. Use Part III if additional space is needed.

	Yes	No
2a		No
2b		No
2c		No
2d		No

a. Become a director or trustee of a successor or transferee organization?

a. Become a director or trustee of a successor or transferee organization?

b. Become an employee of or independent contractor for a successor or transferee organization?

to become an employee of, or independent contractor for, a successor or transferee.

c. Become a direct or indirect owner of a successor or transferee organization,

d. Receive or become entitled to compensation or other similar payments as a result of the organization's liquidation, termination, or dissolution?

e If the organization answered "Yes" to any of the questions in this line, provide the name of the person involved and explain in Part III: **▲**

Part I Liquidation, Termination or Dissolution (continued)

Note. If the organization distributed all of its assets during the tax year, then Form 990, Part X, column (B), line 16 ("Total assets") and line 26 ("Total liabilities") should equal -0-

- 3 Did the organization distribute its assets in accordance with its governing instrument(s)? If "No," describe in Part III
- 4a Is the organization required to notify the attorney general or other appropriate state official of its intent to dissolve, liquidate, or terminate?
- b If "Yes," did the organization provide such notice?
- 5 Did the organization discharge or pay all liabilities in accordance with state laws?
- 6a Did the organization have any tax-exempt bonds outstanding during the year?
- b Did the organization discharge or defease tax-exempt bond liabilities in accordance with the Internal Revenue Code and state laws?
- c If "Yes" to line 6b describe in Part III how the organization defeased or otherwise settled these liabilities. If "No," explain in Part III

Part II **Sale, Exchange, Disposition or Other Transfer of More Than 25% of the Organization's Assets.** Complete if the organization answered "Yes" to Form 990, Part IV, line 32, or Form 990-EZ, line 36. Use Part III if additional space is needed.

[illegible]

- 2 Did or will any officer, director, trustee, or key employee of the organization**

- a. Become a director or trustee of a successor or transferee organization?
- b. Become an employee of, or independent contractor for, a successor or transferee organization?
- c. Become a direct or indirect owner of a successor or transferee organization?
- d. Receive, or become entitled to, compensation or other similar payments as a result of the organization's significant disposition of assets?
- e. If the organization answered "Yes" to any of the questions in this line, provide the name of the person involved and explain in Part III

~~Attachment C~~

Part III **Supplemental Information.** Complete to provide the information required by Parts I and II, and any additional information.

Identifier	Return Reference	Explanation
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Schedule N (Form 990 or 990-EZ) 2011

Attachment C

efile GRAPHIC print - DO NOT PROCESS As Filed Data - DLN: 93493126006012

OMB No 1545-0047

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or to provide any additional information.
▶ Attach to Form 990 or 990-EZ.

2011

Open to Public
Inspection

Name of the organization
COMMISSION ON HOPE GROWTH & OPPORTUNITY

Employer identification number

27-1920168

Identifier	Return Reference	Explanation
	FORM 990, PART VI, SECTION A, LINE 8A	N/A
	FORM 990, PART VI, SECTION A, LINE 8B	N/A
	FORM 990, PART VI, SECTION B, LINE 11	N/A
	FORM 990, PART VI, SECTION C, LINE 19	INFORMATION IS AVAILABLE AT THE ORGANIZATION'S OFFICE LOCATION UPON REQUEST

Additional Data

Software ID:

Software Version:

EIN: 27-1920168

Name: COMMISSION ON HOPE GROWTH & OPPORTUNITY

Form 990, Special Condition Description:

Special Condition Description

CHGO document stating, e.g.,
its “goal” and “potential targets”

CHGO document stating, e.g.,
its “goal” and “potential targets”

—100—

To make an impact using express advocacy in targeted Senate races on key issues including financial reform, energy, taxes, pharmaceuticals, health care and other key concerns, with the primary focus on the policies of the current Congress and the Obama Administration specific to job creation, business growth and economic recovery.

Group Name: Commission on Hope, Growth & Opportunity

Legal Counsel: Bill Canfield, Esq.

Steve Powell, San Diego
Jim Warring, Bethesda
Bill Canfield, Washington, DC

Arkansas	Colorado
Delaware	Florida
Illinois	Indiana
Missouri	Nevada
New Hampshire	North Dakota
Pennsylvania	Ohio

PRELIMINARY LAUNCH TIMELINE:

MHM-FEC-000001

MESSAGING:

The Commission on Hope, Growth & Opportunity will utilize all options available to it for direct, express advocacy under the recent SCOTUS decision. Because it can be anticipated the media will focus much attention on most groups operating under this new regime, the Commission will focus its messaging on market research and strategically driven, compelling creative that will engage the public directly with a documented, substantiated approach. In essence, the creative will get stakeholders' attention that can help with fundraising and profile. However, it is the group's preference to let the ads speak for themselves. We do not intend to engage the media unless there is a clear advantage gained by doing so.

We will create ads that get the viewer's attention, engage the public, document the statements made in the ads and present them in a manner that leaves no opportunity for the media to question our group, our content or our approach.

TIMING:

The June timing of the launch is predicated on: 1) the assumption that we want to be one of the first groups (post SCOTUS decision) to go live so as to attract potential additional funding; 2) how we can have an impact in potential primaries either with positive or negative approach; and 3) getting our first ad flight up so both candidates and funders see the impact we intend to have in these targeted states well before the run-up to the November election.

In addition, given the recent activity on health care, it is clear that this will be selling point #1 for Congressional Democrats. We need to get into some of these states with our own messaging before this single issue can be linked to claims of economic recovery.

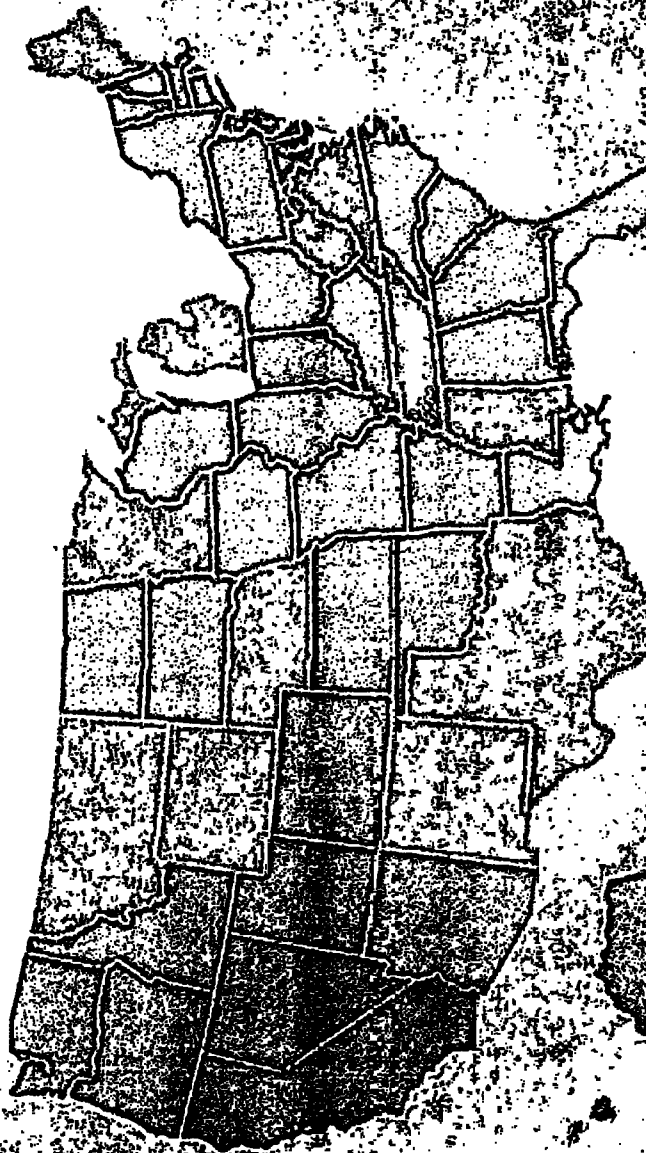
BUDGET:

Given the large number of Senate races in contention, we will focus on identifying a minimum of 4-6 races where media costs, political dynamics and other factors justify our activity. Instead of making a small impact in the dozen or so races under consideration, our strategy is predicated on doing more in a smaller number of races as opposed to a broad, shallow approach.

To do this properly, we can expect a working budget for the Commission for 2010 activities to be a minimum of \$5 - \$10 million dollars for 4-6 races depending on the states selected.

1904713800M10

Commission on Hope, Growth & Opportunity



Supporting Pro-Growth, Free Enterprise Candidates in Targeted Senate Races

MHM-FEC-000003

Allows corporations, labor unions and individuals to engage in direct, express advocacy for election or defeat of candidate(s)

Eliminates ban on outside group advertising within 60 days of election

Estimates of FEC regulation regarding timing and content of advertising

allows corporations and individuals with an opportunity to participate directly in election or defeat of

Direct Participation With No Donor Disclosure

- Non-profit organizations can freely advocate for election or defeat of specific candidates
- Established 501 c 4 group is most advantageous vehicle for donor activity
- Group files annual report with donor names never made available to the public under law

- MISSION: The CHGO is a public welfare organization created to advance the principle that sustained and expanding economic growth is central to America's economic future and the well-being of all Americans.**

Political Demographics - White House Contested Senate Races

- Anti incumbent, anti Democrat tide
- Issue focus on economy, anti-business policies and other specific issues in key races
- Multiple competitive contests
- CHGO will customize approach to localize messaging for each target

*Goal: To make a measurable impact on the election
by selectively identified Senate races by deploying
messaging in a targeted, cost efficient and discreet manner*

- Highly selective targeting utilizing highest-level intelligence
- Media efficiencies critical
- Adapt and react quickly to unique characteristics of each targeted race
- Limit number of select races to ensure effective media penetration in all states

- Most informed targeting through CHGO advisors
- Not a publicity-driven effort with publicly disclosed activities
- No disclosure of donors
- Make most efficient impact in most discreet manner possible
- Ability to customize approach and adapt to changing conditions in each specific targeted race
- Post election recap to targets through CHGO advisors

• OH	\$1,904,172
• CO	\$1,077,972
• MO	\$1,653,412
• ND	\$166,388
• NH	\$1,968,300
• DE	\$1,905,188
• IL	\$3,356,776
• AR	\$585,560
• PA	\$2,991,596
• IN	\$1,347,801
• NV	\$706,052

in conjunction with donors and advisors with high level knowledge on all will engaged directly in no less than 4 and no more than 8 Senate races depending on budget, targeting and media efficiencies.

Week of June 7 th	Post Basic Website Review Survey Research Refine Media Targets
Week of June 28 th	Begin Initial Creative
Week of July 19 th	Finalize and Test Creative
Week of August 9 th	Refine Creative for Launch
Week of September 6 th	Launch Initial Ad Flight in Top Target(s)
Week of September 13 th	Roll Out Ads in Other Targeted States
Week of October 18 th	Launch Second Flight w/Election Day Push

Conclusion

- Citizens United decision raises unprecedented opportunity for participation in election
- Multiple contested races, unstable political environment create historic scenario to make an impact
- CHGO provides results-driven vehicle for targeted, impact advertising to make measurable difference in key Senate races
- CHGO advisors provide highest level briefing on which contests are in play and how to best leverage media dollars for results
- CHGO donors never disclosed
- CHGO targeting ensures dollars spent efficiently
- CHGO advisors conduct post election briefing

Commission on Hope, Growth & Opportunity

GOAL:

To make an impact using express advocacy in targeted Senate races on key issues including financial reform, energy, taxes, pharmaceuticals, health care and other key concerns, with the primary focus on the policies of the current Congress and the Obama Administration specific to job creation, business growth and economic recovery.

GROUP DETAILS:

Group Name: Commission on Hope, Growth & Opportunity

Established: February 1, 2010

Legal Counsel: Bill Canfield, Esq.

Board Members:

Steve Powell, San Diego

Jim Warring, Bethesda

Bill Canfield, Washington, DC

POTENTIAL TARGETS:

Arkansas

Delaware

Illinois

Missouri

New Hampshire

Pennsylvania

Colorado

Florida

Indiana

Nevada

North Dakota

Ohio

Targets will be further identified based on media cost estimates, issue strength in any particular state, polling data, primary races and other factors.

PRELIMINARY LAUNCH TIMELINE:

Week of May 4th

Post Basic Website

Conduct Initial Benchmark Survey

with Over Sample in Target States

Refine Media Targets

Develop Fundraising Targets

Week of May 17th

Finalize Initial Creative

Week of June 1st

Launch Initial Ad Flight in Top Target(s)

Use Initial Ad Flight to Fundraise

Set Fundraising Meetings in DC/NYC

Launch Website and Social Media

Week of June 7th

Roll Out Ads in Other Targeted States

Launch Collateral Activities such as

Radio, Direct Mail, Print etc.

Week of June 14th

Finalize Creative for Second Ad Flight

160844061

Commission on Hope, Growth & Opportunity



Supporting Pro-Growth, Free Enterprise
Candidates in Targeted Senate Races

Creates Unprecedented Opportunity

- Allows corporations, labor unions and individuals to engage in direct, express advocacy for election or defeat of candidate(s)
- Eliminates ban on outside group advertising within 60 days of election
- Eliminates FEC regulation regarding timing and content of advertising
- Allows corporations and individuals with an opportunity to participate directly in election or defeat of

Page (5)

Direct Participation With No Donor Disclosure

- Non-profit organizations can freely advocate for election or defeat of specific candidates
- Established 501 c 4 group is most advantageous vehicle for donor activity
- Group files annual report with donor names never made available to the public under law

MISSION STATEMENT

- Established 501 (c) 4 Group
- Executive Director Steve Powell
- General Counsel Bill Canfield, Esq.
- Unlike other groups, discreet activities and limited to most efficient deployment of media resources
- Simple mission with all decisions guided by best use of funds to win Senate seats, not publicity or long term profile of CHGO or its Board.

MISSION: The CHGO is a public welfare organization created to advance the principle that sustained and expanding economic growth is central to America's economic future and the well-being of all Americans.

- SENATE RACES TO MAKE A MEASURABLE IMPACT ON THE ELECTION**

Emphasis on Targeting for Maximum Media and Political Impact

- Highly selective targeting utilizing highest-level intelligence
- Media efficiencies critical
- Adapt and react quickly to unique characteristics of each targeted race
- Limit number of select races to ensure effective media penetration in all states

Why CHGO?

- Most informed targeting through CHGO advisors
- Not a publicity-driven effort with publicly disclosed activities
- No disclosure of donors
- Make most efficient impact in most discreet manner possible
- Ability to customize approach and adapt to changing conditions in each specific targeted race
- Post election recap to targets through CHGO advisors

• OH	\$1,904,172
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• NH	\$1,968,300
• DE	\$1,905,188
• IL	\$3,356,776
• AR	\$585,560
• PA	\$2,991,596
• IN	\$1,347,801
• NV	\$706,052

interaction with donors and advisors with high level knowledge on all
all engaged directly in no less than 4 and no more than 8 Senate rates,
depending on budget, targeting and media efficiencies.

Expenditure Timeline

Week of June 7 th	Post Basic Website Review Survey Research Refine Media Targets
Week of June 28 th	Begin Initial Creative
Week of July 19 th	Finalize and Test Creative
Week of August 9 th	Refine Creative for Launch
Week of September 6 th	Launch Initial Ad Flight in Top Target(s)
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Week of October 18 th	Launch Second Flight w/Election Day Push

- ## Attachment D