



TAX EXEMPT AND
GOVERNMENT ENTITIES
DIVISION

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

201316025

JAN 22 2013

SET: EP: RA: T2

Significant Index Number: 412.06-00

In Re: Request for Waiver of the Minimum Funding Standard for *****
***** (Plan No. *****)
EIN: ***_*****

Sponsor = *****
Plan = *****

Dear *****:

This letter is to inform you that your request for a waiver of the minimum funding standard for the above-named plan for the plan year ending June , 20 , is denied.

The Sponsor is a non-profit academic institution. The facts of the Sponsor's situation show that it is experiencing significant permanent financial distress. This is shown in the excess of current liabilities over current assets, and a steep decline in operating cash flows. While the Sponsor has adjusted payroll, reduced expenses, and devised a comprehensive financial plan in an attempt to improve its financial situation, its financial resources have diminished greatly due to declining enrollment and an overall economic downturn. The Sponsor states also that it has struggled in its efforts to raise unrestricted funds, and its financial statements and recent issues involving its accreditation indicate that uncertainty exists about the College's ability to continue as a going concern.

You were notified in a letter dated December , 20 , that your request had been tentatively denied. A Conference of Right was held on January , 20 .

After considering all financial information the Sponsor has supplied, we have determined that its business hardship is not temporary. Furthermore, even if the funding waiver were granted, the Sponsor's financial submission illustrates that it would not be able to make periodic payments to the Plan sufficient to cover both the amortization payments on the funding waiver plus the future ongoing cost of the Plan. Therefore, because the Sponsor's financial hardship does not appear to be temporary, and it is unable to satisfy future minimum funding requirements, your request for a waiver of the minimum funding standard for the plan year ending June , 20 , is denied.

You should note that excise taxes under section 4971(a) of the Internal Revenue Code ("Code") are currently due on the minimum funding requirement for the Plan year ending June , 20 . You should file a Form 5330 as soon as possible to report and pay the taxes.

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

We have sent a copy of this letter to the Manager, EP Classification in Baltimore, Maryland, to the Manager, EP Compliance Unit in Chicago, Illinois.

If you require further assistance in this matter, please contact **** * (ID# ***-*****) at ()

Sincerely yours,



William Hulteng
Manager, Employee Plans Technical

cc: