



MEMO

DATE: December 15, 2006
TO: Private Foundation Donors
FROM: A. Keller Young, Esq., ^{ay}Vice President and General Counsel
RE: University of Colorado Foundation Public Charity Status

Under Notice 2006-109, issued on December 4, 2006, the Internal Revenue Service (“IRS”) issued interim guidance (the “Interim Guidance”) on the application of new tax provisions under the Pension Protection Act of 2006 (the “PPA”), including guidance on those provisions that affect private foundations that make grants to supporting organizations. In general, the PPA amended Internal Revenue Code (“IRC”) section 4942(g) to deny qualifying distribution treatment to grants by non-operating private foundations to certain “supporting organizations,” as described in IRC section 509(a)(3). The Interim Guidance provides that a grantor private foundation, acting in good faith, may rely on the grantee charity’s IRS letter recognizing the grantee as exempt from federal income tax and indicating the grantee’s public classification in determining whether the grantee is a public charity under IRC section 509(a)(1), (2) or (3).

As set forth in the attached letter from the IRS to the University of Colorado Foundation (the “CU Foundation”), dated April 14, 2006, **the CU Foundation is a tax exempt organization under IRC 501(c)(3), and a public charity under IRC sections 509(a)(1) and 170(b)(1)(A)(iv).** Consequently, gifts/grants to the CU Foundation are “qualifying distributions” and can be applied against the distribution requirement imposed on private nonoperating foundations that requires such private foundations to make annual qualifying distributions generally equal to at least five percent (5%) of the fair market value of their assets. The CU Foundation is **NOT** a supporting organization under IRC section 509(a)(3).

Please retain this memorandum and the attached IRS letter in your files for future reference. If you have any question please contact me at (303) 541-1241.

Internal Revenue Service

Date: April 14, 2005

UNIVERSITY OF COLORADO FOUNDATION
INC
4740 WALNUT ST
BOULDER CO 80301-2538 4

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

Person to Contact:

Ms. Edwards 31-07427
Customer Service Representative

Toll Free Telephone Number:

8:30 a.m. to 5:30 p.m. ET
877-829-5500

Fax Number:

513-263-3756

Federal Identification Number:

84-6049811

Dear Sir or Madam:

This is in response to your request of April 14, 2005, regarding your organization's tax-exempt status.

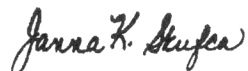
In September 1967 we issued a determination letter that recognized your organization as exempt from federal income tax. Our records indicate that your organization is currently exempt under section 501(c)(3) of the Internal Revenue Code.

Our records indicate that your organization is also classified as a school under sections 509(a)(1) and 170(b)(1)(A)(iv) of the Internal Revenue Code.

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

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

Sincerely,



Janna K. Skufca, Director, TE/GE
Customer Account Services