

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

Department of the Treasury Internal Revenue Service

The organization may have to use a copy of this return to satisfy state reporting requirements

A For the 2007 calendar year, or tax year beginning and ending

B Check if applicable: Address change, Name change, Initial return, Termination, Amended return, Application pending. C Name of organization: CAPITOL MINISTRIES. D Employer identification number: 68-0005663. E Telephone number: (916) 446-1112. F Accounting method: Accrual.

Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ). H and I are not applicable to section 527 organizations.

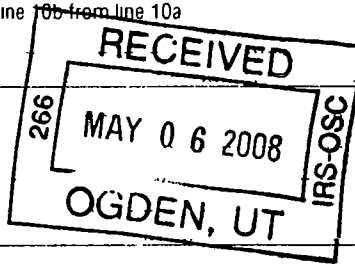
G Website WWW.CAPITOL-MINISTRIES.ORG. J Organization type: 501(c)(3).

K Check here if the organization is not a 509(a)(3) supporting organization and its gross receipts are normally not more than \$25,000. L Gross receipts: 1,885,564.

M Check if the organization is not required to attach Sch B (Form 990, 990-EZ, or 990-PF).

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances

Table with 21 rows and 4 columns. Rows include: 1 Contributions, gifts, grants... 2 Program service revenue... 3 Membership dues... 4 Interest on savings... 5 Dividends... 6 Gross rents... 7 Other investment income... 8 Gross amount from sales of assets... 9 Special events and activities... 10 Gross sales of inventory... 11 Other revenue... 12 Total revenue... 13 Program services... 14 Management and general... 15 Fundraising... 16 Payments to affiliates... 17 Total expenses... 18 Excess or (deficit) for the year... 19 Net assets or fund balances at beginning of year... 20 Other changes in net assets... 21 Net assets or fund balances at end of year.



SCANNED JUN 09 2008 Revenue

**Part II Statement of Functional Expenses**

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
<b>22a</b> Grants paid from donor advised funds (attach schedule) (cash \$ <u>0</u> noncash \$ <u>0</u> ) If this amount includes foreign grants, check here <input type="checkbox"/>				
<b>22b</b> Other grants and allocations (attach schedule) (cash \$ <u>0</u> noncash \$ <u>0</u> ) If this amount includes foreign grants, check here <input type="checkbox"/>				
<b>23</b> Specific assistance to individuals (attach schedule)				
<b>24</b> Benefits paid to or for members (attach schedule)				
<b>25a</b> Compensation of current officers, directors, key employees, etc listed in Part V-A	275,398.	254,616.	10,391.	10,391.
<b>25b</b> Compensation of former officers, directors, key employees, etc listed in Part V-B	0.	0.	0.	0.
<b>25c</b> Compensation and other distributions, not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
<b>26</b> Salaries and wages of employees not included on lines 25a, b, and c	641,373.	540,500.	43,893.	56,980.
<b>27</b> Pension plan contributions not included on lines 25a, b, and c				
<b>28</b> Employee benefits not included on lines 25a - 27	114,206.	98,862.	6,476.	8,868.
<b>29</b> Payroll taxes	15,524.	12,372.	2,089.	1,063.
<b>30</b> Professional fundraising fees				
<b>31</b> Accounting fees	35,936.		35,936.	
<b>32</b> Legal fees	5,603.		5,603.	
<b>33</b> Supplies	16,115.	14,078.	873.	1,164.
<b>34</b> Telephone	32,506.	28,281.	1,950.	2,275.
<b>35</b> Postage and shipping	53,284.	24,517.	6,147.	22,620.
<b>36</b> Occupancy	27,757.	23,123.	2,604.	2,030.
<b>37</b> Equipment rental and maintenance	13,717.	11,305.	1,830.	582.
<b>38</b> Printing and publications	70,087.	60,849.	8,190.	1,048.
<b>39</b> Travel	181,115.	165,843.	10,530.	4,742.
<b>40</b> Conferences, conventions, and meetings	46,013.	45,635.	378.	
<b>41</b> Interest	8,429.	2,135.	6,225.	69.
<b>42</b> Depreciation, depletion, etc (attach schedule)	25,366.	20,292.	2,537.	2,537.
<b>43</b> Other expenses not covered above (itemize)				
a _____				
b _____				
c _____				
d _____				
e _____				
f _____				
g <b>SEE STATEMENT 3</b>	230,888.	191,713.	30,864.	8,311.
<b>44</b> Total functional expenses Add lines 22a through 43g (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	1,793,317.	1,494,121.	176,516.	122,680.

**Joint Costs.** Check  if you are following SOP 98-2

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services?  Yes  No  
 If "Yes," enter (i) the aggregate amount of these joint costs \$ N/A, (ii) the amount allocated to Program services \$ N/A,  
 (iii) the amount allocated to Management and general \$ N/A, and (iv) the amount allocated to Fundraising \$ N/A

Part III Statement of Program Service Accomplishments (See the instructions)

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

What is the organization's primary exempt purpose? ► SEE STATEMENT 4	Program Service Expenses (Required for 501(c)(3) and (4) orgs, and 4947(a)(1) trusts, but optional for others)
All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)	
<b>a</b> TO EVANGELIZE AND DISCIPLE LEGISLATORS, THEIR STAFF, AND LOBBYISTS IN THE 50 STATE CAPITOLS OF AMERICA.	
(Grants and allocations \$ ) If this amount includes foreign grants, check here ► <input type="checkbox"/>	1,494,121.
<b>b</b>	
(Grants and allocations \$ ) If this amount includes foreign grants, check here ► <input type="checkbox"/>	
<b>c</b>	
(Grants and allocations \$ ) If this amount includes foreign grants, check here ► <input type="checkbox"/>	
<b>d</b>	
(Grants and allocations \$ ) If this amount includes foreign grants, check here ► <input type="checkbox"/>	
<b>e</b> Other program services (attach schedule)	
(Grants and allocations \$ ) If this amount includes foreign grants, check here ► <input type="checkbox"/>	
<b>f</b> Total of Program Service Expenses (should equal line 44, column (B), Program services) ►	1,494,121.

Form 990 (2007)

**Part IV Balance Sheets** (See the instructions)

**Note:** Where required, attached schedules and amounts within the description column should be for end-of-year amounts only

		(A) Beginning of year		(B) End of year
Assets	45 Cash - non-interest-bearing	128,808.	45	117,101.
	46 Savings and temporary cash investments		46	
	47 a Accounts receivable	22,000.	47c	
	b Less allowance for doubtful accounts			
	48 a Pledges receivable		48c	
	b Less allowance for doubtful accounts			
	49 Grants receivable		49	
	50 a Receivables from current and former officers, directors, trustees, and key employees	35,755.	50a	
	b Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)		50b	
	51 a Other notes and loans receivable		51c	
	b Less allowance for doubtful accounts			
	52 Inventories for sale or use		52	
	53 Prepaid expenses and deferred charges	19,042.	53	18,224.
	54 a Investments - publicly-traded securities	<input type="checkbox"/> Cost <input type="checkbox"/> FMV	54a	
	b Investments - other securities	<input type="checkbox"/> Cost <input type="checkbox"/> FMV	54b	
55 a Investments - land, buildings, and equipment basis	55a	55c		
b Less accumulated depreciation	55b			
56 Investments - other	SEE STATEMENT 5	1.	56	1.
57 a Land, buildings, and equipment: basis	57a 222,034.	64,233.	57c	95,948.
b Less: accumulated depreciation	57b 126,086.			
58 Other assets, including program-related investments (describe ▶ _____)			58	
59 <b>Total assets</b> (must equal line 74). Add lines 45 through 58	269,839.	59		231,274.
Liabilities	60 Accounts payable and accrued expenses	62,786.	60	79,784.
	61 Grants payable		61	
	62 Deferred revenue		62	
	63 Loans from officers, directors, trustees, and key employees		63	
	64 a Tax-exempt bond liabilities		64a	
	b Mortgages and other notes payable	37,000.	64b	
65 Other liabilities (describe ▶ <b>OTHER LIABILITIES</b> _____)	81,057.	65		24,094.
66 <b>Total liabilities.</b> Add lines 60 through 65	180,843.	66		103,878.
Net Assets or Fund Balances	<b>Organizations that follow SFAS 117, check here</b> <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74			
	67 Unrestricted	66,996.	67	127,396.
	68 Temporarily restricted	22,000.	68	0.
	69 Permanently restricted		69	
	<b>Organizations that do not follow SFAS 117, check here</b> <input type="checkbox"/> and complete lines 70 through 74			
	70 Capital stock, trust principal, or current funds		70	
	71 Paid-in or capital surplus, or land, building, and equipment fund		71	
	72 Retained earnings, endowment, accumulated income, or other funds		72	
73 <b>Total net assets or fund balances</b> Add lines 67 through 69 or lines 70 through 72 (Column (A) must equal line 19 and column (B) must equal line 21)	88,996.	73		127,396.
74 <b>Total liabilities and net assets/fund balances.</b> Add lines 66 and 73	269,839.	74		231,274.

**Part IV-A Reconciliation of Revenue per Audited Financial Statements With Revenue per Return** (See the instructions)

<b>a</b> Total revenue, gains, and other support per audited financial statements		<b>a</b> 1,939,093.
<b>b</b> Amounts included on line <b>a</b> but not on Part I, line 12		
1 Net unrealized gains on investments	<b>b1</b>	
2 Donated services and use of facilities	<b>b2</b> 53,529.	
3 Recoveries of prior year grants	<b>b3</b>	
4 Other (specify) <u>SEE STATEMENT 7</u>	<b>b4</b> 53,847.	
Add lines <b>b1</b> through <b>b4</b>		<b>b</b> 107,376.
<b>c</b> Subtract line <b>b</b> from line <b>a</b>		<b>c</b> 1,831,717.
<b>d</b> Amounts included on Part I, line 12, but not on line <b>a</b> :		
1 Investment expenses not included on Part I, line 6b	<b>d1</b>	
2 Other (specify)	<b>d2</b>	
Add lines <b>d1</b> and <b>d2</b>		<b>d</b> 0.
<b>e</b> Total revenue (Part I, line 12). Add lines <b>c</b> and <b>d</b>		<b>e</b> 1,831,717.

**Part IV-B Reconciliation of Expenses per Audited Financial Statements With Expenses per Return**

<b>a</b> Total expenses and losses per audited financial statements		<b>a</b> 1,900,693.
<b>b</b> Amounts included on line <b>a</b> but not on Part I, line 17.		
1 Donated services and use of facilities	<b>b1</b> 53,529.	
2 Prior year adjustments reported on Part I, line 20	<b>b2</b>	
3 Losses reported on Part I, line 20	<b>b3</b>	
4 Other (specify) <u>SEE STATEMENT 8</u>	<b>b4</b> 53,847.	
Add lines <b>b1</b> through <b>b4</b>		<b>b</b> 107,376.
<b>c</b> Subtract line <b>b</b> from line <b>a</b>		<b>c</b> 1,793,317.
<b>d</b> Amounts included on Part I, line 17, but not on line <b>a</b> :		
1 Investment expenses not included on Part I, line 6b	<b>d1</b>	
2 Other (specify)	<b>d2</b>	
Add lines <b>d1</b> and <b>d2</b>		<b>d</b> 0.
<b>e</b> Total expenses (Part I, line 17) Add lines <b>c</b> and <b>d</b>		<b>e</b> 1,793,317.

**Part V-A Current Officers, Directors, Trustees, and Key Employees** (List each person who was an officer, director, trustee, or key employee at any time during the year even if they were not compensated) (See the instructions.)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (If not paid, enter -0-)	(D) Contributions to employee benefit plans & deferred compensation plans	(E) Expense account and other allowances
RALPH DROLLINGER 1121 L STREET, SUITE B8 SACRAMENTO, CA 95814	PRESIDENT 40.00	158,495.	10,464.	0.
JOHN BATES 1121 L STREET, SUITE B8 SACRAMENTO, CA 95814	CHAIRMAN 1.00	0.	0.	0.
JIM UNDERWOOD 1121 L STREET, SUITE B8 SACRAMENTO, CA 95814	DIRECTOR 1.00	0.	0.	0.
DANIEL MADISON 1121 L STREET, SUITE B8 SACRAMENTO, CA 95814	SECRETARY/TREASURER 40.00	0.	0.	0.
GEORGE JACKSON 1121 L STREET, SUITE B8 SACRAMENTO, CA 95814	DIRECTOR 1.00	0.	0.	0.
GREG STOEVER 1121 L STREET, SUITE B8 SACRAMENTO, CA 95814	DIRECTOR 1.00	0.	0.	0.
SEAN WALLENTINE 1121 L STREET, SUITE B8 SACRAMENTO, CA 95814	VP NATIONAL EXPANSION & OPERATIONS 40.00	93,896.	12,543.	0.
DR. LARRY PETTEGREW 1121 L STREET, SUITE B8 SACRAMENTO, CA 95814	DIRECTOR 1.00	0.	0.	0.

**Part V-A Current Officers, Directors, Trustees, and Key Employees** *(continued)* **Yes No**

75 a Enter the total number of officers, directors, and trustees permitted to vote on organization business at board meetings 8

b Are any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, related to each other through family or business relationships? If "Yes," attach a statement that identifies the individuals and explains the relationship(s) **SEE STATEMENT 9**

75b **X**

c Do any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, receive compensation from any other organizations, whether tax exempt or taxable, that are related to the organization? See the instructions for the definition of "related organization."

If "Yes," attach a statement that includes the information described in the instructions

75c **X**

d Does the organization have a written conflict of interest policy? **X**

75d **X**

**Part V-B Former Officers, Directors, Trustees, and Key Employees That Received Compensation or Other Benefits** (If any former officer, director, trustee, or key employee received compensation or other benefits (described below) during the year, list that person below and enter the amount of compensation or other benefits in the appropriate column. See the instructions.)

(A) Name and address	(B) Loans and Advances	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans & deferred compensation plans	(E) Expense account and other allowances
NONE				
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**Part VI Other Information** *(See the instructions)* **Yes No**

76 Did the organization make a change in its activities or methods of conducting activities? If "Yes," attach a detailed statement of each change 76 **X**

77 Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes 77 **X**

78 a Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return? 78a **X**

b If "Yes," has it filed a tax return on Form 990-T for this year? N/A 78b

79 Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement 79 **X**

80 a Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization? 80a **X**

b If "Yes," enter the name of the organization N/A

\_\_\_\_\_ and check whether it is  exempt or  nonexempt

81 a Enter direct and indirect political expenditures. (See line 81 instructions.) 81a 0.

b Did the organization file Form 1120-POL for this year? 81b **X**

Part VI Other Information (continued)

Form with multiple rows (82a-91b) containing questions and answers. Includes fields for 'Yes' and 'No' columns. Key entries include: 82a (Yes X), 82b (54,329), 83a (Yes X), 83b (N/A), 84a (Yes X), 85a (N/A), 85b (N/A), 85c-f (N/A), 85g (N/A), 85h (N/A), 86a-b (N/A), 87a-b (N/A), 88a (Yes X), 88b (Yes X), 89a (0), 89b (Yes X), 89c (0), 89d (0), 89e (Yes X), 89f (Yes X), 89g (Yes X), 90b (18), 91a (THE ORGANIZATION, 1121 L STREET, SACRAMENTO, CA, (916) 446-1112, 95814), 91b (Yes X).

**Part VI Other Information** (continued) Yes No

c At any time during the calendar year, did the organization maintain an office outside of the United States? 91c  Yes  No  
 If "Yes," enter the name of the foreign country N/A

92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 - Check here   
 and enter the amount of tax-exempt interest received or accrued during the tax year 92  N/A

**Part VII Analysis of Income-Producing Activities** (See the instructions)

**Note:** Enter gross amounts unless otherwise indicated

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclu- sion code	(D) Amount	
93 Program service revenue:					
a _____					
b _____					
c _____					
d _____					
e _____					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments					
96 Dividends and interest from securities					
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income			14	1,605.	
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events					341,791.
102 Gross profit or (loss) from sales of inventory					
103 Other revenue:					
a _____					
b _____					
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))		0.		1,605.	341,791.
105 Total (add line 104, columns (B), (D), and (E))					343,396.

**Note:** Line 105 plus line 1e, Part I, should equal the amount on line 12, Part I

**Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes** (See the instructions)

Line No	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes)
101	CAPITOL MINISTRIES HAS FULL-TIME MINISTRY LEADERS IN MANY STATE CAPITOLS. THESE LEADERS PERFORM BIBLE STUDIES, OFFER COUNSEL, AND HOLD RELIGIOUS MEETINGS FOR STATE LEGISLATORS, LOBBYISTS AND THEIR STAFF. THE INCOME GENERATED FROM SPECIAL EVENTS SUPPORTS SUCH ACTIVITIES.

**Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities** (See the instructions.)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
N/A	%			
	%			
	%			
	%			

**Part X Information Regarding Transfers Associated with Personal Benefit Contracts** (See the instructions)

(a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?  Yes  No

(b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?  Yes  No

**Note:** If "Yes" to (b), file Form 8870 and Form 4720 (see instructions)



**Part XI** Information Regarding Transfers To and From Controlled Entities. Complete only if the organization is a controlling organization as defined in section 512(b)(13) N/A

106 Did the reporting organization make any transfers to a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity

Yes	No

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a	-----			
b	-----			
c	-----			
<b>Totals</b>				

107 Did the reporting organization receive any transfers from a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity.

Yes	No

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a	-----			
b	-----			
c	-----			
<b>Totals</b>				

108 Did the organization have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in question 107 above?

Yes	No

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Please Sign Here

Signature of officer: *Sam K. McCarty, PRESIDENT* Date: *4-29-08*  
Type or print name and title: \_\_\_\_\_

Paid Preparer's Use Only

Preparer's signature: *Green [Signature]* Date: *4/28/08* Check if self-employed:   
Firm's name (or yours if self-employed), address and ZIP + 4: **GOEHNER ACCOUNTANCY**  
**251 S. LAKE AVENUE, SUITE 190**  
**PASADENA, CA 91101**  
EIN: \_\_\_\_\_ Phone no: \_\_\_\_\_

**Part III** **Statements About Activities** (See page 2 of the instructions )

		Yes	No
1	During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ▶ \$ _____ \$ _____ (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B ) Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A Other organizations checking "Yes" must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities		X
2	During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions )		
a	Sale, exchange, or leasing of property?		X
b	Lending of money or other extension of credit?	X	
c	Furnishing of goods, services, or facilities?		X
d	Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? SEE PART V-A, FORM 990	X	
e	Transfer of any part of its income or assets?		X
3 a	Did the organization make grants for scholarships, fellowships, student loans, etc ? (If "Yes," attach an explanation of how the organization determines that recipients qualify to receive payments )		X
b	Did the organization have a section 403(b) annuity plan for its employees?	X	
c	Did the organization receive or hold an easement for conservation purposes, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," attach a detailed statement		X
d	Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services?		X
4 a	Did the organization maintain any donor advised funds? If "Yes," complete lines 4b through 4g If "No," complete lines 4f and 4g		X
b	Did the organization make any taxable distributions under section 4966?	N/A	
c	Did the organization make a distribution to a donor, donor advisor, or related person?	N/A	
d	Enter the total number of donor advised funds owned at the end of the tax year	▶ N/A	
e	Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year	▶ N/A	
f	Enter the total number of separate funds or accounts owned at the end of the year (excluding donor advised funds included on line 4d) where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts	▶ 0.	
g	Enter the aggregate value of assets in all funds or accounts included on line 4f at the end of the tax year	▶ 0.	

**Part IV Reason for Non-Private Foundation Status** (See pages 4 through 8 of the instructions )

I certify that the organization is not a private foundation because it is (Please check only **ONE** applicable box )

- 5  A church, convention of churches, or association of churches Section 170(b)(1)(A)(i)
- 6  A school Section 170(b)(1)(A)(ii) (Also complete Part V )
- 7  A hospital or a cooperative hospital service organization Section 170(b)(1)(A)(iii)
- 8  A federal, state, or local government or governmental unit Section 170(b)(1)(A)(v)
- 9  A medical research organization operated in conjunction with a hospital Section 170(b)(1)(A)(iii) Enter the hospital's name, city, and state ▶ \_\_\_\_\_
- 10  An organization operated for the benefit of a college or university owned or operated by a governmental unit Section 170(b)(1)(A)(iv) (Also complete the **Support Schedule** in Part IV-A )
- 11a  An organization that normally receives a substantial part of its support from a governmental unit or from the general public Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV-A )
- 11b  A community trust Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV-A )
- 12  An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc , functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See section 509(a)(2) (Also complete the **Support Schedule** in Part IV-A )
- 13  An organization that is not controlled by any disqualified persons (other than foundation managers) and otherwise meets the requirements of section 509(a)(3) Check the box that describes the type of supporting organization  
 Type I       Type II       Type III-Functionally Integrated       Type III-Other

Provide the following information about the supported organizations (See page 8 of the instructions )

(a) Name(s) of supported organization(s)	(b) Employer identification number (EIN)	(c) Type of organization (described in lines 5 through 12 above or IRC section)	(d) Is the supported organization listed in the supporting organization's governing documents?		(e) Amount of support
			Yes	No	
<b>Total</b>					▶

- 14  An organization organized and operated to test for public safety Section 509(a)(4) (See page 8 of the instructions )

**Part IV-A Support Schedule** (Complete only if you checked a box on line 10, 11, or 12) **Use cash method of accounting.**  
 Note: You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting

Calendar year (or fiscal year beginning in)	(a) 2006	(b) 2005	(c) 2004	(d) 2003	(e) Total
<b>15</b> Gifts, grants, and contributions received (Do not include unusual grants. See line 28.)	1,025,223.	1,621,154.	1,218,044.	1,017,351.	4,881,772.
<b>16</b> Membership fees received					
<b>17</b> Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose.					
<b>18</b> Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, income from similar sources, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975					
<b>19</b> Net income from unrelated business activities not included in line 18					
<b>20</b> Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
<b>21</b> The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge.					
<b>22</b> Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets.					
<b>23</b> Total of lines 15 through 22	1,025,223.	1,621,154.	1,218,044.	1,017,351.	4,881,772.
<b>24</b> Line 23 minus line 17	1,025,223.	1,621,154.	1,218,044.	1,017,351.	4,881,772.
<b>25</b> Enter 1% of line 23	10,252.	16,212.	12,180.	10,174.	
<b>26</b> Organizations described on lines 10 or 11	<p><b>a</b> Enter 2% of amount in column (e), line 24</p> <p><b>b</b> Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2003 through 2006 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts.</p> <p><b>c</b> Total support for section 509(a)(1) test. Enter line 24, column (e).</p> <p><b>d</b> Add: Amounts from column (e) for lines 18 _____ 19 _____                      22 _____ 26b 1,024,095.</p> <p><b>e</b> Public support (line 26c minus line 26d total)</p> <p><b>f</b> Public support percentage (line 26e (numerator) divided by line 26c (denominator))</p>				<p>26a 97,635.</p> <p>26b 1,024,095.</p> <p>26c 4,881,772.</p> <p>26d 1,024,095.</p> <p>26e 3,857,677.</p> <p>26f 79.0221%</p>
<b>27</b> Organizations described on line 12	<p><b>a</b> For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." Do not file this list with your return. Enter the sum of such amounts for each year: (2006) N/A (2005) (2004) (2003)</p> <p><b>b</b> For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000 (include in the list organizations described in lines 5 through 11b, as well as individuals). Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year: (2006) (2005) (2004) (2003) N/A</p> <p><b>c</b> Add: Amounts from column (e) for lines 15 _____ 16 _____                      17 _____ 20 _____ 21 _____</p> <p><b>d</b> Add: Line 27a total _____ and line 27b total _____</p> <p><b>e</b> Public support (line 27c total minus line 27d total)</p> <p><b>f</b> Total support for section 509(a)(2) test. Enter amount on line 23, column (e)</p> <p><b>g</b> Public support percentage (line 27e (numerator) divided by line 27f (denominator))</p> <p><b>h</b> Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))</p>				<p>27c N/A</p> <p>27d N/A</p> <p>27e N/A</p> <p>27f N/A</p> <p>27g N/A %</p> <p>27h N/A %</p>
<b>28</b> Unusual Grants	<p>For an organization described in line 10, 11, or 12 that received any unusual grants during 2003 through 2006, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.</p> <p style="text-align: center;">NONE</p>				

**Part V Private School Questionnaire** (See page 9 of the instructions )

N/A

**(To be completed ONLY by schools that checked the box on line 6 in Part IV)**

		Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?		
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe, if "No," please explain (If you need more space, attach a separate statement )		
<hr/> <hr/> <hr/>			
32	Does the organization maintain the following		
a	Records indicating the racial composition of the student body, faculty, and administrative staff?	32a	
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	32b	
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32c	
d	Copies of all material used by the organization or on its behalf to solicit contributions? If you answered "No" to any of the above, please explain (If you need more space, attach a separate statement )	32d	
<hr/> <hr/> <hr/>			
33	Does the organization discriminate by race in any way with respect to		
a	Students' rights or privileges?	33a	
b	Admissions policies?	33b	
c	Employment of faculty or administrative staff?	33c	
d	Scholarships or other financial assistance?	33d	
e	Educational policies?	33e	
f	Use of facilities?	33f	
g	Athletic programs?	33g	
h	Other extracurricular activities? If you answered "Yes" to any of the above, please explain (If you need more space, attach a separate statement )	33h	
<hr/> <hr/> <hr/>			
34 a	Does the organization receive any financial aid or assistance from a governmental agency?	34a	
b	Has the organization's right to such aid ever been revoked or suspended? If you answered "Yes" to either 34a or b, please explain using an attached statement	34b	
35	Does the organization certify that it has complied with the applicable requirements of sections 4 01 through 4 05 of Rev Proc 75-50, 1975-2 C B 587, covering racial nondiscrimination? If "No," attach an explanation	35	

**Part VI-A Lobbying Expenditures by Electing Public Charities** (See page 11 of the instructions )

N/A

(To be completed ONLY by an eligible organization that filed Form 5768)

Check  a  if the organization belongs to an affiliated group

Check  b  if you checked "a" and "limited control" provisions apply

**Limits on Lobbying Expenditures**

(The term "expenditures" means amounts paid or incurred )

	(a) Affiliated group totals	(b) To be completed for all electing organizations
	N/A	
36 Total lobbying expenditures to influence public opinion (grassroots lobbying)	36	
37 Total lobbying expenditures to influence a legislative body (direct lobbying)	37	
38 Total lobbying expenditures (add lines 36 and 37)	38	
39 Other exempt purpose expenditures	39	
40 Total exempt purpose expenditures (add lines 38 and 39)	40	
41 Lobbying nontaxable amount Enter the amount from the following table - If the amount on line 40 is - The lobbying nontaxable amount is - Not over \$500,000 20% of the amount on line 40 Over \$500,000 but not over \$1,000,000 \$100,000 plus 15% of the excess over \$500,000 Over \$1,000,000 but not over \$1,500,000 \$175,000 plus 10% of the excess over \$1,000,000 Over \$1,500,000 but not over \$17,000,000 \$225,000 plus 5% of the excess over \$1,500,000 Over \$17,000,000 \$1,000,000	41	
42 Grassroots nontaxable amount (enter 25% of line 41)	42	
43 Subtract line 42 from line 36 Enter -0- if line 42 is more than line 36	43	
44 Subtract line 41 from line 38 Enter -0- if line 41 is more than line 38	44	

**Caution** If there is an amount on either line 43 or line 44, you must file Form 4720

**4-Year Averaging Period Under Section 501(h)**

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below See the instructions for lines 45 through 50 on page 13 of the instructions )

Calendar year (or fiscal year beginning in)	Lobbying Expenditures During 4-Year Averaging Period				N/A (e) Total
	(a) 2007	(b) 2006	(c) 2005	(d) 2004	
45 Lobbying nontaxable amount					0.
46 Lobbying ceiling amount (150% of line 45(e))					0.
47 Total lobbying expenditures					0.
48 Grassroots nontaxable amount					0.
49 Grassroots ceiling amount (150% of line 48(e))					0.
50 Grassroots lobbying expenditures					0.

**Part VI-B Lobbying Activity by Nonelecting Public Charities**

(For reporting only by organizations that did not complete Part VI-A) (See page 14 of the instructions )

N/A

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of	Yes	No	Amount
a Volunteers			
b Paid staff or management (Include compensation in expenses reported on lines c through h )			
c Media advertisements			
d Mailings to members, legislators, or the public			
e Publications, or published or broadcast statements			
f Grants to other organizations for lobbying purposes			
g Direct contact with legislators, their staffs, government officials, or a legislative body			
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means			
i Total lobbying expenditures (Add lines c through h )			0.

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities

**Part VII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations** (See page 14 of the instructions.)

51 Did the reporting organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?

a Transfers from the reporting organization to a noncharitable exempt organization of

- (i) Cash
  - (ii) Other assets
- b Other transactions
- (i) Sales or exchanges of assets with a noncharitable exempt organization
  - (ii) Purchases of assets from a noncharitable exempt organization
  - (iii) Rental of facilities, equipment, or other assets
  - (iv) Reimbursement arrangements
  - (v) Loans or loan guarantees
  - (vi) Performance of services or membership or fundraising solicitations

	Yes	No
51a(i)		X
a(ii)		X
b(i)		X
b(ii)		X
b(iii)		X
b(iv)		X
b(v)		X
b(vi)		X
c		X

c Sharing of facilities, equipment, mailing lists, other assets, or paid employees

d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting organization. If the organization received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received

N/A

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements

52 a Is the organization directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527?  Yes  No

b If "Yes," complete the following schedule N/A

(a) Name of organization	(b) Type of organization	(c) Description of relationship

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FOOTNOTES

STATEMENT 1

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SEE ATTACHED FIXED ASSET SCHEDULE, WHICH TIES OUT TO  
TOTAL FIXED ASSETS, TOTAL ACCUMULATED DEPRECIATION, AND  
TOTAL DEPRECIATION EXPENSE FOR THE YEAR ENDED DECEMBER  
31, 2007.