

VEG, INC.

727 N. Ewing
Helena, MT 59601
January 11, 1989

1989

Dear Director:

This letter recaps Veg, Inc. activities and finances for the year 1988.

Activities

Articles of Incorporation were approved by the Secretary of State on February 18, which also marks the beginning of your term as a Director of Veg, Inc. Your term expires February 18, 1991.

On behalf of Veg, Inc. I entered into a contract with the Montana Department of Fish, Wildlife and Parks (MDFWP) in May to review and comment on a proposed management plan for their Sun River Wildlife Management Area (SRWMA). Veg, Inc. received a check for \$500.94 (see financial section). The entire amount was deposited in Veg, Inc. account at Norwest Bank-Butte. To date that is the only money Veg, Inc. has had to operate on.

On June 4 an organizational and general business meeting was held in Great Falls. Officers were elected, by-laws adopted and a few procedural matters taken care of.

On August 15, Ruth Frisina submitted her resignation as member of the Board of Directors and as Secretary-Treasurer. The registered agent of Veg, Inc. was changed from Ruth Frisina to Joseph L. Egan and the registered office is now 727 N. Ewing, Helena, Montana, 59601. The telephone number is (406) 442-3294.

With the foregoing change, it appeared Veg, Inc. would be better off to move its bank account to Helena. I checked with First Bank-Helena, Norwest Bank-Helena and 1st Security Bank of Helena. The latter seemed as good a bank as any. Some information on the type account Veg, Inc. has is enclosed. Checks drawn on Veg, Inc. account must be signed by any two of the following people:

Joseph L. Egan
John F. Baucus
Chase T. Hibbard

Veg, Inc. applied for and received an IRS Employer Identification number which is 81-0455129. Application has been made to the IRS for "Recognition of Exemption". Corporate Officer Rejection Endorsements have been filed with the State Division of Workers' Compensation for the President and Vice President of Veg, Inc. When a new President, Vice President and Secretary-Treasurer are elected, the endorsements will have to be reapplied for. These endorsements exempt Veg, Inc. from paying Workers' Compensation and Industrial Accident.

The accounting firm of Galusha, Higgins, & Galusha in Helena was retained to help with these procedures. It is intended they will assist in the preparation of the 1988 Federal and State Income Taxes. I believe most if not all the various federal and state tax, exemption, and corporate forms and requirements have been filed or met.

Status of replacement and/or new members for the Board of Directors is:

Carl Wambolt - Range Management Spec. MSU, Bozeman. Has been contacted. Will ask for decision within next two weeks.

Jim Phelps, Audubon, Billings. Has been contacted. Said "Not at this time".

Bob Kiesling - TNC Mont. Rep. in Helena. Not contacted, but no longer has that position. His replacement will be contacted within next two weeks.

Jim Kehr - Helena Dentist. Not contacted.

Buddy Lundstrom - Montana Bowmen, Malta. Not contacted.

Writing has begun on the "white paper" which will describe the video on Rest-Rotation. This paper will also serve as the application for grant funds to produce the video.

Two estimates have been obtained for producing a one hour video consisting possibly of three - twenty minute segments. Martha Lonner (Video) of Bozeman indicated such a video would be around \$50,000, while Mtn. Star Video of Helena estimated \$60,000. Better and additional estimates can be obtained once the white paper is completed.

Finances

Under contract with the MDFWP, Veg, Inc. received \$500.94 as follows:

..Review and comment on SRWMA Management Plan 2 days @ \$225/day.....	\$450.00
..Mileage - Helena-Augusta & return to inspect SRWMA 143 pers. veh. mileage @ \$.18/mile.....	\$ 25.74
..Produce report for MDFWP re: comments on SRWMA plan 7 pp typing @ \$3.50/page & 14 pp of copy @ \$.05/copy.....	\$ 25.20
TOTAL	<u>\$500.94</u>

Deposits (July 1-Nov. 30, 1988)

July 7	Norwest Bank-Butte (new account)	\$500.94
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Withdrawals (July 1-Nov. 30, 1988)

July 7	Order check blanks from Norwest Bank	\$ 8.00
July 12	Pay-Pam Otto for typing & copying	25.20
Aug. 5	Bank-Service and check charge	2.12
Sept. 2	Bank-Service charge	2.00
Oct. 5	Bank-Service charge	2.00
Nov. 4	Bank-Service charge	2.00
Nov. 28	Close account	<u>459.62</u>
	Balance (Nov. 30)	\$.00

Deposits (Dec. 1-Dec. 31, 1988)

Dec. 5	1st Security Bank-Helena (new account)	\$459.62
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Withdrawals (Dec. 1-Dec 31, 1988)

Dec. 20	Order check blanks & check charge-1st Security Bank	<u>6.67</u>
	Balance (Dec. 31)	<u>\$452.95</u>

Veg, Inc. has the following outstanding debts:
Joe Egan - Expenses for 1988 (see attached
schedule)

\$107.67

Galusha, Higgins & Galusha

Services related to preparation of
applications for tax exempt status,
corporate officer exemption,
IRS employer ID #

150.00
\$257.67

Total Debts

(Balance after payment of above-\$195.28)

Please indicate your pleasure on payment of these two bills.

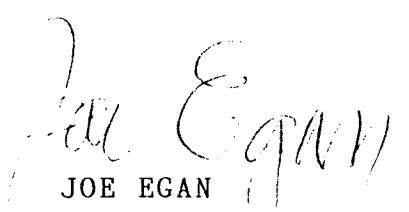
Office space, desk, file cabinet and typewriter have been made available for use by Veg, Inc. at my residence. This space and equipment is also used by me to conduct another business. The attached schedule outlines the basis for determining the cost of providing and/or maintaining this space. The space and equipment is used about 50% of the time by Veg, Inc. If you concur, Veg, Inc. will be charged \$6.50/month as their share to use the space for their Registered Office.

Office use would begin October 1, 1988 and amount to \$19.50 for that year. If this arrangement is accepted, Veg's bank balance will be \$175.78.

Please let me know your wishes on the bills and rent matters at your earliest convenience. If you phone in your ballot, you should also send a written record of your vote.

I will probably do a little work this month for MDFWP on behalf of Veg, Inc. in order to put a little operating money in Veg's bank account.

The best of '89 to each of you.


JOE EGAN

encl. 4

JLE/bk

SCHEDULE
Egan 1988 Expenses

<u>Date</u>	<u>Item</u>	<u>Detail</u>	<u>Amount</u>
1/27	telephone	Helena-Butte (R. Frisina)	\$ 2.35
2/6	mileage	Helena-Butte-organizational meeting. 126 mi @ \$.18/mile	22.68
2/22	postage	Helena-Butte (R. Frisina)	.66
2/27	mileage	Helena-Butte-Organizational meeting-63 miles @ \$.18/mile	11.34
3/2	telephone	Helena-San Francisco (Hormay)	4.58
3/14	telephone	Helena-Butte (R. Frisina)	2.82
3/22	telephone	Helena-San Francisco (Hormay)	1.43
5/3	mileage	Helena-Augusta & Return Inspect SRWMA. 143 mi @ \$.18/mi	25.74
5/9	telephone	Helena-Butte (R. Frisina)	1.28
5/13	telephone	Helena-San Francisco (Hormay)	6.79
5/15	telephone	Helena-Butte (R. Frisina)	1.28
5/17	telephone	Helena-Butte (R. Frisina)	.60
6/30	printing	Material for Directors	1.80
8/3	postage	Material for Directors	1.60
10/17	telephone	Helena-Bozeman (MDFWP)	1.71
10/31	filing fee	Sec. of State-Amend Incorp Articles	5.00
11/14	telephone	Helena-Bozeman (MDFWP)	1.20
11/18	telephone	Helena-Bozeman (Lonner Video)	5.10
11/27	telephone	Helena-Bozeman (Lonner Video)	4.16
12/7	telephone	Helena-Billings (Pierce)	1.35
12/7	telephone	Helena-San Francisco (Hormay)	4.20
		Total	<u>\$107.67</u>

SCHEDULE
Basis for cost of using Office Space

Location of office space - 727 N. Ewing, Helena, MT

Total sq. ft of entire building at
727 N. Ewing.....2056 sq.ft.
Total sq. ft. of office space in building at
727 N. Ewing.....112 sq.ft.

Total sq. ft. of office space	112			=	
Total sq. ft. of building	2056				0.0545

Taxes on building at 727 N. Ewing for yr 1988.....\$1217.00

average taxes/month (based on '88)	\$ 101.42
average monthly heat & electricity	90.00
average monthly water bill	50.00
average monthly taxes & utilities	\$ 241.00

X 0.0545	\$ 13.00
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X 50%	6.50
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Rent began October 1, 1988

October 1988.....	\$ 6.50
November 1988.....	6.50
December 1988.....	6.50
Total	\$ 19.50

TO: President, Veg, Inc.

FROM: _____ V. P. John F. Baucus
_____ Director Chase Hibbard
_____ Director A. L. Hormay
_____ Director George Pierce

Please pay the bills marked with an X:

_____ \$150.00 for services rendered to Veg, Inc. by Galusha, Higgins & Galusha.

_____ \$107.67 for expenses incurred during 1988 for Veg, Inc. by Joe Egan.

I do _____ do not _____ approve of a provision for Veg, Inc. to pay \$6.50 per month for use of office space, file storage, and office furniture and equipment at 727 N. Ewing, Helena, Montana.

/s/ _____

Internal Revenue Service
District Director

P O BOX A-3290 BPN 22-2
CHICAGO, IL 60690

*Rcd by
Veg Inc at Helena MT
on 1/14/89 JFS 1/14/89*

Department of the Treasury

Date: 11 JAN 1989

Employer Identification Number:
81-0455129
Contact Person:
MRS. C. NORMENT
Contact Telephone Number:
(312) 886-7731

VEGETATION EDUCATION AND
ENHANCEMENT GROUP INC
727 N EWING
HELENA, MT 59601

In Reply Refer To:
EODU:369010015

Dear Applicant

We are returning your application for recognition of exemption from Federal income tax under Section 501 of the Internal Revenue Code because the application has not been fully completed.

We will be glad to consider your application if you return it with the items listed on the attached sheet. Please return your completed application within 21 days. If we receive it by that date, we will consider it received on the original submission date for purposes of notification under section 505(c) or 508(a) of the Code.

When the items requested are received, the clerical screening portion of your application will be complete. Your application will then be assigned to an Exempt Organizations Specialist for review. The Specialist may need to request additional information of a technical nature in order to make a favorable determination of exempt status.

If we do not hear from you within 21 days, we will assume you do not want us to consider the matter further and we will close your case. However, an extension of the deadline to submit the requested information may be granted for good cause.

User fees are not refundable for requests that are returned to the submitter as incomplete. If you resubmit the request within 90 days from the date it is returned, no additional payment will be due. However, if you resubmit your request more than 90 days after the date of return, another user fee payment is required.

VEGETATION EDUCATION AND

If you have any questions, please contact the person whose name and telephone number are shown above.

Sincerely yours,

Enclosures:
Your application
Copy of this letter
List of missing items

A handwritten signature in cursive script, appearing to read "E. S. Virtude", with a flourish at the end. There are some faint marks above the signature, possibly from a stamp or another signature.

VEGETATION EDUCATION AND

A COPY OF THE CERTIFICATE OF AMENDMENT W/SEAL FROM SEC OF STATE MUST BE SUBMITTED.

A COPY OF THE ORIGINAL ARTICLES OF INCORPORATION MUST BE SUBMITTED.

Internal Revenue Service

Department of the Treasury

District Director

230 S. Dearborn St., Chicago, Illinois 60604

Vegetation Education and Enhancement Group, Inc.
727 N. Ewing
Helena, Montana 59601

Vegetation Education and Enhancement Group, Inc.
Name of Organization: Enhancement Group, Inc.
Employer Identification Number: 81-0455129
Person to Contact: *MRS. C. NORMENT*
Contact Telephone Number: (312) 886-4775
Date:

11 JAN 1989

Dear Applicant:

We received your request for a determination letter. However, the user fee required to be paid for the request was not included, or the amount included was not sufficient for the type of request submitted. Please read the enclosed [Form 8718, User Fee for Exempt Organizations Determination Letter Request] which explains the fee and lists the amount due for each type of request.

If other items are missing or incomplete, these items are identified on the enclosed [Letter 1042].

Please submit \$ 300.- within 30 days from the date of this letter so that we may process your request. If Letter [1042] is enclosed, also submit items requested in that letter. Be sure to attach a copy of this letter to your reply.

If you have any questions about this matter, please contact the person whose name and telephone number are shown above.

Sincerely yours,

R. S. Wintrobe
R. S. Wintrobe
District Director

Enclosures:

Form 8718

Copy of this letter

~~Letter [1042]~~

Envelope

*Recd by Veg Inc
at Helena, Mont.
on JAN 14th 1989
JLG
1/14/89*