

Illustration of New SGO Combined Organization

501C3 SGO “FOUNDATION”	501C6 SGO “ASSOCIATION”
<p>Purpose: 501(c)(3) exemption applies to organizations and foundations that are organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes.</p> <p>Ongoing SGO Activities under 501C3:</p> <ul style="list-style-type: none"> • Education • Research • Development and fundraising to assist in completing the missions of the 501 (c)(3) & and the educational activities of the 501 (c)(6) 	<p>Purpose: 501(c)(6) organization applies to a business league devoted to the improvement of business conditions of one or more lines of business. Trade associations and professional associations are considered to be business leagues.</p> <p>The mission of a 501(c)(6) organization must focus on the advancement of the conditions of a particular trade or business and may further its exempt purposes through lobbying as its primary activity without jeopardizing its exempt status.</p> <p>Ongoing SGO Activities under 501C6:</p> <ul style="list-style-type: none"> • Clinical Practice • Government Relations • Coding • Portions of Marketing and Communications • Portions of Quality and Outcomes
<p>Employees & Administration:</p> <ul style="list-style-type: none"> • Employees would continue to be employees of the 501 (c)(3) • When employees provided services to the Section 501(c)(6) organization, the 501(c)(3) would be appropriately reimbursed. • Rent and equipment provided by 501(c)(3) to the Section 501(c)(6) organization would be reimbursed at fair market value. 	<p>Membership:</p> <ul style="list-style-type: none"> • Future applications for membership would be processed through the Section 501(c)(6) organization. • Dues would be paid to the 501(c)(6) organization. The 501(c)(6) would use a portion of the total dues collected for socioeconomic issues, lobbying and practice enhancement activities then transfer the balance to 501(c)(3) to support the educational and scientific activities. <p>Elections:</p> <ul style="list-style-type: none"> • Elections for all positions could be conducted by the 501 (c)(6) and those elected would serve in both organizations.

Filing Status & Re-Organization Impacts thru April 2012

501C3 Organization	Dual Membership & Governance	501C6 Organization
<p>Sections of the 501 (c)(3) bylaws more appropriate to the work of the 501 (c)(6) have been moved to the 501 (c)(6) bylaws.</p> <p>The changes to the existing 501 (c)(3) bylaws will be presented to the SGO membership in March 2012.</p>	<p>Current SGO members remain members of the 501(c)(3) and become members of the Section 501(c)(6) organization.</p> <p>The current officers and Council of SGO become the officers and Council of both the Section 501(c)(6) organization and of the 501(c)(3) organization and govern the activities of both organizations</p> <p>The Bylaws Committee will manage both sets of bylaws beginning April 2012.</p>	<ul style="list-style-type: none"> • 501C6 Article of Incorporation filed July 2011 • 501C6 Tax Exemption status filed July2011 • 501C6 Bylaws have been established • Council will oversee and approve the 501 (c)(6) bylaws thru the 2012 Annual Meeting