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

TAX EXEMPT AND
GOVERNMENT ENTITIES
DIVISION

OCT 1 0 2003

T:EP:RA:T:A2

In re:

Company =

This letter constitutes notice that a waiver of the minimum funding standard has been granted for the above-named pension plan for the plan year beginning January 1, 2002.

The waiver has been granted in accordance with section 412(d) of the Internal Revenue Code (the "Code") and section 303 of the Employee Retirement Income Security Act of 1974 (ERISA). The amount for which the waiver has been granted is the contribution that would otherwise be required to reduce the balance in the funding standard account of the plan to zero as of the end of the 2002 plan year.

The Company is a non-profit corporation based in that provides to the The Company is run by a non-paid Board of Directors. The Company President and the Chief Executive Officer manage operations on a daily basis. The Company operates on a fiscal year which ends on June 30.

The Company is funded through grants, donations, and other cash contributions by The United Way, state, county, and city governments, and by agencies working under those entities. An annual budget is prepared based on funds expected to be received by these entities, and based on the expected cost of each of the programs provided by the Company. Also included in the budget are the contributions, if any, required to be made to the Plan. At the time the minimum funding requirement for the 2002 plan year was determined, the funds available to the Company were already allocated to, and spent on, ongoing projects. No other means were available to the Company to secure additional funds. As a result of its cash flow problems, the Company experienced temporary business hardship and was unable to contribute the minimum funding requirement to the Plan.

The Plan operates on a calendar year basis. The Plan has been well funded until the 2002 plan year, evidenced by the lack of a contribution requirement for several plan years prior to 2002. As of January 1, 2002, the ratio of the Plan's assets to its current liability was 96.6%.

The Company had undertaken measures to effect a recovery, including the movement of Plan assets to a lower risk fund and instituting prospective reductions in the benefit formula under the Plan. Further, the Company has secured new revenue enhancing programs and has reduced its expenditures for the 2003-2004 fiscal year by approximately $285,000. The Company has budgeted approximately $150,000 towards Plan contributions and expenses in its 2003-2004 budget. Although a complete recovery, and resumption of Plan contributions, will depend on funds from benefactor agencies which may face their own budget cuts, it is reasonable to expect that Plan funding will resume as a result of the Company's recovery efforts.

Your attention is called to section 412(f) of the Code and section 304(b) of ERISA which describes the consequences which result in the event the plan is amended to increase benefits, to change the rate in the accrual of benefits, or to change the rate of vesting while any portion of the waived amount remains unamortized. Please note that any amendment to other pension or profit sharing plans maintained by the Company to increase the liabilities of those plans would be considered an amendment for purposes of section 412(f) of the Code and section 304(b) of ERISA.

This ruling is directed only to the organization that requested it. Section 6110(k)(3) of the Code provides that it may not be used or cited by others as precedent.

When filing Form 5500 for the plan year ending December 31, 2002, the date of this letter should be entered on Schedule B (Actuarial Information). We have sent a copy of this letter to the Manager, EP Classification, in

If you have any questions concerning this letter, please contact . In any correspondence relating to this letter, please refer to SE:T:EP:RA:T:A2.

Sincerely yours,

Martin L. Pippins

Martin L. Pippins, Manager
Employee Plans Actuarial Group 2