

Internal Revenue Service
P. O. Box 2508
Cincinnati, OH 45201

Department of the Treasury

Date: January 5, 2012

Rebecca LaFlure
[REDACTED]

Austin, TX 78753

Person to Contact:

Karen Batey 0202939

Toll Free Telephone Number:

877-829-5500

Dear Sir or Madam:

This is in response to your December 20, 2011, request for copies of records for Restorative Christian Outreach Ministries.

Enclosed are the copies you requested.

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

Sincerely,



Cindy Thomas
Manager, Exempt Organizations
Determinations

EIN-56-2559142

Form 1023 Checklist

(Revised June 2006)

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

Note. Retain a copy of the completed Form 1023 in your permanent records. Refer to the General Instructions regarding Public Inspection of approved applications.

Check each box to finish your application (Form 1023). Send this completed Checklist with your filled-in application. If you have not answered all the items below, your application may be returned to you as incomplete.

- ☒ Assemble the application and materials in this order:
- Form 1023 Checklist
 - Form 2848, *Power of Attorney and Declaration of Representative* (if filing)
 - Form 8821, *Tax Information Authorization* (if filing)
 - Expedite request (if requesting)
 - Application (Form 1023 and Schedules A through H, as required)
 - Articles of organization
 - Amendments to articles of organization in chronological order
 - Bylaws or other rules of operation and amendments
 - Documentation of nondiscriminatory policy for schools, as required by Schedule B
 - Form 5768, *Election/Revocation of Election by an Eligible Section 501(c)(3) Organization To Make Expenditures To Influence Legislation* (if filing)
 - All other attachments, including explanations, financial data, and printed materials or publications. Label each page with name and EIN.
- ☒ User fee payment placed in envelope on top of checklist. DO NOT STAPLE or otherwise attach your check or money order to your application. Instead, just place it in the envelope.
- ☒ Employer Identification Number (EIN)
- ☒ Completed Parts I through XI of the application, including any requested information and any required Schedules A through H.
- You must provide specific details about your past, present, and planned activities.
 - Generalizations or failure to answer questions in the Form 1023 application will prevent us from recognizing you as tax exempt.
 - Describe your purposes and proposed activities in specific easily understood terms.
 - Financial information should correspond with proposed activities.
- ☒ Schedules. Submit only those schedules that apply to you and check either "Yes" or "No" below.
- | | | | |
|------------|--|------------|--|
| Schedule A | Yes ___ No <input checked="" type="checkbox"/> | Schedule E | Yes ___ No <input checked="" type="checkbox"/> |
| Schedule B | Yes ___ No <input checked="" type="checkbox"/> | Schedule F | Yes ___ No <input checked="" type="checkbox"/> |
| Schedule C | Yes ___ No <input checked="" type="checkbox"/> | Schedule G | Yes ___ No <input checked="" type="checkbox"/> |
| Schedule D | Yes ___ No <input checked="" type="checkbox"/> | Schedule H | Yes ___ No <input checked="" type="checkbox"/> |

- ☒ An exact copy of your complete articles of organization (creating document). Absence of the proper purpose and dissolution clauses is the number one reason for delays in the issuance of determination letters.
- Location of Purpose Clause from Part III, line 1 (Page, Article and Paragraph Number) Article II - 1
 - Location of Dissolution Clause from Part III, line 2b or 2c (Page, Article and Paragraph Number) or by operation of state law Article VII
- ☒ Signature of an officer, director, trustee, or other official who is authorized to sign the application.
- Signature at Part XI of Form 1023.
- ☒ Your name on the application must be the same as your legal name as it appears in your articles of organization.

Send completed Form 1023, user fee payment, and all other required information, to:

Internal Revenue Service
P.O. Box 192
Covington, KY 41012-0192

If you are using express mail or a delivery service, send Form 1023, user fee payment, and attachments to:

Internal Revenue Service
201 West Rivercenter Blvd.
Attn: Extracting Stop 312
Covington, KY 41011



Printed on recycled paper

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17053207013016

Form 1023
(Rev. October 2004)
Department of the Treasury
Internal Revenue Service

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

OMB No. 1545-0056

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

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

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

Part I Identification of Applicant

1 Full name of organization (exactly as it appears in your organizing document) RESTORATIVE CHRISTIAN OUTREACH MINISTRIES		2 c/o Name (if applicable) MACK C. BAILEY, SR	
3 Mailing address (Number and street) (see instructions) 7506 ED BLUESTEIN BLVD.		Room/Suite -	4 Employer Identification Number (EIN) 56-2559142
City or town, state or country, and ZIP + 4 AUSTIN, TEXAS 78723-2331		5 Month the annual accounting period ends (01 - 12) DECEMBER	
6 Primary contact (officer, director, trustee, or authorized representative) a Name: MACK C. BAILEY, SR		b Phone: 512-933-1469	
		c Fax: (optional)	
7 Are you represented by an authorized representative, such as an attorney or accountant? If "Yes," provide the authorized representative's name, and the name and address of the authorized representative's firm. Include a completed Form 2848, <i>Power of Attorney and Declaration of Representative</i> , with your application if you would like us to communicate with your representative.		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
8 Was a person who is not one of your officers, directors, trustees, employees, or an authorized representative listed in line 7, paid, or promised payment, to help plan, manage, or advise you about the structure or activities of your organization, or about your financial or tax matters? If "Yes," provide the person's name, the name and address of the person's firm, the amounts paid or promised to be paid, and describe that person's role.		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
9a Organization's website:			
b Organization's email: (optional) midway3060@yahoo.com			
10 Certain organizations are not required to file an information return (Form 990 or Form 990-EZ). If you are granted tax-exemption, are you claiming to be excused from filing Form 990 or Form 990-EZ? If "Yes," explain. See the instructions for a description of organizations not required to file Form 990 or Form 990-EZ.		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
11 Date incorporated if a corporation, or formed, if other than a corporation. (MM/DD/YYYY)		04 / 10 / 2006	
12 Were you formed under the laws of a foreign country? If "Yes," state the country.		<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

For Paperwork Reduction Act Notice, see page 24 of the instructions.

Cat. No. 17133K

Form 1023 (Rev. 10-2005)

POSTMARK

JUL 18 '06

RECEIVED

JUL 25 '06

CINCINNATI
SERVICE CENTER

POSTMARK

SEP 15 '06

CINCINNATI
SERVICE CENTER

RECEIVED

SEP 19 '06

Part II Organizational Structure

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

- 1 Are you a corporation? If "Yes," attach a copy of your articles of incorporation showing certification of filing with the appropriate state agency. Include copies of any amendments to your articles and be sure they also show state filing certification. ☒ Yes ☐ No
- 2 Are you a limited liability company (LLC)? If "Yes," attach a copy of your articles of organization showing certification of filing with the appropriate state agency. Also, if you adopted an operating agreement, attach a copy. Include copies of any amendments to your articles and be sure they show state filing certification. Refer to the instructions for circumstances when an LLC should not file its own exemption application. ☐ Yes ☒ No
- 3 Are you an unincorporated association? If "Yes," attach a copy of your articles of association, constitution, or other similar organizing document that is dated and includes at least two signatures. Include signed and dated copies of any amendments. ☐ Yes ☒ No
- 4a Are you a trust? If "Yes," attach a signed and dated copy of your trust agreement. Include signed and dated copies of any amendments. ☐ Yes ☒ No
- b Have you been funded? If "No," explain how you are formed without anything of value placed in trust. ☐ Yes ☒ No
- 5 Have you adopted bylaws? If "Yes," attach a current copy showing date of adoption. If "No," explain how your officers, directors, or trustees are selected. ☒ Yes ☐ No

Part III Required Provisions in Your Organizing Document

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

- 1 Section 501(c)(3) requires that your organizing document state your exempt purpose(s), such as charitable, religious, educational, and/or scientific purposes. Check the box to confirm that your organizing document meets this requirement. Describe specifically where your organizing document meets this requirement, such as a reference to a particular article or section in your organizing document. Refer to the instructions for exempt purpose language. Location of Purpose Clause (Page, Article, and Paragraph): ARTICLE II PARAGRAPH (2) ☒
- 2a Section 501(c)(3) requires that upon dissolution of your organization, your remaining assets must be used exclusively for exempt purposes, such as charitable, religious, educational, and/or scientific purposes. Check the box on line 2a to confirm that your organizing document meets this requirement by express provision for the distribution of assets upon dissolution. If you rely on state law for your dissolution provision, do not check the box on line 2a and go to line 2c. ☒
- 2b If you checked the box on line 2a, specify the location of your dissolution clause (Page, Article, and Paragraph). Do not complete line 2c if you checked box 2a. ARTICLE IV- ARTICLES OF INCORPORATION
- 2c See the instructions for information about the operation of state law in your particular state. Check this box if you rely on operation of state law for your dissolution provision and indicate the state: Texas ☒

Part IV Narrative Description of Your Activities

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

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

- 1a List the names, titles, and mailing addresses of all of your officers, directors, and trustees. For each person listed, state their total annual compensation, or proposed compensation, for all services to the organization, whether as an officer, employee, or other position. Use actual figures, if available. Enter "none" if no compensation is or will be paid. If additional space is needed, attach a separate sheet. Refer to the instructions for information on what to include as compensation.

Name	Title	Mailing address	Compensation amount (annual actual or estimated)
ELLA FAYE BAILEY	PRESIDENT	1801 E. PALM VALLEY #1316 ROUND ROCK, TX 78664	\$30,000
CHAQUANNA GARRETT	SECRETARY/PT.	7800 San Felipe Blvd. #1601 AUSTIN, TX 78729	\$10,000
MACK BAILEY	VICE PRESIDENT	6803 MILLIKIN COVE AUSTIN, TX 78723	VOLUNTEER
EVELYN BAILEY	TREASURER	6803 MILLIKIN COVE AUSTIN, TX 78723	\$12,000
PERRY O. GOGGINS	PARLIAMENTARY	1801 E PALM VALLEY #1316 ROUND ROCK, TX 78664	\$300.00/meeting

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

b List the names, titles, and mailing addresses of each of your five highest compensated employees who receive or will receive compensation of more than \$50,000 per year. Use the actual figure, if available. Refer to the instructions for information on what to include as compensation. Do not include officers, directors, or trustees listed in line 1a.

Name	Title	Mailing address	Compensation amount (annual actual or estimated)
NONE			

c List the names, names of businesses, and mailing addresses of your five highest compensated independent contractors that receive or will receive compensation of more than \$50,000 per year. Use the actual figure, if available. Refer to the instructions for information on what to include as compensation.

Name	Title	Mailing address	Compensation amount (annual actual or estimated)
NONE			

The following "Yes" or "No" questions relate to past, present, or planned relationships, transactions, or agreements with your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed in lines 1a, 1b, and 1c.

- 2a** Are any of your officers, directors, or trustees related to each other through family or business relationships? If "Yes," identify the individuals and explain the relationship. ☒ Yes ☐ No
- b** Do you have a business relationship with any of your officers, directors, or trustees other than through their position as an officer, director, or trustee? If "Yes," identify the individuals and describe the business relationship with each of your officers, directors, or trustees. ☐ Yes ☒ No
- c** Are any of your officers, directors, or trustees related to your highest compensated employees or highest compensated independent contractors listed on lines 1b or 1c through family or business relationships? If "Yes," identify the individuals and explain the relationship. ☐ Yes ☒ No
- 3a** For each of your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed on lines 1a, 1b, or 1c, attach a list showing their name, qualifications, average hours worked, and duties.
- b** Do any of your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed on lines 1a, 1b, or 1c receive compensation from any other organizations, whether tax exempt or taxable, that are related to you through common control? If "Yes," identify the individuals, explain the relationship between you and the other organization, and describe the compensation arrangement. ☐ Yes ☒ No
- 4** In establishing the compensation for your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed on lines 1a, 1b, and 1c, the following practices are recommended, although they are not required to obtain exemption. Answer "Yes" to all the practices you use.
- a** Do you or will the individuals that approve compensation arrangements follow a conflict of interest policy? ☒ Yes ☐ No
- b** Do you or will you approve compensation arrangements in advance of paying compensation? ☒ Yes ☐ No
- c** Do you or will you document in writing the date and terms of approved compensation arrangements? ☒ Yes ☐ No

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

- d** Do you or will you record in writing the decision made by each individual who decided or voted on compensation arrangements? ☒ Yes ☐ No
- e** Do you or will you approve compensation arrangements based on information about compensation paid by similarly situated taxable or tax-exempt organizations for similar services, current compensation surveys compiled by independent firms, or actual written offers from similarly situated organizations? Refer to the instructions for Part V, lines 1a, 1b, and 1c, for information on what to include as compensation. ☒ Yes ☐ No
- f** Do you or will you record in writing both the information on which you relied to base your decision and its source? ☒ Yes ☐ No
- g** If you answered "No" to any item on lines 4a through 4f, describe how you set compensation that is reasonable for your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed in Part V, lines 1a, 1b, and 1c.
-
- 5a** Have you adopted a conflict of interest policy consistent with the sample conflict of interest policy in Appendix A to the instructions? If "Yes," provide a copy of the policy and explain how the policy has been adopted, such as by resolution of your governing board. If "No," answer lines 5b and 5c. ☒ Yes ☐ No
- b** What procedures will you follow to assure that persons who have a conflict of interest will not have influence over you for setting their own compensation?
- c** What procedures will you follow to assure that persons who have a conflict of interest will not have influence over you regarding business deals with themselves?
- Note:** A conflict of interest policy is recommended though it is not required to obtain exemption. Hospitals, see Schedule C, Section I, line 14.
-
- 6a** Do you or will you compensate any of your officers, directors, trustees, highest compensated employees, and highest compensated independent contractors listed in lines 1a, 1b, or 1c through non-fixed payments, such as discretionary bonuses or revenue-based payments? If "Yes," describe all non-fixed compensation arrangements, including how the amounts are determined, who is eligible for such arrangements, whether you place a limitation on total compensation, and how you determine or will determine that you pay no more than reasonable compensation for services. Refer to the instructions for Part V, lines 1a, 1b, and 1c, for information on what to include as compensation. ☐ Yes ☒ No
- b** Do you or will you compensate any of your employees, other than your officers, directors, trustees, or your five highest compensated employees who receive or will receive compensation of more than \$50,000 per year, through non-fixed payments, such as discretionary bonuses or revenue-based payments? If "Yes," describe all non-fixed compensation arrangements, including how the amounts are or will be determined, who is or will be eligible for such arrangements, whether you place or will place a limitation on total compensation, and how you determine or will determine that you pay no more than reasonable compensation for services. Refer to the instructions for Part V, lines 1a, 1b, and 1c, for information on what to include as compensation. ☐ Yes ☒ No
-
- 7a** Do you or will you purchase any goods, services, or assets from any of your officers, directors, trustees, highest compensated employees, or highest compensated independent contractors listed in lines 1a, 1b, or 1c? If "Yes," describe any such purchase that you made or intend to make, from whom you make or will make such purchases, how the terms are or will be negotiated at arm's length, and explain how you determine or will determine that you pay no more than fair market value. Attach copies of any written contracts or other agreements relating to such purchases. ☐ Yes ☒ No
- b** Do you or will you sell any goods, services, or assets to any of your officers, directors, trustees, highest compensated employees, or highest compensated independent contractors listed in lines 1a, 1b, or 1c? If "Yes," describe any such sales that you made or intend to make, to whom you make or will make such sales, how the terms are or will be negotiated at arm's length, and explain how you determine or will determine you are or will be paid at least fair market value. Attach copies of any written contracts or other agreements relating to such sales. ☐ Yes ☒ No
-
- 8a** Do you or will you have any leases, contracts, loans, or other agreements with your officers, directors, trustees, highest compensated employees, or highest compensated independent contractors listed in lines 1a, 1b, or 1c? If "Yes," provide the information requested in lines 8b through 8f. ☐ Yes ☒ No
- b** Describe any written or oral arrangements that you made or intend to make.
- c** Identify with whom you have or will have such arrangements.
- d** Explain how the terms are or will be negotiated at arm's length.
- e** Explain how you determine you pay no more than fair market value or you are paid at least fair market value.
- f** Attach copies of any signed leases, contracts, loans, or other agreements relating to such arrangements.
-
- 9a** Do you or will you have any leases, contracts, loans, or other agreements with any organization in which any of your officers, directors, or trustees are also officers, directors, or trustees, or in which any individual officer, director, or trustee owns more than a 35% interest? If "Yes," provide the information requested in lines 9b through 9f. ☐ Yes ☒ No

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

- b Describe any written or oral arrangements you made or intend to make.
- c Identify with whom you have or will have such arrangements.
- d Explain how the terms are or will be negotiated at arm's length.
- e Explain how you determine or will determine you pay no more than fair market value or that you are paid at least fair market value.
- f Attach a copy of any signed leases, contracts, loans, or other agreements relating to such arrangements.

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

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

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

Part VII Your History

The following "Yes" or "No" questions relate to your history. (See instructions.)

- 1 Are you a **successor** to another organization? Answer "Yes," if you have taken or will take over the activities of another organization; you took over 25% or more of the fair market value of the net assets of another organization; or you were established upon the conversion of an organization from for-profit to non-profit status. If "Yes," complete Schedule G. ☐ Yes ☒ No
- 2 Are you submitting this application more than 27 months after the end of the month in which you were legally formed? If "Yes," complete Schedule E. ☐ Yes ☒ No

Part VIII Your Specific Activities

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

- 1 Do you support or oppose candidates in **political campaigns** in any way? If "Yes," explain. ☐ Yes ☒ No
- 2a Do you attempt to **influence legislation**? If "Yes," explain how you attempt to influence legislation and complete line 2b. If "No," go to line 3a. ☐ Yes ☒ No
- b Have you made or are you making an **election** to have your legislative activities measured by expenditures by filing Form 5768? If "Yes," attach a copy of the Form 5768 that was already filed or attach a completed Form 5768 that you are filing with this application. If "No," describe whether your attempts to influence legislation are a substantial part of your activities. Include the time and money spent on your attempts to influence legislation as compared to your total activities. ☐ Yes ☒ No
- 3a Do you or will you operate bingo or **gaming** activities? If "Yes," describe who conducts them, and list all revenue received or expected to be received and expenses paid or expected to be paid in operating these activities. **Revenue and expenses** should be provided for the time periods specified in Part IX, Financial Data. ☐ Yes ☒ No
- b Do you or will you enter into contracts or other agreements with individuals or organizations to conduct bingo or gaming for you? If "Yes," describe any written or oral arrangements that you made or intend to make, identify with whom you have or will have such arrangements, explain how the terms are or will be negotiated at arm's length, and explain how you determine or will determine you pay no more than fair market value or you will be paid at least fair market value. Attach copies or any written contracts or other agreements relating to such arrangements. ☐ Yes ☒ No
- c List the states and local jurisdictions, including Indian Reservations, in which you conduct or will conduct gaming or bingo.

Part VIII Your Specific Activities (Continued)

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

- | | |
|--|---|
| <input checked="" type="checkbox"/> mail solicitations | <input checked="" type="checkbox"/> phone solicitations |
| <input checked="" type="checkbox"/> email solicitations | <input checked="" type="checkbox"/> accept donations on your website |
| <input checked="" type="checkbox"/> personal solicitations | <input checked="" type="checkbox"/> receive donations from another organization's website |
| <input checked="" type="checkbox"/> vehicle, boat, plane, or similar donations | <input checked="" type="checkbox"/> government grant solicitations |
| <input checked="" type="checkbox"/> foundation grant solicitations | <input checked="" type="checkbox"/> Other |

Attach a description of each fundraising program.

b Do you or will you have written or oral contracts with any individuals or organizations to raise funds for you? If "Yes," describe these activities. Include all revenue and expenses from these activities and state who conducts them. Revenue and expenses should be provided for the time periods specified in Part IX, Financial Data. Also, attach a copy of any contracts or agreements. ☐ **Yes** ☒ **No**

c Do you or will you engage in fundraising activities for other organizations? If "Yes," describe these arrangements. Include a description of the organizations for which you raise funds and attach copies of all contracts or agreements. ☐ **Yes** ☒ **No**

d List all states and local jurisdictions in which you conduct fundraising. For each state or local jurisdiction listed, specify whether you fundraise for your own organization, you fundraise for another organization, or another organization fundraises for you.

e Do you or will you maintain separate accounts for any contributor under which the contributor has the right to advise on the use or distribution of funds? Answer "Yes" if the donor may provide advice on the types of investments, distributions from the types of investments, or the distribution from the donor's contribution account. If "Yes," describe this program, including the type of advice that may be provided and submit copies of any written materials provided to donors. ☐ **Yes** ☒ **No**

5 Are you **affiliated** with a governmental unit? If "Yes," explain. ☐ **Yes** ☒ **No**

6a Do you or will you engage in **economic development**? If "Yes," describe your program. ☐ **Yes** ☒ **No**

b Describe in full who benefits from your economic development activities and how the activities promote exempt purposes.

7a Do or will persons other than your employees or volunteers **develop** your facilities? If "Yes," describe each facility, the role of the developer, and any business or family relationship(s) between the developer and your officers, directors, or trustees. ☐ **Yes** ☒ **No**

b Do or will persons other than your employees or volunteers **manage** your activities or facilities? If "Yes," describe each activity and facility, the role of the manager, and any business or family relationship(s) between the manager and your officers, directors, or trustees. ☐ **Yes** ☒ **No**

c If there is a business or family relationship between any manager or developer and your officers, directors, or trustees, identify the individuals, explain the relationship, describe how contracts are negotiated at arm's length so that you pay no more than fair market value, and submit a copy of any contracts or other agreements.

8 Do you or will you enter into **joint ventures**, including partnerships or **limited liability companies** treated as partnerships, in which you share profits and losses with partners other than section 501(c)(3) organizations? If "Yes," describe the activities of these joint ventures in which you participate. ☐ **Yes** ☒ **No**

9a Are you applying for exemption as a childcare organization under section 501(k)? If "Yes," answer lines 9b through 9d. If "No," go to line 10. ☐ **Yes** ☒ **No**

b Do you provide child care so that parents or caretakers of children you care for can be **gainfully employed** (see instructions)? If "No," explain how you qualify as a childcare organization described in section 501(k). ☐ **Yes** ☐ **No**

c Of the children for whom you provide child care, are 85% or more of them cared for by you to enable their parents or caretakers to be gainfully employed (see instructions)? If "No," explain how you qualify as a childcare organization described in section 501(k). ☐ **Yes** ☐ **No**

d Are your services available to the general public? If "No," describe the specific group of people for whom your activities are available. Also, see the instructions and explain how you qualify as a childcare organization described in section 501(k). ☐ **Yes** ☐ **No**

10 Do you or will you publish, own, or have rights in music, literature, tapes, artworks, choreography, scientific discoveries, or other **intellectual property**? If "Yes," explain. Describe who owns or will own any copyrights, patents, or trademarks, whether fees are or will be charged, how the fees are determined, and how any items are or will be produced, distributed, and marketed. ☐ **Yes** ☒ **No**

Part VIII Your Specific Activities (Continued)

- 11** Do you or will you accept contributions of: real property; conservation easements; closely held securities; intellectual property such as patents, trademarks, and copyrights; works of music or art; licenses; royalties; automobiles, boats, planes, or other vehicles; or collectibles of any type? If "Yes," describe each type of contribution, any conditions imposed by the donor on the contribution, and any agreements with the donor regarding the contribution.
- ☒ Yes ☐ No

- 12a** Do you or will you operate in a foreign country or countries? If "Yes," answer lines 12b through 12d. If "No," go to line 13a.
- ☐ Yes ☒ No

b Name the foreign countries and regions within the countries in which you operate.

c Describe your operations in each country and region in which you operate.

d Describe how your operations in each country and region further your exempt purposes.

- 13a** Do you or will you make grants, loans, or other distributions to organization(s)? If "Yes," answer lines 13b through 13g. If "No," go to line 14a.
- ☐ Yes ☒ No

b Describe how your grants, loans, or other distributions to organizations further your exempt purposes.

c Do you have written contracts with each of these organizations? If "Yes," attach a copy of each contract.

☐ Yes ☐ No

d Identify each recipient organization and any relationship between you and the recipient organization.

e Describe the records you keep with respect to the grants, loans, or other distributions you make.

f Describe your selection process, including whether you do any of the following:

(i) Do you require an application form? If "Yes," attach a copy of the form.

☐ Yes ☐ No

(ii) Do you require a grant proposal? If "Yes," describe whether the grant proposal specifies your responsibilities and those of the grantee, obligates the grantee to use the grant funds only for the purposes for which the grant was made, provides for periodic written reports concerning the use of grant funds, requires a final written report and an accounting of how grant funds were used, and acknowledges your authority to withhold and/or recover grant funds in case such funds are, or appear to be, misused.

☐ Yes ☐ No

g Describe your procedures for oversight of distributions that assure you the resources are used to further your exempt purposes, including whether you require periodic and final reports on the use of resources.

- 14a** Do you or will you make grants, loans, or other distributions to foreign organizations? If "Yes," answer lines 14b through 14f. If "No," go to line 15.
- ☐ Yes ☒ No

b Provide the name of each foreign organization, the country and regions within a country in which each foreign organization operates, and describe any relationship you have with each foreign organization.

- c** Does any foreign organization listed in line 14b accept contributions earmarked for a specific country or specific organization? If "Yes," list all earmarked organizations or countries.
- ☐ Yes ☐ No

d Do your contributors know that you have ultimate authority to use contributions made to you at your discretion for purposes consistent with your exempt purposes? If "Yes," describe how you relay this information to contributors.

☐ Yes ☐ No

- e** Do you or will you make pre-grant inquiries about the recipient organization? If "Yes," describe these inquiries, including whether you inquire about the recipient's financial status, its tax-exempt status under the Internal Revenue Code, its ability to accomplish the purpose for which the resources are provided, and other relevant information.
- ☐ Yes ☐ No

- f** Do you or will you use any additional procedures to ensure that your distributions to foreign organizations are used in furtherance of your exempt purposes? If "Yes," describe these procedures, including site visits by your employees or compliance checks by impartial experts, to verify that grant funds are being used appropriately.
- ☐ Yes ☐ No

individuals, including grants for travel, study, or other similar purposes? If "Yes," complete Schedule H.

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

Part IX Financial Data

For purposes of this schedule, years in existence refer to completed tax years. If in existence 4 or more years, complete the schedule for the most recent 4 tax years. If in existence more than 1 year but less than 4 years, complete the statements for each year in existence and provide projections of your likely revenues and expenses based on a reasonable and good faith estimate of your future finances for a total of 3 years of financial information. If in existence less than 1 year, provide projections of your likely revenues and expenses for the current year and the 2 following years, based on a reasonable and good faith estimate of your future finances for a total of 3 years of financial information. (See instructions.)

A. Statement of Revenues and Expenses

A. Statement of Revenues and Expenses					
Type of revenue or expense	Current tax year	3 prior tax years or 2 succeeding tax years			(e) Provide Total for (a) through (d)
	(a) From 2005 To 2006	(b) From 2006 To 2007	(c) From 2007 To 2008	(d) From 2008 To 2009	
Revenues					
1 Gifts, grants, and contributions received (do not include unusual grants)	700.00	100,000.00	180,000.00	200,000.00	480,700.00
2 Membership fees received	0	500.00	1,000.00	2,000.00	3,500.00
3 Gross investment income	0				0
4 Net unrelated business income	0	0	0	0	0
5 Taxes levied for your benefit	0	0	0	0	0
6 Value of services or facilities furnished by a governmental unit without charge (not including the value of services generally furnished to the public without charge)	0	1,000.00	1,000.00	2,000.00	3,000.00
7 Any revenue not otherwise listed above or in lines 9–12 below (attach an itemized list)	0	0	0		
8 Total of lines 1 through 7	700.00	101,500.00	182,000.00	202,000.00	787,200.00
9 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to your exempt purposes (attach itemized list)	75,000.00	5,000.00	80,000.00	80,000.00	75,000.00
10 Total of lines 8 and 9	75,700.00	156,500.00	262,000.00	282,000.00	862,200.00
11 Net gain or loss on sale of capital assets (attach schedule and see instructions)	0	0	0		
12 Unusual grants	100,000.00	100,000.00	100,000.00	150,000.00	100,000.00
13 Total Revenue Add lines 10 through 12	175,700.00	256,500.00	362,000.00	432,000.00	962,200.00
Expenses					
14 Fundraising expenses	7,000.00	10,000.00	8,000.00	12,000.00	
15 Contributions, gifts, grants, and similar amounts paid out (attach an itemized list)	76,200.00	85,000.00			
16 Disbursements to or for the benefit of members (attach an itemized list)	760.00	65,000.00			
17 Compensation of officers, directors, and trustees	65,000	70,000.00			
18 Other salaries and wages	0	0			
19 Interest expense	0	0			
20 Occupancy (rent, utilities, etc.)	25,000	25,000			
21 Depreciation and depletion					
22 Professional fees	1,000	5,000.00			
23 Any expense not otherwise classified, such as program services (attach itemized list)					
24 Total Expenses Add lines 14 through 23	174,960.00				

Part IX Financial Data (Continued)**B. Balance Sheet (for your most recently completed tax year)**

		Year End:
		(Whole dollars)
Assets		
1	Cash	0.00
2	Accounts receivable, net	890.00
3	Inventories	0
4	Bonds and notes receivable (attach an itemized list)	0
5	Corporate stocks (attach an itemized list)	0
6	Loans receivable (attach an itemized list)	0
7	Other investments (attach an itemized list)	0
8	Depreciable and depletable assets (attach an itemized list)	0
9	Land	0
10	Other assets (attach an itemized list)	0
11	Total Assets (add lines 1 through 10)	890.00
Liabilities		
12	Accounts payable	690.00
13	Contributions, gifts, grants, etc. payable	0
14	Mortgages and notes payable (attach an itemized list)	0
15	Other liabilities (attach an itemized list)	0
16	Total Liabilities (add lines 12 through 15)	0
Fund Balances or Net Assets		
17	Total fund balances or net assets	200.00
18	Total Liabilities and Fund Balances or Net Assets (add lines 16 and 17)	200.00
19	Have there been any substantial changes in your assets or liabilities since the end of the period shown above? If "Yes," explain.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

Part X Public Charity Status

Part X is designed to classify you as an organization that is either a **private foundation** or a **public charity**. Public charity status is a more favorable tax status than private foundation status. If you are a private foundation, Part X is designed to further determine whether you are a **private operating foundation**. (See instructions.)

1a Are you a private foundation? If "Yes," go to line 1b. If "No," go to line 5 and proceed as instructed. If you are unsure, see the instructions. ☐ Yes ☒ No

b As a private foundation, section 508(e) requires special provisions in your organizing document in addition to those that apply to all organizations described in section 501(c)(3). Check the box to confirm that your organizing document meets this requirement, whether by express provision or by reliance on operation of state law. Attach a statement that describes specifically where your organizing document meets this requirement, such as a reference to a particular article or section in your organizing document or by operation of state law. See the instructions, including Appendix B, for information about the special provisions that need to be contained in your organizing document. Go to line 2. ☐

2 Are you a private operating foundation? To be a private operating foundation you must engage directly in the active conduct of charitable, religious, educational, and similar activities, as opposed to indirectly carrying out these activities by providing grants to individuals or other organizations. If "Yes," go to line 3. If "No," go to the signature section of Part XI. ☐ Yes ☒ No

3 Have you existed for one or more years? If "Yes," attach financial information showing that you are a private operating foundation; go to the signature section of Part XI. If "No," continue to line 4. ☐ Yes ☐ No

4 Have you attached either (1) an affidavit or opinion of counsel, (including a written affidavit or opinion from a certified public accountant or accounting firm with expertise regarding this tax law matter), that sets forth facts concerning your operations and support to demonstrate that you are likely to satisfy the requirements to be classified as a private operating foundation; or (2) a statement describing your proposed operations as a private operating foundation? ☐ Yes ☐ No

5 If you answered "No" to line 1a, indicate the type of public charity status you are requesting by checking one of the choices below. You may check only one box.

The organization is not a private foundation because it is:

a 509(a)(1) and 170(b)(1)(A)(i)—a church or a convention or association of churches. Complete and attach Schedule A. ☐

b 509(a)(1) and 170(b)(1)(A)(ii)—a school. Complete and attach Schedule B. ☐

c 509(a)(1) and 170(b)(1)(A)(iii)—a hospital, a cooperative hospital service organization, or a medical research organization operated in conjunction with a hospital. Complete and attach Schedule C. ☐

d 509(a)(3)—an organization supporting either one or more organizations described in line 5a through c, f, g, or h or a publicly supported section 501(c)(4), (5), or (6) organization. Complete and attach Schedule D. ☐

Part XI User Fee Information

You must include a user fee payment with this application. It will not be processed without your paid user fee. If your average annual gross receipts have exceeded or will exceed \$10,000 annually over a 4-year period, you must submit payment of \$500. If your gross receipts have not exceeded or will not exceed \$10,000 annually over a 4-year period, the required user fee payment is \$150. See instructions for Part XI, for a definition of **gross receipts** over a 4-year period. Your check or money order must be made payable to the United States Treasury. User fees are subject to change. Check our website at www.irs.gov for the "User Fee" in the keyword box, or call Customer Account Services at 1-877-829-5500 for current information.

- 1 Have your annual gross receipts averaged or are they expected to average not more than \$10,000? ☐ Yes ☒ No
 If "Yes," check the box on line 2 and enclose a user fee payment of \$150 (Subject to change—see above).
 If "No," check the box on line 3 and enclose a user fee payment of \$500 (Subject to change—see above).
- 2 Check the box if you have enclosed the reduced user fee payment of \$150 (Subject to change). ☐
- 3 Check the box if you have enclosed the user fee payment of \$500 (Subject to change). ☒

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

Mack C Bailey Sr
 (Signature of Officer, Director, Trustee, or other
 authorized official)

Mack C. Bailey, Sr.

(Type or print name of signer)

Vice-President

(Type or print title or authority of signer)

7-11-2006
 (Date)

Reminder: Send the completed Form 1023 Checklist with your filled-in-application.

Form **1023** (Rev. 10-2004)

Restorative Christian Outreach Ministries

VISION

Restorative Christian Outreach Ministries, vision is to use Spiritual Guidance to keep ex-offenders from returning to prison.

MISSION

Restorative Christian Outreach Ministries aim is to sincerely help the individual to become a productive citizen and have a sense of success. The purpose of this ministry is to help build a more spiritual person that can be willing to obey the laws of God and the laws of this country.

OBJECTIVES

We would like to bring back the relationship between the offender and the community. Involve the family and have them to be an active part of this program. Each can help each other obtain the most out of life as a productive citizen. The family and the ex-offender can be closely knitted together through involvement in every aspect of the restorative process.

METHODOLOGY

Men have been known to make mistakes and need to have help finding their way out of those mistakes. Positive training and thinking can lead them to make necessary changes in their lives. If they cannot see beyond their negative environment, how can they make a change? Through Restorative Christian Outreach, they will have the opportunity to break the cycle of returning back to the same environment. By using the holistic approach, we believe by their response that they are asking for help to not return to prison when they are released. We have a desire to offer them Christian character building classes, personal guidance to better understand the process of becoming a productive citizen. Family or spousal interactivity with the program, to help the ex-offender become a success will be most important to keep them focused with the program.

*Using Spiritual Guidance to keep ex-offenders from returning to prison
Philippians 4:13 - I can do all things through Christ which strengtheneth me.*

IRS- ID #56-2559142

Restorative Christian Outreach Ministries, Inc



Restorative Christian Outreach Ministers

Budget is written in general form pending prices at time of application. Also, expenses are for start up. Client budget will increase thereafter.

Position Title	Salaries:	
President/Office Manager:	\$30,000	Full Time
Secretary:	\$10,000	Part Time
Treasure/Accountant	\$12,000	Part Time
Therapist	Reimbursement	Full Time

Overhead equipment and supplies

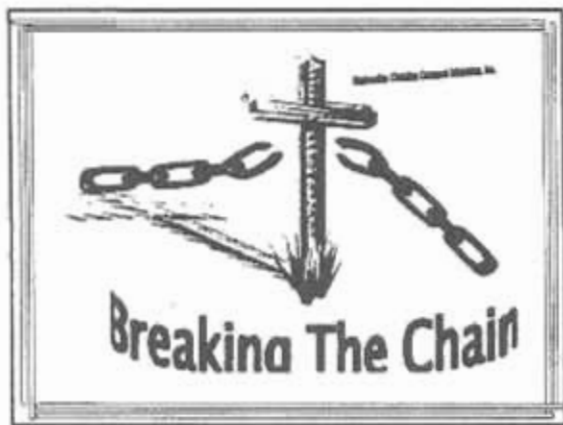
Equipment	Cost	Installation Cost
Computers needed - Office Manager - Secretary - Accountant - Therapist - Networking	\$7,000	\$3,000
Software - QuickBooks for Non Profit - Gotomypc - Virus Protection	\$399.99 \$179.40 \$200.00	
Telephone System - Telephones - Services (SBC)	\$3,000 Included	Included
Furniture - 3 desk - 3 chairs	\$700.00	
Copiers	\$5,000.00	
Fax Machine	\$150.00	
Printers	\$3,000.00	

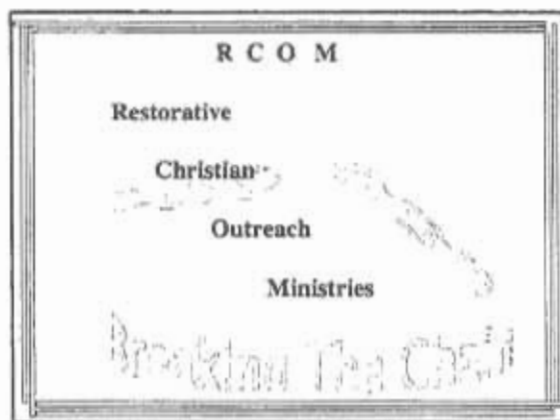
Program/client costs/ may vary depending on the number of clients

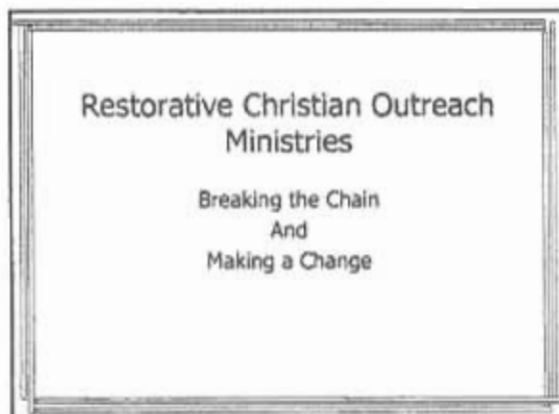
Client help- rent, clothing, utilities	\$20,000	
Trainings		
Consultants fees	\$150.00 per session	
Demonstrations Lessons	\$300.00 per session	
Miscellaneous client needs	\$500.00	

Total budget needed is \$100,000.00 to start up and keep running.

E IN #
56-2559142







Objective



- To encourage those who have been incarcerated to become a responsible citizen.
- To teach them how to be spiritually motivated and to care about their future.
- To help them to learn how to function as a member of a caring family.
- To encourage the family members to be able to accept the changed person and keep him/her motivated to remain on track to becoming a productive member of the family.

Individual Requirements



- Attend 10 – 12 self improvement and study sessions
- Be willing to seek employment through Texas Workforce Commission and other agencies.
- Be willing to participate with either individual or group discussions concerning obstacles to keep them from becoming a success.

Meeting the Needs

- Spiritual growth
- Housing
- Food
- Decent Clothing
- Physical and mental support
- Family Support
- Independence



STATISTICS

U.S. Department of Justice • Office of Justice Programs
Bureau of Justice Statistics

In 2004, nearly 7 million people were under some form of correctional supervision including:

Probation - court ordered community supervision of convicted offenders by a probation agency. In many instances, the supervisor requires adherence to specific rules of conduct while in the community.

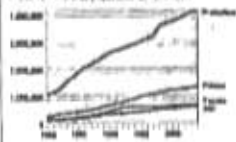
Prison - confinement in a State or Federal correctional facility to serve a sentence of more than 1 year, although in some jurisdictions the length of sentence which results in prison confinement is longer.

Jail - confinement in a local jail while pending trial, awaiting sentencing, serving a sentence that is usually less than 1 year, or awaiting transfer to other facilities after incarceration.

Parole - community supervision after a period of incarceration. These data include only adults who are on active or inactive parole supervision or some other form of conditional release, including mandatory release, following a term of incarceration.

STATISTICS

Adult correctional population, 1980-2004



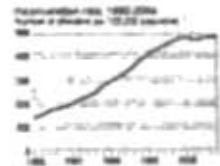
U.S. Department of Justice • Office of Justice Programs
Bureau of Justice Statistics
Criminal Offenders Statistics

BJS corrections data collections

Annual Bureau of Jail counts (annual) estimates of the number of inmates in the three 1-year jail and data on the relationship between jail population and open beds, starting in 1982, including years 1983, 1988, 1993, and 1999 in which a complete census of U.S. local jails was conducted.

Census of Jails is conducted every 5 years, including information on such factors as inmate and release, court orders, programs that offer alternatives to incarceration, current charges to hold an inmate for another jurisdiction, use of space and crowding, staffing, health care (including provision of HIV/AIDS and tuberculosis), drug testing policies and practices, inmate work assignments, and education and training programs. The census focuses on the reporting from the administrative records of jail houses.

1975, 1979, 1983, 1988, 1993, 1998, 2003.
Census of State and Federal Adult Correctional Facilities is conducted approximately every 5 years.
Census of State and Local Probation and Parole Agencies is a complete census of Probation, Parole, and locally sponsored probation and parole agencies.



After sharp increases in the 1980s and 1990s, the incarceration rate has recently grown at a slower pace.

Source: *Correctional Populations in the United States, 1997* and *Probation in 2004*

Between 1995 and 2004, the correctional population grew an average 3.4% annually. Population growth during the 12-month period ending December 31, 2004 was lower in State prisons (up 1.8%) than in local jails (up 3.7%) and Federal prisons (up 3.5%).

Note: Number of inmates in state correctional under State and Federal jurisdiction per 100,000, 1980-2004

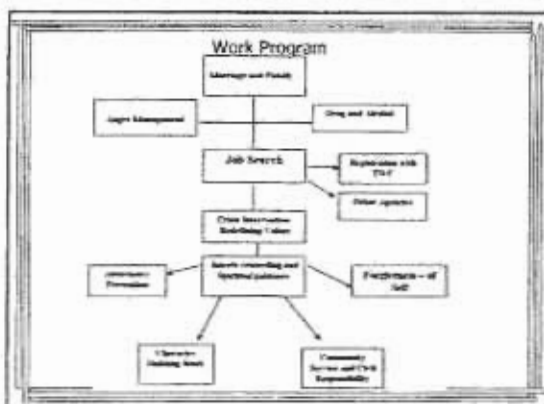
Our Strengths

Teaching the ex-offender how to make a change from the past by breaking the chain and making a change for the better.



Key Benefits

- The ex-offender become more confident in himself/herself.
- Having a more positive outlook on their lifestyle
- Having their families support
- Feeling that they have something positive to give to the family
- Not having them return into the system



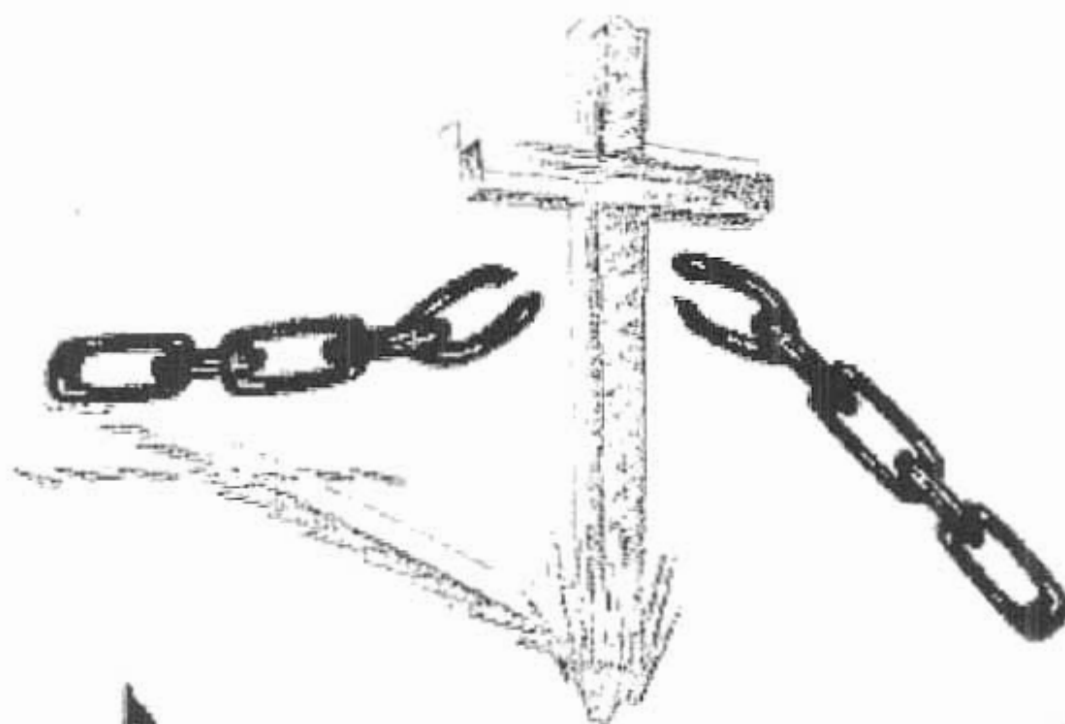
Next Steps

- Funding
 - rent for building
 - Transportation to Worksource Center
 - Administrative needs
- Client support
 - Decent clothing for interviews
 - Housing support
 - Study and other materials for class attendance

ETN 56-2559142



2006 - 2007



Breaking The Chain

Restorative Christian Outreach Ministries, Inc.

Policies and Procedures

A. Overview

Purpose

This document will describe the policies and procedures concerning

- position appointment,
- Dismissal
- Volunteers
- dual employment, conflict of interest
- threats of harm, and
- other similar issues.

Application

The policies apply to all employees of Restorative Christiana Outreach Ministries, Inc. (RCOM)

B. Appointment Types

The basic types of position appointments are described in the following table.

Appointment type	An employee who is appointed to this type of position is...
Regular, full-time	<ul style="list-style-type: none">• hired on a non-temporary basis, and• scheduled to work 40 hours within an established workweek of seven consecutive days.
Regular, part-time	<ul style="list-style-type: none">• hired on a non-temporary basis, and• scheduled to work less than 30 hours within an established workweek of seven consecutive days.
Volunteer	Required to work as needed to do visitation and classes in the various facilities

C. Dismissal and Probation

The Organization has the right to dismiss employees without advance notice. Cause for dismissal will be presented to the Officers for approval. Such dismissals may be based solely on a determination that the employee is not suited to the position.

D. Employee Volunteers

Policy

Volunteers at are hired with this organization will be compensated as funds will allow. However, a volunteer may only provide services that are offered by RCOM, and

- sometimes located in other cities in order to facilitate a face-to-face session with the ex-offender.
- physically located away from the regular visitation sites within the city.

Reimbursement for Expenses

RCOM may reimburse volunteers for out-of-pocket expenses as determined by the organizations funds that are available and policy of disbursement. We will follow the state's guidelines of reimbursements.

E. Firearms and Other Weapons

Policy

Employees and volunteers are prohibited from carrying firearms and other weapons, including employees licensed to carry a concealed handgun

- on the premise owned, leased, or operated by RCOOM, or
- in any Organizational-owned vehicles.

Violation of this policy may result in disciplinary action up to and including dismissal.

Exceptions

This policy does not apply to

- firearms kept in the homes of employees

F. Threats of Harm to Self or Others

Policy

Threats, threatening behavior, or acts of violence by anyone on RCOM property against self, clients, employees, visitors, guests, or other individuals are not tolerated.

Violation of this policy may lead to

- disciplinary action, up to and including dismissal, and
- removal from premises, arrest, and criminal prosecution.

Threats Reported Immediately

All employees are responsible for immediately reporting to the security officer on duty, office manager, or risk manager, any threats that they have

- witnessed or received, or
- been told that another person has witnessed or received.

Employees must make this report regardless of the relationship between the individual who initiated the threat or threatening behavior and the person or persons who were threatened.

If the threat occurs after regular business hours or on the weekend, employees should immediately report it to the security officer on duty, or if there is no security officer, the office manager.

All Threats Investigated

The security officer on duty, office manager, and risk manager, take seriously and investigate all threats of harm to self or others as soon as reported.

Confidentiality

To the extent possible, the identity of the individuals who report a threat should be kept confidential.

During the investigation,

- information may be provided only to those with a need to know of the risk, and
- individuals who are interviewed must be asked to keep the information to themselves.

Protective or Restraining Orders

All employees who self-declare in the workplace and have filed a Protective Order, Temporary Restraining Order, Criminal Trespass Order, or any other legally binding document that is enforceable under state and federal laws to protect the victim of domestic violence shall provide a copy of the following to office manager and or President or any individual overseeing the office at that time of the incident:

- the petition and declarations used to seek the Order; and
- any Protective Order, Temporary Restraining Order, Criminal Trespass Order, and any other legally binding document granted by the court that is enforceable under state and federal laws to protect the victim of domestic violence and the employees of the Enterprise.

The RCOM will enforce Temporary Restraining Orders, Protective Orders, Criminal Trespass Orders, and any other legally binding document granted by the court that is enforceable under state and federal laws to protect the victim of domestic violence and the employees of this organization. The Police will be notified of any violation of the court orders.

Potential Sources of Threats

There are five common sources of threats on the job:

- strangers who are involved in the commission of a crime, or who have a grudge against the RCOM.
- current or past clients;
- current and former co-workers;
- spouses or significant others involved in domestic disputes; and
- those who stalk or are infatuated with employees or clients.

Warning Signs

The following table includes 9 possible warning signs for potential violence.

Warning sign	General description
Threatening statements	<ul style="list-style-type: none">• verbal threats to kill or do harm to self or others,• repeated threatening statements or constant swearing at others,• statements like "I understand why the guy did what he did at the post office," or• talk about how the person plans to harm

	self or others.
Intimidating behavior	<ul style="list-style-type: none"> any behavior that scares others, reports from co-workers about their fear of the employee, insubordination or open defiance of authority, or blaming others for everything that goes wrong and always holding oneself completely blameless for problems.
History of suicide or violence	<ul style="list-style-type: none"> family history of suicide; or prior assaultive behavior such as fighting, spousal abuse, or military misconduct.
Sympathizes with perpetrators of workplace violence and admires the weapons used	<ul style="list-style-type: none"> obsession with weapons, or bringing weapons to work.
Personality change	<ul style="list-style-type: none"> withdrawal; change from introvert behavior to boisterous behavior (or vice versa); sudden and dramatic changes in behavior, such as increasing anger and agitation; major changes in interpersonal relationships; decline in personal grooming; or giving away personal belongings.
Major changes in behavior or mood	<ul style="list-style-type: none"> experiencing bizarre thoughts or paranoid behavior; experiencing strong emotional mood swings; delusions about the end of the world, being spied upon, or similar unrealistic ideas; or experiencing severe depression.
Obsessions	<ul style="list-style-type: none"> desire to hurt a specific person or group, infatuation with or romantic attachment to someone,

	<ul style="list-style-type: none"> • preoccupation with a well-known violent incident, or • stalking or following others.
Serious stress in work or personal life	<ul style="list-style-type: none"> • recent disciplinary actions, reduction in force, or dismissal for cause; • financial problems; or • personal problems, such as divorce, child custody disputes, or bankruptcy.
Drug or alcohol use	<ul style="list-style-type: none"> • appearing on Organization property under the influence of drugs or alcohol, • impaired reasoning ability, • lack of social inhibition, • diminished ability to distinguish right from wrong, or • agitation or paranoia.

Imminent Danger or Violence

If the security officer on duty, office manager, or risk manager receives a credible report that individuals are in imminent danger or that violence is occurring or has just occurred, the police and emergency medical services are called immediately to handle the situation. RCOM will not be liable for any expenses for police and emergency medical services.

Threat But No Imminent Danger or Violence

Intervention should occur at the earliest stage possible. Any delay in addressing an incident or early warning signals may result in a future violent incident. The following table describes recommended intervention guidelines when the threat of harm **does not** appear to be imminent.

Responsible Person	Action
Employee	1. reports a threat of harm to self or others to security/office staff/Manager.
Security officer on duty, office manager, or risk manager	2. immediately begins an investigation by interviewing <ul style="list-style-type: none"> • the person who made the report, and • any other individuals who may have witnessed the

threat;

- Interviews are conducted in private, and those interviewed are asked to keep the discussion to themselves.
3. gathers and documents as much information as possible from the witnesses about
 - what was actually said and done, and
 - the person who made the threat.
 4. reviews the information, including any identified warning signs, with the organization head or designee to assess the risk and determine further actions.

If the threat is made by someone other than an employee,

5. plans a course of action to control the situation, which may include notifying the police.
6. advises the employee's or volunteer's immediate supervisor of the situation; and
7. prepares to talk with the employee to assess the risk.

The purpose of the meeting is to defuse a potentially violent situation, not to confront the employee, fix blame, or issue ultimatums.

The person designated to interview the employee listens, appears supportive, and shows that he or she is trying to understand the situation from the individual's point of view.

If the person appears calm, has a reasonable explanation for his or her behavior, and does not present a risk, security or designee:

10. explains, in a serious but friendly manner, how the behavior frightened his or her co-workers or other clients.

If there is any doubt about the potential risk, arrangements are made for the employee or client to discuss the biblical answer for the actions committed.

If the employee or client appears to be stressed or agitated at first, but calms down through the discussion of the problem or situation, security or designee:

11. makes immediate arrangements for the employee to meet with our ministering counselor who is scheduled for our crisis intervention sessions.

These arrangements are made in a supportive manner with the goal of helping the employee and or client to resolve his or her problems.

G. Restorative Christian Outreach Ministries, Inc. is a Drug free environment

Contraband for clients and or employees

Contraband is any illegal or prohibited merchandise, goods, or property including

- illegal drugs,
- alcohol,
- weapons, unless certified for security purposes
- property reported missing or stolen.

Employees Informed of Prohibitions

All employees are informed that the possession of the following are prohibited on the premises:

- illegal drugs,
- firearms,
- weapons, unless certified for security purposes
- weapons possessed in accordance with concealed-weapon laws, and
- alcohol.

Reporting Suspected Contraband

All employees must immediately report to security/office manager knowledge or suspicion of any wrongful or illegal activities on the premises.

Employees must make this report regardless of whether the person is a visitor or client.

Failure to report wrongful or illegal activities may result in disciplinary action. All incidents will be reported to authorities.

H. Stolen or Damaged Property

The facility head or designee notifies the local police authorities of stolen or damaged RCOM property.

When Law Enforcement Officers Participate

If law enforcement officers participate in or conduct the investigation, they

- determine when a search is indicated, and
- secure a warrant when necessary.
- If client is on parole, the parole officer will receive a report of the incident.

I. Drug-Free Workplace

Policy

The unlawful manufacture, distribution, dispensing, possession, or use of alcohol or controlled substances, including inhalants, is prohibited on the premises of the Restorative Christian Outreach Ministries, Inc. Anyone who violates this prohibition is subject to disciplinary action up to prosecution and including dismissal.

Purpose and Scope

The drug-free workplace policy is intended to protect the health and safety of the Restorative Christian Outreach Ministries, Inc. employees and its clients. We are a ministry, to help those who wish to better themselves, and come out of that type of environment.

Authority

The laws that require a drug-free workplace are the

- Drug-Free Workplace Act of 1988; and
- Texas Administrative Code, Title 28, Chapter 169 regarding Workers' Health and Safety – Drug-Free Workplace Program.

Each employee will be given a copy of the Policy and Procedures, which will signify that they have been informed of the conditions to abide by to maintain a drug free environment.

Employee Responsibilities

As a condition of employment, every employee is responsible for

- abiding by the drug-free workplace policy, and
- notifying the RCOM office manager of any criminal drug statute conviction no later than five days after such conviction.

Consequences for Violation

The consequences for employees who violate the policies related to alcohol or controlled substances may include one or more of the following actions:

- placement in the program offered by RCOM until completion
- corrective action through performance and attendance

J. Driving Motor Vehicles

If an employee's position requires, as part of the essential functions of the job, driving a motor vehicle, the President/Manager must

- request (at least 20 working days before the employee's evaluation) that the employee bring a current, valid Texas driver's license to the before operating a company vehicle; and a copy of the license will be kept in their personnel file.

The employee must

- cease driving as part of official duties if appropriate proof of a current, valid driver's license is not provided upon request.
- report any suspension, cancellation, or revocation of the driver's license within five work days to the appropriate supervisor; and
- report to the appropriate supervisor, within five working days, any of the following traffic violations:

- o driving while intoxicated or under the influence of drugs or alcohol,
- o aggravated assault with a motor vehicle,
- o murder without malice with a motor vehicle,
- o homicide by a vehicle, or
- o failure to stop and render aid.

The Organization may take disciplinary action, up to and including dismissal, against an employee who fails to report any of the above-cited violations.

K. Employee Conduct

Purpose

This chapter describes employee conduct concerning work rules, standards of conduct, and political activities.

Application

The policy applies to all Directors, Officers and employees of the Restorative Christian Outreach Ministries, Inc.

Policy

All employees are expected to become familiar with and abide by these rules of conduct.

Restrictions and Expectations

As public servants responsible for assisting ex-offenders and their families of this state, RCOM employees are expected to maintain the highest level of ethical conduct.

The Restorative Christian Outreach Ministries, Inc., has adopted standards of conduct and work rules to help its staff in dealing with ethical dilemmas when dealing with ex-offenders. Violation of these policies may result in disciplinary action, up to and including dismissal, and, in some cases, referral to state or federal law enforcement agencies, which govern the jail and prisons of this state. In addition to RCOM, inc standard of conduct, each employee will follow the guidelines outlined with the Criminal Justice policies when dealing with ex-offenders when visiting the facilities.

Employees who work in areas with additional requirements (for example, visiting the jail or prison units) must also abide by applicable professional requirements.

Standards of Conduct

Restorative Christian Outreach Ministries, Inc. employees may not have any financial or other interest, engage in any business or professional activity, or

incur any obligation that substantially conflicts with the proper discharge of the duties while giving therapeutic lessons to the ex-offender.

Specifically, RCOM employees should not

- accept or solicit any gift, favor, or service that might reasonably tend to influence the Therapist in the discharge of official duties, or that the employee knows or should know is being offered with the intent to influence the employee's official conduct;
- accept other employment, or engage in a business or professional activity that the employee might reasonably expect would require or induce the employee to disclose confidential information acquired by reason of the official position;
- accept other employment or compensation that could reasonably be expected to impair the employee's independence of judgment in the performance of the sessions outlined in the program;
- make personal investments that could reasonably be expected to create a substantial conflict between the employee's private interest and the public interest; or
- intentionally or knowingly solicit, accept, or agree to accept any benefit for having exercised the employee's official powers or performed the employee's official duties in favor of another.

Additionally, Restorative Christian Outreach Ministries, Inc. employees must exercise sound judgment in all relationships with ex-offender and other employees by displaying professional decorum and refraining from personal involvement of any kind that would discredit the RCOM mission or the individual involved.

L. Work Rules

Employees are expected to observe work rules.

These rules may extend beyond regular work hours and the employee's work site, provided there is a demonstrable relationship between the employee's conduct.

Violating work rules could result in disciplinary action, up to and including dismissal from employment and possible criminal prosecution if the violation is committed within the prison facilities or within the jail while visiting.

Any employee who knows about a violation of work rules and or ethical conduct and does not report it may be subject to disciplinary action, up to and including dismissal from employment.

Employees must:

1. be familiar with and follow all warning, policies and procedures relating to rules while conducting therapeutic sessions with an inmate or ex-offender;
2. perform their duty assigned to them and be aware of the rules that is given them by the officials;
3. avoid, during assigned sessions giving out any personal information or making any promises to the ex-offender that is outside of the RCOM schedule activities.
4. Personal phone number of RCOM therapist, are prohibited from the ex-offender. Use of the organizations address and phone number is advisable;
5. RCOM computer resources are provided for use by therapist and for those designated for us by the offender to train to do job search. Games and personal website searches, are prohibited by the ex-offender.
6. exhibit courtesy and respect in all interactions with clients, peers, coworkers, vendors, contractors, and any other people the employee meets in the course of their job;
7. avoid situations in which personal or private gain or benefit may conflict with the public interest;
8. not accept or solicit any gift, favor, service, or other benefit from anyone in exchange for performing their job duties, except for the employee's salary and employee benefits;
9. not steal, sell, willfully or negligently damage, destroy, misuse, lose, or have unauthorized possession of owned or leased RCOM property or use any RCOM property, services, or information in an unauthorized manner or for monetary gain (including vehicles, long distance telephone services, and RCOM computer systems);
10. not use RCOM telephone numbers in personal advertising;
11. protect RCOM Organization information and property;
12. not destroy, falsify, or cause another to falsify, remove, steal, conceal, or otherwise misuse RCOM information (including documents and oral information) or property;
13. maintain honest and accurate records relating to time, leave, work, expense, and travel activities;
14. not make false statements relating to the employee's job duties or therapeutic sessions with clients; ;
15. not consume, be under the influence of, use, or possess alcohol, illegal drugs, or inhalants during work hours or on an RCOM premises;
16. not engage in relationships with RCOM clients, service providers, contractors, or vendors that would impair objectivity in performing their duties or endanger confidentiality;
17. keep all RCOM information and all information obtained as an RCOM employee confidential, except as otherwise required by law, e.g., the Public Information Act, Texas Government Code, Chapter 552 (client-related information may be released only in accordance with sound professional practices, state and federal regulations, and RCOM policies and procedures);

18. maintain work areas in a manner which adheres to safety rules and allows for accessibility by authorized staff;
19. not solicit or sell products or services to RCOM clients at any time that such conduct might lead to a conflict of interest;

Dress Code

During business hours, employees are expected to present a clean and neat appearance, and to dress according to the requirements of their position. Examples of unacceptable attire include

- anything minimal or revealing in nature,
- see-through or backless clothing, or
- anything with offensive language or graphics.

Office managers are responsible for consistently enforcing appearance and dress standards. When an employee is out of compliance, the supervisor should tell the employee privately to change attire. We must all remember that, we represent the Restorative Christian Outreach Ministry and we would like our clients to feel comfortable when coming to our office for help.

M. Smoking Policy

The RCOM has adopted a smoke-free policy to

- promote health and well-being, and
- avoid the hazardous effects of smoking including second-hand smoke.

Smoking is prohibited inside the building and on the grounds. In buildings that RCOM Organization shares with other agencies, companies, or organizations, smoking is prohibited in the portion of the building occupied solely by Restorative Outreach Ministries, Inc.

Each agency head or designee may

- negotiate the smoking status shared space; and
- designate outdoor areas where smoking is allowed. Designated areas must be at least 15 feet away from any entrance/exit on the premises.

N. Leave Policy

Purpose

This chapter explains the leave policies.

Application

The policy applies to all employees of Restorative Outreach Ministries, Inc.

Work Time

Policy

RCOM employees are expected to report to work at the appointed time and work all of their scheduled hours.

Other Activities Considered Work Time

In addition to time spent performing regular job duties, the following activities are considered work time:

- travel as part of the employee's job duties;
- on-call emergencies that require returning to agency premises, workstation, or duty assignment;
- meal periods of less than 30 minutes during which the employee is not completely relieved of duty;
- meal periods of 30 minutes or more that are interrupted by an emergency, or that are interrupted regularly and frequently; and
- work breaks of not more than 15 minutes during each shift segment.

Travel Time

Travel time is considered hours worked when the employee is in transit

- between job sites during the day's work;
- on official travel status out of town to attend or return from work-related training, conferences, or meetings; or
- transferring clients between locations or on out-of-town trips, except for bona fide meal periods, when sleeping, or when free to pursue personal activities.

Travel time between the employee's home and regular duty station is not considered work time

Meal Periods

Full-time employees on a regular work schedule are expected to take a meal break of at least 30 minutes. Exceptions are made individually.

Work Breaks

A supervisor may authorize two compensated work breaks a day of up to 15 minutes, provided workload allows. Breaks are not an entitlement, but a privilege, and cannot be accumulated to extend lunch breaks or shorten the workday. Employees may be called for service during work breaks.

Training Time

Participation in required training programs is considered hours worked. Voluntary training is considered hours worked only when the RCOM organization chooses to recognize such hours, whether or not the organization pays the tuition or sponsors the program.

Emergency Medical Attention

For an occupationally incurred injury or illness, time an employee spends waiting for and receiving emergency medical attention during the employee's normal working hours, on days that the employee is working, is considered work time.

Holidays

Policy

An individual who is a RCOM employee on both the last workday before and the first workday after a designated national or state holiday is entitled to paid time off from work if

- the holiday does not fall on a Saturday or Sunday, and

Authority

The Texas Government Code, Chapter 662, designates the national, state, and optional holidays for all state employees. **These will be recognized by RCOM until otherwise changed by the Board Members or the President.**

Abuse of Leave

Policy

Employees who abuse leave may be subject to disciplinary action, up to and including dismissal. Examples of abuse of leave include:

- taking unauthorized leave—failing to report for duty, unauthorized absences on Monday or Friday or days of peak workload, prior to or following a holiday, absence without proper approval;
- failing to report leave—employee or supervisor falsifies records, employee fails to accurately report and account for absences, supervisor directs or allows employee to be absent from work without accounting for the absence, employee not calling to report unexpected absence; and
- inappropriate use of leave—pattern of using sick leave on Monday or Friday, being late to work or excessive absenteeism, calling in sick before a holiday or on a day for which a request to use vacation leave has already been denied, repeated use of leave without pay.

Vacation Leave

Policy

Vacation leave is paid time off for a vacation or to pursue other personal activities. An employee may not be advanced leave. Vacation leave is planned as business necessity allows.

Earning Vacation Leave

Employees earn vacation leave beginning on the first day of employment and ending on the last duty day.

Sick Leave

Policy

Sick leave is paid leave taken when an employee is prevented from performing job duties. An employee may take sick leave for reasons such as:

- a personal illness or injury;
- appointments with physicians, dentists, opticians, nurse practitioners, or physician assistants for examination or treatment;
- pregnancy and confinement by a physician due to complications with pregnancy;
- to care for an eligible immediate family member who is ill; or
- for the adoption of a child under the age of three.

Because of the limited budget with the RCOM and we are a non-profit organization, sick leave pay will be limited to available funds. It is advisable that the employee seeks medical insurance to help defer the cost of medical attention. At this time, RCOM does not offer any medical insurance for its employees.

Notification for Appointments

Employees must give supervisors at least 24 hours notice of sick leave for

- non-emergency medical, dental, or optical appointments; or
- a parent-teacher conference.

Notification for Illness

Employees absent from duty because of illness must notify their supervisors at the earliest practical time.

O. On-Call Duty

The agency head may authorize emergency leave to offset all or part of the time an employee spends performing on-call responsibilities. On-call duty is most often performed at an employee's personal residence on an as needed basis. The organizations phones may be routed to the phones for message purposes.

P. Personnel Records

Purpose

This section explains the administration of employee personnel and training records. It also provides direction on posting required employment notices.

Application

The policy applies to all employees of Restorative Christian Outreach Ministries, Inc.

Public Access

Policy

Unless the individual requesting records has authorized access, the Restorative Christian Outreach Ministries, Inc., office must not release employee information to the public without a written request, including information deemed to be public. All requests for information about employees or former employees must be requested through the President or office manager. All requests must be done in written form.

Exception

The Restorative Christian Outreach office may provide employment verifications on current and former employees without a written request.

The request for information does not have to

- state that it is a public information (open records) request, or
- be addressed to a specific person.

A subpoena is not a public information (open records) request.

Personnel Files

Information in a personnel file, disclosure of which would constitute a clearly unwarranted invasion of privacy, is accepted from required public disclosure under the **Texas Government Code §552.102(a)**.

Employee Information Subject to Public Disclosure

The Texas Public Information Act states that the following information about each agency employee is public information:

- name,
- sex,
- ethnicity,
- salary,
- title, and
- dates of employment.

The Office of the Attorney General has determined that the following employee information is also subject to public disclosure:

- the qualifications of applicants for employment, including formal education, licenses and certificates, employment experience, professional awards and recognition, and membership in professional organizations;
- information concerning employee performance;
- complaints, concerns, and grievances against employees; and
- the reasons for dismissal, demotion, promotion, or resignation of employees.

Employee Information Not Subject to Public Disclosure

Section 552.147 of the Government Code prohibits public disclosure of a current or former employee's Social Security Number.

The Office of the Attorney General has determined that the following non-medical employee information is **generally** not subject to public disclosure:

- benefit plan choices or enrollments;
- beneficiary information;
- personal financial information not relating to the financial transaction between an individual and a governmental body;
- tax return information such as the W-2 or W-4;
- information about allocation of salary to voluntary investment programs such as tax sheltered annuities, deferred compensation programs, savings bonds, or similar programs.
- information about dependents or family, if the employee elects to restrict public access to this personal information (see must request it in writing);
- the results of personality or intelligence tests; and
- information that discloses the identity of a sexual assault victim.

Preventing Public Disclosure of Certain Employee Information

Employees may prevent the organization from publicly disclosing the following information:

- home address,
- home telephone number, or
- information concerning the employee's family members.

All employees must document the decision by submitting a written memo to the President or office manager to be placed in their file.

Q. Employment References

Policy

The immediate supervisor or former supervisor may provide to a prospective employer an official employment reference on current and former employees. The employee information released should be

- factual,
- job-related, and
- substantiated through documentation.

Authority

When certain conditions are met, the Texas Labor Code, Chapter 103, grants immunity from civil liability to an employer who provides an employment reference to a prospective employer.

Authorized Disclosure

The supervisor or designee is authorized to disclose information about a current or former employee's job performance to the former employee's prospective employer, at the request of the

- prospective employer, or
- current or former employee.

R. Compensation

Salary Determination

The following table describes how salaries affected by reclassification are determined.

If the position is reclassified to a title in...	Then the salary is paid at...
President	the minimum salary of the higher salary that is set by example of the state salary group for Directors and Managers.
Vice President	
Treasurer	the minimum salary of the higher salary that is set by example of the state salary group for Accountants.
Secretary	The minimum salary of the higher salary that is set by example of the state salary group for Secretaries and Administrative Assistants.
Therapist/consultants	Salary set as on call or as needed for sessions.

Salary Schedules A and B

Salary Schedules A and B are made up of salary groups that have minimum and maximum salary rates.

Schedule A is designed for the following types of positions:

- paraprofessional,
- technical,
- administrative support,
- service maintenance, and
- skilled craft.

Schedule are found on the State Comptrollers web site.



Office of the Secretary of State

**CERTIFICATE OF FILING
OF**

**Restorative Christian Outreach Ministries
File Number: 800613528**

The undersigned, as Secretary of State of Texas, hereby certifies that a Certificate of Formation for the above named Domestic Nonprofit Corporation has been received in this office and has been found to conform to the applicable provisions of law.

ACCORDINGLY, the undersigned, as Secretary of State, and by virtue of the authority vested in the secretary by law, hereby issues this certificate evidencing filing effective on the date shown below.

The issuance of this certificate does not authorize the use of a name in this state in violation of the rights of another under the federal Trademark Act of 1946, the Texas trademark law, the Assumed Business or Professional Name Act, or the common law.

Dated: 02/14/2006

Effective: 02/14/2006



A handwritten signature in cursive script that reads "Roger Williams".

Roger Williams
Secretary of State

The name of this corporation shall be: RESTORATIVE CHRISTIAN OUTREACH MINISTRIES. The corporation's registered office is located at: 7605 Ed Bluestein Blvd., Austin, Texas 78723.

ARTICLE II PURPOSE

This corporation is organized exclusively for non-profit Religious outreach purposes.

Within the meaning of Section §501 c (3) of the Internal Revenue Code, as now enacted or hereafter amended, including, for such purposes, the making of distributions to organizations that also qualify as Section §501 c (3) exempt organizations. To this end, the corporation shall devote it's resources to help build a more positive person that can be willing to obey the laws of God and the laws of this country, and to bring back the relationship between the offender and the community.

All funds acquired by gift or contributions or otherwise, shall be devoted to the operation and said purposes of the corporation.

ARTICLE III LIMITATIONS

At all times the following shall operate as conditions restricting the operations and activities of the corporation:

1. No part of the net earnings of the corporation shall inure to any member of the corporation not qualifying as exempt under Section §501 c (3) of the Internal Revenue Code, as now enacted or hereafter amended, nor to any Director or officer of the corporation, nor to any other private persons, excepting solely such reasonable compensation that the corporation shall pay for services actually rendered to the corporation, or allowed by the corporation as a reasonable allowance for authorized expenditures incurred on behalf of the corporation;

2. No substantial part of the activities of the corporation shall constitute the carrying on of propaganda or otherwise attempting to influence legislation, or any initiative or referendum before the public, and the corporation shall not participate in, or intervene in (including by publication or distribution of statements), any political campaign on behalf of, or in opposition to, any candidate for public office; and

3. Notwithstanding any other provisions of these articles, the corporation shall not carry on any other activities not permitted to be carried on by a corporation exempt from federal income act under Section §501 c (3) of the Internal Revenue Code of 1986, as now enacted or hereafter amended.

4. The corporation shall not lend any of its assets to any officer or director of this corporation (unless such loan program is regularly conducted as part of the activities of the organization and the qualifications of the individual to participate in same is determined by a panel comprised sole of non-Board members), or guarantee to any person the payment of a loan by an officer or director of this corporation.

ARTICLE IV DIRECTORS/MEMBERS

The corporation shall have voting Officers, as defined in the corporation's bylaws. The management and affairs of the corporation shall be at all times under the direction of its Officers. The Board of Directors shall be an advisory entity for directions and guidance as needed during the fiscal year. No member or Director shall have any right, title, or interest in or to any property of the corporation.

The corporation first Board of Directors shall be comprised of the following natural persons:

Naomi Bailey, MBA
208 2nd Ave
Port Arthur, TX 7

Josie Johnson, LVN
427 South Cherry
Pauls Valley, OK 73075

Dr. William Hardy, PhD
12686 Sunset Dr
Tyler, TX 75704

D. C. Johnson, Evang.
427 South Cherry
Pauls Valley, OK 73075

Dane Amey, Evang
200 2nd Street
Portland Texas 78374

Sheryl Cole, Atty, JT
Cole & Powel, PC
400 W. 15th Street
Austin, TX 78701

The Honorable Ruth Ann Tillis
2118 Staple Street
Houston, TX 77026

**ARTICLE V
DEBT OBLIGATIONS AND PERSONAL LIABILITY**

No member, officer or Director of this corporation shall be personally liable for the debts or obligations of this corporation of any nature whatsoever, or shall any of the property of the members, officers or directors be subject to the payment of the debts or obligations of this corporation.

**ARTICLE VI
DISSOLUTION**

Upon the time of dissolution of the corporation, assets shall be distributed by the Board of Directors, after paying or making provisions for the payment of all debts, obligations, liabilities, cost and expenses of the corporation, for one or more exempt purposes within the meaning of the section §501 c (3) of the Internal Revenue Code. Or the corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose. Any such assets not so disposed of shall be disposed of by a Court of Competent Jurisdiction of the county in which the principal office of the corporation is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes.

**ARTICLE VII
REGISTERED OFFICE**

The initial street address in the state of Texas of the initial registered office of the Corporation is 7506 Ed Bluestein Blvd., Austin, Texas and the name of the initial registered agent at such address is Mack C. Bailey, Sr.

**ARTICLE VIII
TERRITORY**

The territory in which the operations of the Corporation are principally to be conducted is the United States of America and its territories and possessions, but the operations of the Corporation shall not be limited to such territory.


The incorporator of this corporation is **Mack C. Bailey, Sr.**

IN WITNESS WHEREOF, The undersigned have made and subscribed to these Articles of Incorporation.

Mack C Bailey June 19 2006
Signature Date

The foregoing instrument was acknowledged before me this 19th day of June 2006.

The foregoing instrument was acknowledged

 Notary Public

(SEAL)



State of Texas
My Commission Expires: 4-17-2010

BY-LAWS OF THE RESTORATIVE CHRISTIAN OUTREACH MINISTRIES, INC.

A NOT-FOR-PROFIT CORPORATION

ARTICLE I - ORGANIZATION

The name of the organization shall be "Restorative Christian Outreach Ministries, Inc."

The organization shall have a seal, which shall be in the following form; the name of the organization shall encircle the cross with breaking the chain etched at the bottom of the cross.

The organization may at its pleasure by a vote of the membership body change its name.

ARTICLE II - PURPOSES

The following are the purposes for which this organization has been organized:

1. To help the ex-offender become a productive citizen and have a sense of success.
2. To help build a more spiritual person that can be willing to obey the laws of God and the laws of the state that they live.
3. To bring back the relationship between the offender and the community by involving the family and help them to be an active part of the restorative process of producing a successful productive citizen.
4. By using the holistic approach, we believe they can help themselves by reaching inside themselves and change their thinking and help them to break the cycle to return to prison.
5. To give the ex-offender a positive outlook on life and to believe that they can make a change and to look beyond the negative environment.
6. To help the ex-offender through positive therapy, counseling, job search, housing and other necessary means to help them to break the negative cycle they are caught up in.

ARTICLE III - MEMBERSHIP

Membership in this organization shall be open to all who will be willing to adhere to the by-laws and rules of the organization.

ARTICLE IV - MEETINGS

The annual membership meeting of this organization shall be held on the 15th day of December each and every year except if such day be a legal holiday, then and in that event, the Board of Directors shall fix the day but it shall not be more than two weeks from the date fixed by these By-Laws.

The Secretary shall cause to be mailed to every member in good standing at his/her address as it appears in the membership roll book in this organization a notice telling the time and place of such annual meeting.

The Parliamentary shall prepare an Agenda and call the meeting to order on dates and time specified by the President.

Regular meetings of this organization shall be held at 7506 Ed Bluestein Blvd., Austin, Texas 78758.

The presence of not less than one half (50%) percent of the members shall constitute a quorum and shall be necessary to conduct the business of this organization; but a lesser percentage may adjourn the meeting for a period of not more than two weeks from the date scheduled by these By-Laws and the secretary shall cause a notice of this scheduled meeting to be sent to all those members who were not present at the meeting originally called. A quorum as herein before set forth shall be required at any adjourned meeting.

Special meetings, of this organization may be called by the president when he/she deems it for the best interest of the organization. Notices of such meeting shall be mailed to all members at their addresses as they appear in the membership roll book at least then (10) days before the scheduled date set for such special meeting. Such notice shall state the reasons that such meeting has been called, the business to be transacted at such meeting and by whom it was called. At the request of fifty (50%) of the members of the organization, the president shall cause a special meeting to be called but such request must be made in writing at least ten (10) days before the requested scheduled date.

No other business but that specified in the notice may be transacted at such special meeting without the unanimous consent of all present at such meeting.

ARTICLE V - VOTING

At all meetings, all votes shall be by voice. For election of officers, acknowledgement shall be as yea or nay from each member casting a vote.

At any regular or special meeting, if a majority so requires, any question may be voted upon in the manner and style provided for election of officers and directors. At some special meetings, a committee of 3 shall act as "Inspectors of Election" and who shall, at the conclusion of such voting, certify in writing to the President the results and the certified copy shall be physically affixed in the minute book to the minutes for that meeting.

No inspector of election shall be a candidate for office or shall be personally interested in the question voted upon.

ARTICLE VI ORDER OF BUSINESS

1. Roll Call.
2. Reading of the Minutes of the preceding meeting.
3. Reports of Committees.
4. Reports of Officers.
5. Old and Unfinished Business.
6. New Business.
7. Adjournments.

ARTICLE VII BOARD OF DIRECTORS

The Board of Directors shall consist of (7) seven members, as an advisory entity for this organization. At least one member shall be a resident of the state of Texas and a citizen of the United States.

The directors are to be chosen for the ensuing year at the annual meeting of the organization in the same manner and style as the officers of this organization and they shall serve for a term of (1) year and any given time.

The Board of Directors only act in the name of the organization when it shall be regularly convened by its chairman after due notice to all the directors of such meeting.

Fifty (50%) percent of the members of the Board of Directors shall constitute a quorum and the meeting of the Board of Directors shall be held regularly on the 15th day of December.

A director may be removed when sufficient cause exists for such removal. The Board of Directors may entertain charges against any director. A director may request a hearing before removal. The Board of Directors shall adopt such rules for this hearing as it may be in its discretion considered necessary for the best interests of the organization.

ARTICLE VIII OFFICERS

The initial officers of this organization shall be as follows

President
Vice President
Secretary
Treasurer
Parliamentarian

The President shall preside at all membership meetings.

- He/She shall present at each annual meeting of the organization an annual report of the work of the organization.
- He/She shall appoint all committees, temporary or permanent.
- He/She shall see all books, reports and certificates required by law are properly kept or filed.
- He/She shall be one of the officers who may sign the checks or drafts of the organization.
- He/She shall have such powers as may be reasonably construed as belonging to the chief executive of any organization.

The Vice President shall in the event of the absence or inability of the President to exercise his office become acting president of the organization with all the rights, privileges and powers as if he had been the duly elected president.

The Secretary shall keep the minutes and records of the organization in appropriate books.

- It shall be his/her duty to file any certificate required by any statute, federal or state.
- He/She shall give and serve all notices to members of this organization.
- He/She shall be the official custodian of the records and seal of this organization.
- He/She may be one of the officers required to document all drafts and receipts coming into the organization.
- He/She shall present to the membership at any meetings any communication addressed to him/she as Secretary of the organization.
- He/She shall attend to all correspondence of the organization and shall exercise all duties incident to the office of Secretary.

The Treasurer shall have the care and custody of all monies belonging to the organization

- and shall be solely responsible for such monies or securities of the organization.
- He shall cause to be deposited in a regular business bank or trust company any sum received to the organization
- and a balance of the funds of the organization shall be deposited in a savings bank.
- He/She must be an officer who shall sign checks or drafts of the organization. No special fund may be set aside that shall make it unnecessary for the Treasurer to sign the checks issued upon it.

- He/She shall render at stated periods as the Board or Directors or President shall determine a written account of the finances of the organization and such report shall be physically affixed to the minutes of the Board of Directors of such meeting.
- He/She shall exercise all duties incident to the office of Treasurer.

Parliamentarian shall be responsible for the order of rules and procedures for conducting business at meetings.

- He/She shall preside at all meetings of the organization
- He/She shall prepare and follow the agenda, and handling of motions at the meetings

ARTICLE IX SALARIES

The compensation for managing officers and employees will be agreed on for the conduct of the business of the organization. Written agreements and orientation will be kept in the organizations files.

ARTICLE X COMMITTEES

All committees of this organization, if any, shall be appointed by the voice vote of the President and Directors and their term shall be for a period of one year or less if sooner terminated by the voting majority.

ARTICLE XI DUES

The dues of this organization shall be by donation at this time unless so voted on by the President and Directors and such amount shall be set. If so agreed, the dues shall be annually.

ARTICLE XII AMENDMENTS

These By-Laws may be altered, amended, repealed or added to by an affirmative vote of not less than fifty (50%) of the officers.

Restorative Christian Outreach Ministries
Mack Bailey, Vice-President
Certified Restorative Therapist
7506 Ed Bluestein Blvd.
Austin, Texas 78723
Email: midway3060@yahoo.com

Dear Sir/Madame,

There is a growing need to be able to stop the revolving door of the Prisons. More of our young men in this country that are first-time offenders end up back behind bars. This is a cycle that can be reversed with hands on approach to training them to think about themselves and what they are doing.

Modern treatment tends to focus on the actions and consequences of the offense. Thus rendering in most cases repeat offenders. The process of the legal system is directed toward the result of the offense and the punishment that follows. The offender is put in a place to punish him/her for the offense and place them in an environment, which may or may not help the problem that lays beneath the reason the person are acting in such a way.

We at Restorative Christian Outreach Ministries are striving to work toward breaking the chain of recycling offenders. We are working with the individual in order to restore them to thinking better about their inner self and to realize that they need to change their whole being. Their way of doing things is not working and they need to make a complete change of their thinking, actions and the way they see themselves as a productive citizen. We are working toward a complete person who has a will to make a difference in their lives, physically, morally and spiritually.

We have already started with the first step in completing the process of changing an offender to a productive citizen and family person. Our Counselors has already been studying with several offenders at various correctional units and see a need to continue when they are released into society. They will need added support to incorporate them back to the family, and community. There is a need for them to continue the process of learning how to interact outside of the prison environment.

Your help is very much in need of to save millions of dollars that is being spent housing offenders and thus save the taxpayers money for other much needed programs.

Sincerely,

Mack Bailey, CRT, RCOM

Using Spiritual Guidance to keep ex-offenders from returning to prison
Philippians 4:13 – I can do all things through Christ which strengtheneth me.

Internal Revenue Service
Director, EO Rulings & Agreements
P.O. Box 2508
Cincinnati, OH 45201

Department of the Treasury

Date: August 17, 2006

Employer Identification Number:
56-2559142
Document Locator Number:
17053-207-01301-6
Toll Free Number:
877-829-5500
User Fee Due:
\$250.00

RESTORATIVE CHRISTIAN OUTREACH MINISTRIES
C/O MACK C BAILEY SR
7506 ED BLUESTEIN BLVD
AUSTIN, TX 78723

Acknowledgement of Your Request

We have received your application for exemption from federal income tax, however we are unable to process your application because the user fee you submitted is insufficient. User fees for determination letter requests were increased for applications postmarked on or after July 1, 2006. We have processed your initial user fee payment and will hold your application for 90 days to enable you to take appropriate action.

Action You May Take

- Submit a check payable to the United States Treasury in the amount due as indicated in the heading of this notice. Include your employer identification number on your check. Send the check and a copy of this notice to:

Internal Revenue Service
P.O. Box 2508
550 Main St., Room 4024
Cincinnati, OH 45201

EXPRESS MAIL: Internal Revenue Service
TE/GE – EO Determinations
550 Main St, Room 4024
Cincinnati, OH 45201

- Submit a written request to have your payment refunded and have the application package returned to you. You may mail your request to the address above or fax your request to 513-263-4330.

If you do not respond within 90 days from the date of this notice, we will refund the initial user fee payment and return the entire application package to you.

Contact Information

If you have any questions regarding this matter, please call our toll free number shown in the heading. Please have your employer identification number and document locator number available when you contact us.



DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

RESTORATIVE CHRISTIAN OUTREACH
MINISTRIES
C/O MACK C BAILEY SR
7506 ED BLUESTEIN BLVD
AUSTIN TX 78725

Date: 2/6/07

Employer Identification Number:
56-2559142
Person to Contact:
ARJEANE H. BARRS
Telephone Number:
404-338-8226 FAX 404-338-8236
Employee Identification Number:
58-07509
Response Due Date:
2/26/07

Dear Applicant:

Before we can recognize your organization as being exempt from Federal income tax, we must have enough information to show that you have met all legal requirements. You did not include the information needed to make that determination on your Form 1023, Application for Recognition of Exemption under Section 501(c) (3) of the Internal Revenue Code.

To help us determine whether your organization is exempt from Federal income tax, please send us the requested information by the above date. We can then complete our review of your application.

If we do not hear from you within that time, we will assume you do not want us to consider the matter further and will close your case. In that event, as required by Code section 6104(c), we will notify the appropriate state officials that, based on the information we have, we cannot recognize you as an organization of the kind described in Code section 501(c)(3). As a result, the Internal Revenue Service will treat your organization as a taxable entity. If we receive the information after the response due date, we may ask you to send us a new Form 1023.

Letter 1312

In addition, if you do not provide the requested information in a timely manner, we will consider that you have not taken all reasonable steps to secure the determination you requested. Under Code section 7428(b)(2), your not taking all reasonable steps in a timely manner to secure the determination may be considered as failure to exhaust administrative remedies available to you with-in the Service. Therefore, you may lose your rights to a declaratory judgment under Code section 7428.

Please be sure to use the following address for your response, exactly as shown. Use of a different address, or entering the information on different lines, may result in substantial delays or loss of mail, or return of correspondence to you by the Post Office.

You may send correspondence overnight by replacing the stop number with **Room 1108**. You may send correspondence by fax using the **fax number listed above**.

Internal Revenue Service
EO Group 7885, Stop 501-D, Room 1108
401 W Peachtree St, NW
Atlanta, GA 30308-3539
Attn: ARIEANE H. BARRS

Thank you for your cooperation.

Sincerely,

ARIEANE H. BARRS
Exempt Organization Specialist

Enclosure:
List of Missing Items

All information submitted in support of your application for exemption must be furnished under the signature of a principal officer or other appointed person acting with proper authorization or be attached to a properly signed cover letter. Please be sure your response is signed by a principal officer (or trustee) or authorized representative.

1. A review of your officers shows that the majority are related by blood or marriage. Please expand. Section 1.501(c)(3)-1(d)(1)(ii) of the Income Tax Regulations states that an organization which serves private interests rather than public purposes does not qualify for exempt status. To insure that your organization will serve public interests, you should modify your board of directors to place control in the hands of

Letter 1312

unrelated individuals selected from the community you will serve. Please submit a statement over the signature of an officer that you will comply with this requirement.

2. Describe any relationships, whether familial, social, or business, among the members of your governing body. Explain any special qualifications, such as education, prior experience, etc., which these individuals have which will aid in the accomplishment of your exempt purposes. Describe the extent to which each officer will actually be involved in the day-to-day operations of the organization.

3. You have indicated that you will have pay occupancy fee, please provide us with a copy of the lease.

4. Please provide the statement below regarding your compensation for officers. Please provide a statement over the signature of an officer that any salaries, wages, together with fringe benefits or other forms of compensation (housing, transportation and other allowances) paid to or provided your employees, directors or officers will not exceed a value which is reasonable and commensurate with the duties and working hours associated with such employment and with the compensation ordinarily paid persons with similar positions or duties.

5. You did not request a foundation classification; we have selected the correct one for you please have the president sign and date page 11 of Form 1023. See attached.

Part X Public Charity Status (Continued)

- e** 509(a)(4)—an organization organized and operated exclusively for testing for public safety. ☐
- f** 509(a)(1) and 170(b)(1)(A)(iv)—an organization operated for the benefit of a college or university that is owned or operated by a governmental unit. ☐
- g** 509(a)(1) and 170(b)(1)(A)(vi)—an organization that receives a substantial part of its financial support in the form of contributions from publicly supported organizations, from a governmental unit, or from the general public. ☒
- h** 509(a)(2)—an organization that normally receives not more than one-third of its financial support from gross **investment income** and receives more than one-third of its financial support from contributions, membership fees, and gross receipts from activities related to its exempt functions (subject to certain exceptions). ☐
- i** A publicly supported organization, but unsure if it is described in 5g or 5h. The organization would like the IRS to decide the correct status. ☐
- 6** If you checked box g, h, or i in question 5 above, you must request either an **advance** or a **definitive ruling** by selecting one of the boxes below. Refer to the instructions to determine which type of ruling you are eligible to receive.
- a** **Request for Advance Ruling:** By checking this box and signing the consent, pursuant to section 6501(c)(4) of the Code you request an advance ruling and agree to extend the statute of limitations on the assessment of excise tax under section 4940 of the Code. The tax will apply only if you do not establish public support status at the end of the 5-year advance ruling period. The assessment period will be extended for the 5 advance ruling years to 8 years, 4 months, and 15 days beyond the end of the first year. You have the right to refuse or limit the extension to a mutually agreed-upon period of time or issue(s). Publication 1035, *Extending the Tax Assessment Period*, provides a more detailed explanation of your rights and the consequences of the choices you make. You may obtain Publication 1035 free of charge from the IRS web site at www.irs.gov or by calling toll-free 1-800-829-3676. Signing this consent will not deprive you of any appeal rights to which you would otherwise be entitled. If you decide not to extend the statute of limitations, you are not eligible for an advance ruling. ☒

Consent Fixing Period of Limitations Upon Assessment of Tax Under Section 4940 of the Internal Revenue Code

For Organization

X
(Signature of Officer, Director, Trustee, or other authorized official)

X
(Type or print name of signer)

X
(Date)

X
(Type or print title or authority of signer)

For Director, Exempt Organizations

By _____ Date _____

- b** **Request for Definitive Ruling:** Check this box if you have completed one tax year of at least 8 full months and you are requesting a definitive ruling. To confirm your public support status, answer line 6b(i) if you checked box g in line 5 above. Answer line 6b(ii) if you checked box h in line 5 above. If you checked box i in line 5 above, answer both lines 6b(i) and (ii). ☐
- (i)** (a) Enter 2% of line 8, column (e) on Part IX-A, Statement of Revenues and Expenses. _____ ☐
- (b) Attach a list showing the name and amount contributed by each person, company, or organization whose gifts totaled more than the 2% amount. If the answer is "None," check this box. ☐
- (ii)** (a) For each year amounts are included on lines 1, 2, and 9 of Part IX-A, Statement of Revenues and Expenses, attach a list showing the name of and amount received from each **disqualified person**. If the answer is "None," check this box. ☐
- (b) For each year amounts are included on line 9 of Part IX-A, Statement of Revenues and Expenses, attach a list showing the name of and amount received from each payer, other than a disqualified person, whose payments were more than the larger of (1) 1% of line 10, Part IX-A, Statement of Revenues and Expenses, or (2) \$5,000. If the answer is "None," check this box. ☐
- 7** Did you receive any unusual grants during any of the years shown on Part IX-A, Statement of Revenues and Expenses? If "Yes," attach a list including the name of the contributor, the date and amount of the grant, a brief description of the grant, and explain why it is unusual. ☐ Yes ☒ No

Restorative Christian Outreach Ministries
A Faith Based Organization- EIN - 56-2559142
7506 Ed Bluestein Blvd.
Austin, Texas 78723
(512) 926-2431 Email: restorativechristian@yahoo.com

February 19, 2007

Internal Revenue Service
CO Group 7885, Stop 501-D, Room 1108
401 W. Peachtree St. NW
Atlanta, GA 30308-3539

Attn: Aricane H. Barrs

List of Missing Items Requested

1. A review of you officers shows that the majority are related by blood or marriage.

The Organization serves ex-offenders who request the services we provide. We are in business to serve the public interest and to help the community as a whole. As the organization grows others in the community will be able to come in to help serve the interest of the organization. As indicated, some of the officers listed are related and are used in order to begin the operation and to have compliance of responsibility. Each serves a purpose to have a contact in place that can be trusted to keep the records confidential. As we have access to funding with the 501 c 3, we can acquire the service of persons from the community to help with the operation and control of the Organization.

Signed

Hack Bailey Jr
Vice President

Date

2-19-2007

2. Description of relationships and special qualifications among the members of the governing body of the Restorative Christian Outreach Ministries are as follows:

- Dr. William Hardy - Consulting Psychologist for the Organization - Board
Medical Officer in the Texas Army National Guard
Author and published in the American Journal of Psychiatry, University of Texas medical Branch publications, and professional medical journals.
Clinical Instructor, University of North Texas Health Science Center, Ft Worth, 2000
Contractual medical/psychiatry services for the Texas Department of Criminal Justice
State Board and National Board certified in his field
- Sheryl Nelson Cole - Consulting Attorney and Certified Public Accountant
J.D. from the University of Texas School of Law
B.B.A University of Texas
Certified Public Accountant - 1987
Bar Admissions - State of Texas 1992; The Supreme Court of Texas; United States District Courts for The Western District of Texas
Professional areas - Litigation and Municipal Law
Cole & Powell Law Firm - Austin, Texas

- Naomi Bailey – Business Consultant and Records Management
MBA – Business Administration – Sam Houston State University, Huntsville, TX
BA – Education – Prairie View A & M University
Associate Degree – Southwestern Christian College
School Teacher for 32 years
- David C. Johnson – Minister and Youth Director 46 years
Volunteer for the Department of Human Services Social and Rehabilitation Department,
State of Oklahoma
Juvenile Probation Counselor, Madisonville Texas for 7 years
Board Member of Madison County Medical Center School of Vocational Nursing
- Josie Felton Johnson – License Vocational Nurse - Consultant
Graduate of Prairie View A & M College of Nursing; Angelina College
Instructor of Madison County Vocational Nursing
Texas Department of Corrections Supervisor of Administration Segregation for all Health
care services
Certified Emergency Medical Technician
Business Owner of Unique Boutique
Instructor of Arts and Craft for Christian Camps
- Mack Bailey – Evangelist – 35 years – Prison Ministry and Visitations
Murray State College, Oklahoma – courses in Psychology
Prairie View A & M University – Basic Studies
Certified Restorative Therapist – Faith Based Counselor Training Institute
Certified Spiritual Guidance Counselor – the State of Oklahoma Correctional Volunteer:
McLeoud Unit, Atoka, OK and Work Release Unit Gene Autry, OK
Certified with the Texas Department of Criminal Justice – Huntsville Texas
Spiritual Counselor at Del Valley and Hays County Jail
- E. Faye Bailey – Office Administration and Management
Associate Degree as Paralegal – Virginia College
At completion course for Psychology Degree at Huston Tilletson University
Legal Secretary – Attorney General Office
Registered with The Texas Department of Criminal Justice, Huntsville, Texas
- Evelyn Bailey – (Temporary) Treasurer/Secretary
Program Orientation Specialist – Prepare class presentations and scheduling for
consultants
Courses in Business Management & Record Keeping at Murray State College,
Oklahoma
Graduate Durham Business College Houston Texas, for Secretarial Science
Registered with The Texas Department of Criminal Justice, Huntsville, Texas
- (New) Paula Carroll Tax Association, Austin, Texas
upon funding has agreed to prepare accounting statements and Record Keeping

Using Spiritual Guidance to keep ex-offenders from returning to prison
Philippians 4:13 – I can do all things through Christ which strengtheneth me.

- Dane Amey, Safety Officer Consultant service
Retired from US Navy
Safety Officer for the US Postal Service at Portland Texas

All listed above will serve as oversight officer of the Organization and will be and active consultant to ensure the public that the Restorative Christian Outreach Ministries is striving to help the ex-offender to remain a productive citizen.

3. Occupancy fee is an "In-Kind" usage of the building that the Organization is located.

See Attached Agreement

4. Statement regarding compensation for officers. Policy stated on page 22 of the Policies and Procedures of the Restorative Christian Outreach Ministries.

Any salaries and wages, together with fringe benefits or other forms of compensation (housing, transportation and other allowances) paid to or provided to employee's, directors or officers will not exceed a value which is reasonable and commensurate with the duties and working hours associated with such employment and with the compensation ordinarily paid person with similar positions or duties.

Signed Hack Bailey Sr
Vice President

Date 2-19-2007

Using Spiritual Guidance to keep ex-offenders from returning to prison
Philippians 4:13 – I can do all things through Christ which strengtheneth me.

In-Kind Agreement

This Agreement ("Lease") is an "In-Kind Agreement" and is made and effective **November 1, 2005**, by and between **The University Hills Church of Christ** ("Landlord") and **The Restorative Christian Outreach Ministries** ("Tenant").

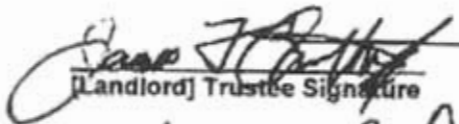

Landlord is the owner of land and improvements commonly known and numbered as **7506 Ed Bluestein Blvd, Austin, Texas, 78723** and legally described as follows (the "Building"): Church Worship Building

Landlord makes available for use of the Building designated as Offices, Classrooms, and Fellowship Hall to the Restorative Christian Outreach Ministries.

Waiver.

No monies are charged at this time of agreement.

IN WITNESS WHEREOF, the parties have executed this Lease as of the day and year first above written.

 [Landlord] Trustee Signature	<u>James J. Cawthon</u> print name	Date <u>2-20-2007</u>
 [Tenant] Signature Officer	<u>Mack Bailey</u> print name	Date <u>2-20-2007</u>

PROGRAM PLAN

Each program plan presented by the Restorative Christian Outreach Ministries, Inc., will be spiritually motivated and will be holistically designed to build the whole character of each person.

1. **Marriage and Family** – This study will focus on the husband and wife. They will be given study material to learn how to be a productive part of a family learning how to give loving care to each other and to the children.

2. **Anger Management** – This study will focus on self-control when one becomes angered. While studying the basic lessons from scripture and learning how to not strike back and cause harm to the ones they love.

3. **Drug and Alcohol** – The lessons on this subject will be focused on dealing with the problem and not masking it with continued use. If needed, we have a network of counselors to either come in and or they can be referred to the clinic.

4. **Crisis Intervention – Redefining Values**; Will deal with what is causing the problem and how to work to deal with the problem from a spiritual outlook.

5. **Inmate counseling and Spiritual guidance** – Learning to forgive yourself, job search and registration with TWC (Texas Workforce Commission) Character Building classes, Community Service and responsibility.



How to bring them from inside out?

To reduce the number of inmates we must seek to focus on the inner person rather than the offense. There are many methods used by the court system to get the offender to restore or rectify the offense, but it is up to us to help them to be restored back into society. The more individuals that are given a chance to make a change and reverse the expected outcome that others see in them, the more the government can save money by not building more prisons. The future is better for all communities involved because we have a more productive and positive family structure in place.



Philippians 4:13

Breaking the chain by stopping the cycle by being able to fulfill ones destiny that is already planned.

METHODOLOG

Using the Holistic approach and teach them to be productive citizens.

Men have been known to make mistakes and need to have help finding their way out. Positive training and thinking can lead them to make necessary changes in their lives. If they cannot see beyond their negative environment, how can they make a change?

What should we do to help them?

Through Restorative Christian Outreach Ministries, they will have the opportunity to break the cycle of returning back to the same environment. By using the holistic approach, we believe by their response that they are asking for help to not return to prison when they are released.

We have a desire to offer them Christian character building classes, personal guidance to better understand the process of becoming a productive citizen. Family and spousal inter-activeness with the program will help the ex-offender become a success. Having the family involved will be most important to keep the ex-offender focused with the program and reach his/her goal.



MEMBERSHIPS

Restorative Justice Ministries
Network of North America
1232 Avenue J
Huntsville, TX 77340-4629

American Correctional Association
www.aca.org

DONATIONS

We would very much appreciate your help to the work we have begun continue. Funding is needed for the physical needs as well as learning and spiritual growth. They need our help to help themselves.

Please send all donations to:

Restorative Christian Outreach Ministries, Inc.
7506 Ed Bluestein Blvd.
Austin, Texas 78723
(512) 926-2431



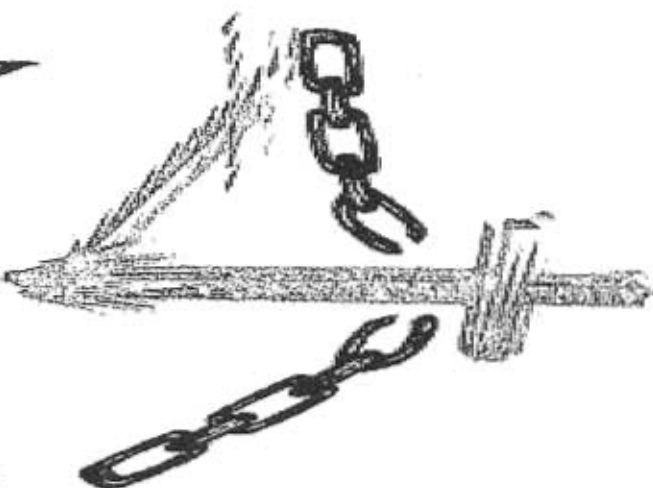
Restorative Christian Outreach Ministries
7506 Ed Bluestein Blvd.
Austin, Texas 78723

RESTORATIVE
CHRISTIAN OUTREACH
MINISTRIES, INC

7506 ED BLUESTEIN BLVD.
AUSTIN, TEXAS 78723

"STOP THE CYCLE"

"Faith Based"



Breaking The Chain

Restorative Christian Outreach Ministries, Inc.

Diagram of Outreach Program Plan

EIN: 56-2659142

Each field represent weeks

No. Program Activities/Objectives	PM	January	February	March	PM	April	May	June	PM	July	August	September	PM	October	Nov	Dec	FY M
1 Orientation into the program/information gathering		*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
2 Job search, skills and abilities		*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
3 Special needs, clothing, housing, food, etc. on as needed basis		*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
4 Performance evaluation on how well the clients are embracing the program	X								X								X
5 Marriage and Family Therapy Classes		*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
6 Anger Management		*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
7 Drug and Alcohol		*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
8 Inmate counseling and Spiritual Guidance		*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
9 Crisis Intervention/ Redefining Values	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*	*
10 Development of web sit for program promotion and added funding.																	

Notes: Time and Scheduling will be announced - All classes are religious motivated and the Holistic approach is used for all programs.
PM = Program Meetings for Therapist.

Each meeting will be held at three months intervals and will be used to review how the program is progressand to be sure we are meeting the needs of our clients. The funding for the program will be on a year to year basis in order to give the program time to grow and function on its own.

Re-evaluation of need will take place at our fiscal meeting. Funding is received by donations from January 1 through December 31. Added funding will be discussed at that time. The web site will be developed to promote the program as soon as funding is available.

All Program Initiatives will be an on-going activity because we have ex-offenders released at different times.

Therapy classes: These are offered as a course for 6 weeks at a time. A certificate of completion is given for each class completion end date.

- Marriage and Family
- Inmate counseling and Spiritual Guidance
- Workplace Success
- Character Building Bible Study
- Forgiveness - of self and self esteem
- Community Service and Civil Responsibility
- Court Ordered Classes:** These are offered on an as needed basis - \$50.00 each
- Anger Management
- Drug and Alcohol abuse

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

DEPARTMENT OF THE TREASURY

Date: FEB 22 2007

RESTORATIVE CHRISTIAN OUTREACH
MINISTRIES
C/O MACK C BAILEY SR
7506 ED BLUESTEIN BLVD
AUSTIN, TX 78723-2331

Employer Identification Number:
56-2559142

DLN:
17053207013016

Contact Person:
ARIEANE H. BARRS

ID# 5166

Contact Telephone Number:
(877) 829-5500

Accounting Period Ending:
December 31

Public Charity Status:
170(b)(1)(A)(vi)

Form 990 Required:
Yes

Effective Date of Exemption:
February 14, 2006

Contribution Deductibility:
Yes

Advance Ruling Ending Date:
December 31, 2010

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)(3) of the Internal Revenue Code. Contributions to you are deductible under section 170 of the Code. You are also qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Code. Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

Organizations exempt under section 501(c)(3) of the Code are further classified as either public charities or private foundations. During your advance ruling period, you will be treated as a public charity. Your advance ruling period begins with the effective date of your exemption and ends with advance ruling ending date shown in the heading of the letter.

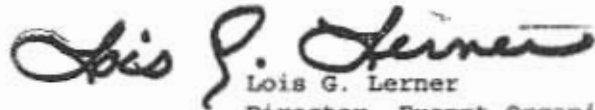
Shortly before the end of your advance ruling period, we will send you Form 8734, Support Schedule for Advance Ruling Period. You will have 90 days after the end of your advance ruling period to return the completed form. We will then notify you, in writing, about your public charity status.

Please see enclosed Information for Exempt Organizations Under Section 501(c)(3) for some helpful information about your responsibilities as an exempt organization.

Letter 1045 (DO/CG)

RESTORATIVE CHRISTIAN OUTREACH

Sincerely,

A handwritten signature in dark ink, appearing to read "Lois G. Lerner". The signature is fluid and cursive, with the first name "Lois" being more prominent.

Lois G. Lerner
Director, Exempt Organizations
Rulings and Agreements

Enclosures: Information for Organizations Exempt Under Section 501(c)(3)
Statute Extension

Letter 1045 (DO/CG)

RESTORATIVE CHRISTIAN OUTREACH

INFORMATION FOR ORGANIZATIONS EXEMPT UNDER SECTION 501(c)(3)

WHERE TO GET FORMS AND HELP

Forms and instructions may be obtained by calling toll free 1-800-829-3676, through the Internet Web Site at www.irs.gov, and also at local tax assistance centers.

Additional information about any topic discussed below may be obtained through our customer service function by calling toll free 1-877-829-5500.

NOTIFY US ON THESE MATTERS

If you change your name, address, purposes, operations or sources of financial support, please inform our TS/GE EO Determinations Office at the following address: Internal Revenue Service, P.O. Box 2508, Cincinnati, Ohio 45201. If you amend your organizational document or by-laws, or dissolve, provide the EO Determinations Office with a copy of the amended documents. Please use your employer identification number on all returns you file and in all correspondence with the Internal Revenue Service.

FILING REQUIREMENTS

In your exemption letter we indicated whether you must file Form 990, Return of Organization Exempt From Income Tax. Form 990 (or Form 990-EZ) is filed with the Ogden Submission Processing Center, Ogden UT 84201-0027.

You are required to file a Form 990 only if your gross receipts are normally more than \$25,000.

If your gross receipts are normally between \$25,000 and \$100,000, and your total assets are less than \$250,000, you may file Form 990-EZ. If your gross receipts are over \$100,000, or your total assets are over \$250,000, you must file the complete Form 990. The Form 990 instructions show how to compute your "normal" receipts.

Form 990 Schedule A is required for both Form 990 and Form 990-EZ.

If a return is required, it must be filed by the 15th day of the fifth month after the end of your annual accounting period. There are penalties for failing to timely file a complete return. For additional information on penalties, see Form 990 instructions or call our toll free number.

If your receipts are below \$25,000, and we send you a Form 990 Package, follow the instructions in the package on how to complete the limited return to advise us that you are not required to file.

If your exemption letter states that you are not required to file Form 990, you are exempt from these requirements.

Letter 1045 (DO/CG)

RESTORATIVE CHRISTIAN OUTREACH

UNRELATED BUSINESS INCOME TAX RETURN

If you receive more than \$1,000 annually in gross receipts from a regular trade or business you may be subject to Unrelated Business Income Tax and required to file Form 990-T, Exempt Organization Business Income Tax Return. There are several exceptions to this tax.

1. Income you receive from the performance of your exempt activity is not unrelated business income.
2. Income from fundraisers conducted by volunteer workers, or where donated merchandise is sold, is not unrelated business income.
3. Income from routine investments such as certificates of deposit, savings accounts, or stock dividends is usually not unrelated business income.

There are special rules for income derived from real estate or other investments purchased with borrowed funds. This income is called "debt financed" income. For additional information regarding unrelated business income tax see Publication 598, Tax on Unrelated Business Income of Exempt Organizations, or call our toll free number shown above.

PUBLIC INSPECTION OF APPLICATION AND INFORMATION RETURN

You are required to make your annual information return, Form 990 or Form 990-EZ, available for public inspection for three years after the later of the due date of the return, or the date the return is filed. You are also required to make available for public inspection your exemption application, any supporting documents, and your exemption letter. Copies of these documents are also required to be provided to any individual upon written or in person request without charge other than reasonable fees for copying and postage. You may fulfill this requirement by placing these documents on the Internet. Penalties may be imposed for failure to comply with these requirements. Additional information is available in Publication 557, Tax-Exempt Status for Your Organization, or you may call our toll free number shown above.

FUNDRAISING

Contributions to you are deductible only to the extent that they are gifts and no consideration is received in return. Depending on the circumstances, ticket purchases and similar payments in conjunction with fundraising events may not qualify as fully deductible contributions.

CONTRIBUTIONS OF \$250 OR MORE

Donors must have written substantiation from the charity for any charitable contribution of \$250 or more. Although it is the donor's responsibility to obtain written substantiation from the charity, you can assist donors by providing a written statement listing any cash contribution or describing any

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donated property.

This written statement must be provided at the time of the contribution. There is no prescribed format for the written statement. Letters, postcards and electronic (e-mail) or computer-generated forms are acceptable.

The donor is responsible for the valuation of donated property. However, your written statement must provide a sufficient description to support the donor's contribution. For additional information regarding donor substantiation, see Publication 1771, Charitable Contributions - Substantiation and Disclosure Requirements. For information about the valuation of donated property, see Publication 561, Determining the Value of Donated Property.

CONTRIBUTIONS OF MORE THAN \$75 AND CHARITY PROVIDES GOODS OR SERVICES

You must provide a written disclosure statement to donors who receive goods or services from you in exchange for contributions in excess of \$75.

Contribution deductions are allowable to donors only to the extent their contributions exceed the value of the goods or services received in exchange. Ticket purchases and similar payments in conjunction with fundraising events may not necessarily qualify as fully deductible contributions, depending on the circumstances. If your organization conducts fundraising events such as benefit dinners, shows, membership drives, etc., where something of value is received, you are required to provide a written statement informing donors of the fair market value of the specific items or services you provided in exchange for contributions of more than \$75.

You should provide the written disclosure statement in advance of any event, determine the fair market value of any benefit received, determine the amount of the contribution that is deductible, and state this information in your fundraising materials such as solicitations, tickets, and receipts. The amount of the contribution that is deductible is limited to the excess of any money (and the value of any property other than money) contributed by the donor less the value of goods or services provided by the charity. Your disclosure statement should be made, no later than, at the time payment is received. Subject to certain exceptions, your disclosure responsibility applies to any fundraising circumstances where each complete payment, including the contribution portion, exceeds \$75. For additional information, see Publication 1771 and Publication 526, Charitable Contributions.

EXCESS BENEFIT TRANSACTIONS

Excess benefit transactions are governed by section 4958 of the Code. Excess benefit transactions involve situations where a section 501(c)(3) organization provides an unreasonable benefit to a person who is in a position to exercise substantial influence over the organization's affairs. If you believe there may be an excess benefit transaction involving your organization, you should report the transaction on Form 990 or 990-EZ. Additional information can be found in the instructions for Form 990 and Form 990-EZ, or you may call our

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toll free number to obtain additional information on how to correct and report this transaction.

EMPLOYMENT TAXES

If you have employees, you are subject to income tax withholding and the social security taxes imposed under the Federal Insurance Contribution Act (FICA). You are required to withhold Federal income tax from your employee's wages and you are required to pay FICA on each employee who is paid more than \$100 in wages during a calendar year. To know how much income tax to withhold, you should have a Form W-4, Employee's Withholding Allowance Certificate, on file for each employee. Organizations described in section 501(c)(3) of the Code are not required to pay Federal Unemployment Tax (FUTA).

Employment taxes are reported on Form 941, Employer's Quarterly Federal Tax Return. The requirements for withholding, depositing, reporting and paying employment taxes are explained in Circular E, Employer's Tax Guide, (Publication 15), and Employer's Supplemental Tax Guide, (Publication 15-A). These publications explain your tax responsibilities as an employer.

CHURCHES

Churches may employ both ministers and church workers. Employees of churches or church-controlled organizations are subject to income tax withholding, but may be exempt from FICA taxes. Churches are not required to pay FUTA tax. In addition, although ministers are generally common law employees, they are not treated as employees for employment tax purposes. These special employment tax rules for members of the clergy and religious workers are explained in Publication 517, Social Security and Other Information for Members of the Clergy and Religious Workers. Churches should also consult Publications 15 and 15-A. Publication 1828, Tax Guide for Churches and Religious Organizations, also discusses the various benefits and responsibilities of these organizations under Federal tax law.

PUBLIC CHARITY STATUS

Every organization that qualifies for tax-exemption as an organization described in section 501(c)(3) is a private foundation unless it falls into one of the categories specifically excluded from the definition of that term [referred to in section 509(a)(1), (2), (3), or (4)]. In effect, the definition divides these organizations into two classes, namely private foundations and public charities.

Public charities are generally those that either have broad public support or actively function in a supporting relationship to those organizations.

Public charities enjoy several advantages over private foundations. There are certain excise taxes that apply to private foundations but not to public charities. A private foundation must also annually file Form 990-PF, Return of Private Foundation, even if it had no revenue or expenses.

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The Code section under which you are classified as a public charity is shown in the heading of your exemption letter. This determination is based on the information you provided and the request you made on your Form 1023 application. Please refer to Publication 557 for additional information about public charity status.

GRANTS TO INDIVIDUALS

The following information is provided for organizations that make grants to individuals. If you begin an individual grant program that was not described in your exemption application, please inform us about the program.

Funds you distribute to an individual as a grant must be made on a true charitable basis in furtherance of the purposes for which you are organized. Therefore, you should keep adequate records and case histories that demonstrate that grants to individuals serve your charitable purposes. For example, you should be in a position to substantiate the basis for grants awarded to individuals to relieve poverty or under a scholarship or education loan program. Case histories regarding grants to individuals should show names, addresses, purposes of grants, manner of selection, and relationship (if any) to members, officers, trustees, or donors of funds to you.

For more information on the exclusion of scholarships from income by an individual recipient, see Publication 520, Scholarships and Fellowships.

Part X Public Charity Status (Continued)

- e 509(a)(4)—an organization organized and operated exclusively for testing for public safety. ☐
- f 509(a)(1) and 170(b)(1)(A)(iv)—an organization operated for the benefit of a college or university that is owned or operated by a governmental unit. ☐
- g 509(a)(1) and 170(b)(1)(A)(vi)—an organization that receives a substantial part of its financial support in the form of contributions from publicly supported organizations, from a governmental unit, or from the general public. ☒
- h 509(a)(2)—an organization that normally receives not more than one-third of its financial support from gross investment income and receives more than one-third of its financial support from contributions, membership fees, and gross receipts from activities related to its exempt functions (subject to certain exceptions). ☐
- i A publicly supported organization, but unsure if it is described in 5g or 5h. The organization would like the IRS to decide the correct status. ☐
- 6 If you checked box g, h, or i in question 5 above, you must request either an advance or a definitive ruling by selecting one of the boxes below. Refer to the instructions to determine which type of ruling you are eligible to receive.
- a **Request for Advance Ruling:** By checking this box and signing the consent, pursuant to section 6501(c)(4) of the Code you request an advance ruling and agree to extend the statute of limitations on the assessment of excise tax under section 4940 of the Code. The tax will apply only if you do not establish public support status at the end of the 5-year advance ruling period. The assessment period will be extended for the 5 advance ruling years to 8 years, 4 months, and 15 days beyond the end of the first year. You have the right to refuse or limit the extension to a mutually agreed-upon period of time or issue(s). Publication 1035, *Extending the Tax Assessment Period*, provides a more detailed explanation of your rights and the consequences of the choices you make. You may obtain Publication 1035 free of charge from the IRS web site at www.irs.gov or by calling toll-free 1-800-829-3676. Signing this consent will not deprive you of any appeal rights to which you would otherwise be entitled. If you decide not to extend the statute of limitations, you are not eligible for an advance ruling. ☒

Consent Fixing Period of Limitations Upon Assessment of Tax Under Section 4840 of the Internal Revenue Code

For Organization



(Signature of Officer, Director, Trustee, or other authorized official)



(Type or print name of signer)

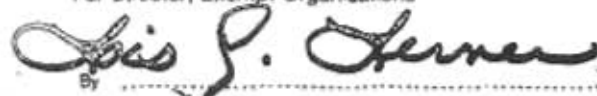


(Type or print title or authority of signer)

2-19-2007

(Date)

For Director, Exempt Organizations



By

FEB 22 2007

Date

- b **Request for Definitive Ruling:** Check this box if you have completed one tax year of at least 8 full months and you are requesting a definitive ruling. To confirm your public support status, answer line 6b(i) if you checked box g in line 5 above. Answer line 6b(ii) if you checked box h in line 5 above. If you checked box i in line 5 above, answer both lines 6b(i) and (ii). ☐
- (i) (a) Enter 2% of line 8, column (e) on Part IX-A, Statement of Revenues and Expenses. ☐
- (b) Attach a list showing the name and amount contributed by each person, company, or organization whose gifts totaled more than the 2% amount. If the answer is "None," check this box. ☐
- (ii) (a) For each year amounts are included on lines 1, 2, and 9 of Part IX-A, Statement of Revenues and Expenses, attach a list showing the name of and amount received from each disqualified person. If the answer is "None," check this box. ☐
- (b) For each year amounts are included on line 9 of Part IX-A, Statement of Revenues and Expenses, attach a list showing the name of and amount received from each payer, other than a disqualified person, whose payments were more than the larger of (1) 1% of line 10, Part IX-A, Statement of Revenues and Expenses, or (2) \$5,000. If the answer is "None," check this box. ☐
- 7 Did you receive any unusual grants during any of the years shown on Part IX-A, Statement of Revenues and Expenses? If "Yes," attach a list including the name of the contributor, the date and amount of the grant, a brief description of the grant, and explain why it is unusual. ☐ Yes ☒ No