

Return of Organization Exempt from Income Tax

1997

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

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

This Form is Open to Public Inspection

Department of the Treasury Internal Revenue Service

A For the 1997 calendar year, Or tax year period beginning Oct 1, 1997, and ending Sep 30, 19 98

- B Check if: Change of address, Initial return, Final return, Amended return

C Name of organization: Industrial Areas Foundation, 220 West Kinzie Street, Chicago, IL 60610

D Employer identification Number: 36-2334627, E State registration number, F Check if exemption application is pending

G Type of organization: Exempt under section 501(c) 3 (insert number) or section 4947(a)(1) nonexempt charitable trust

H (a) Is this a group return filed for affiliates? Yes No

(b) If 'Yes,' enter the number of affiliates for which this return is filed

(c) Is this a separate return filed by an organization covered by a group ruling? Yes No

K Check here if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS; but if it received a Form 990 package in the mail, it should file a return without financial data.

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (see instructions)

Table with 21 rows and 3 columns: Description, Sub-column, Amount. Includes rows for Contributions, Program service revenue, Membership dues, Dividends, Gross rents, Other investment income, Special events, Total revenue, Total expenses, and Net assets.

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**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
22	Grants and allocations (attach schedule) (cash \$ _____ non-cash \$ _____)	22			
23	Specific assistance to individuals (attach sch)	23			
24	Benefits paid to or for members (attach sch)	24			
25	Compensation of officers, directors, etc	25	117,997.	58,999.	58,998.
26	Other salaries and wages	26	772,947.	702,241.	70,706.
27	Pension plan contributions	27	122,167.	109,950.	12,217.
28	Other employee benefits	28	152,776.	76,388.	76,388.
29	Payroll taxes	29	55,814.	47,442.	8,372.
30	Professional fundraising fees	30			
31	Accounting fees	31	11,000.		11,000.
32	Legal fees	32	1,979.		1,979.
33	Supplies	33			
34	Telephone	34	41,507.	27,810.	13,697.
35	Postage and shipping	35	3,129.	1,564.	1,565.
36	Occupancy	36	37,572.	18,786.	18,786.
37	Equipment rental and maintenance	37	4,651.	698.	3,953.
38	Printing and publications	38			
39	Travel	39	157,840.	157,840.	
40	Conferences, conventions, and meetings	40	33,795.	16,897.	16,898.
41	Interest	41			
42	Depreciation, depletion, etc (attach schedule)	42	4,143.		4,143.
43	Other expenses (itemize): a	43a			
	b CONSULTING FEES	43b	101,186.	101,186.	
	c PROV FOR UNCOLL. REC.	43c	101,000.	101,000.	
	d BOOKS/SUBSCRIPTIONS	43d	16,834.	16,834.	
	e See Line 43 Statement	43e	8,146.	618.	7,528.
44	Total functional expenses (add lines 22 - 43) Organizations completing columns (B) - (D), carry these totals to lines 13 - 15	44	1,744,483.	1,438,253.	306,230.

**Reporting of Joint Costs** - Did you report in column (B) (program services) any joint costs from a combined educational campaign and fundraising solicitation?  Yes  No  
 If 'Yes,' enter (i) the aggregate amount of these joint costs \$ \_\_\_\_\_; (ii) the amount allocated to program services \$ \_\_\_\_\_; (iii) the amount allocated to management and general \$ \_\_\_\_\_; and (iv) the amount allocated to fundraising \$ \_\_\_\_\_.

**Part III Statement of Program Service Accomplishments**

What is the organization's primary exempt purpose?  COMMUNITY ORGANIZATION/DEVELOP

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) & (4) organizations & section 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants & allocations to others.)

Program Service Expenses (Required for 501(c)(3) and (4) organizations and 4947(a)(1) trusts; but optional for others.)	
a Training seminars and conventions serving sponsoring organizations. (Grants and allocations \$ _____)	1,438,253.
b _____ (Grants and allocations \$ _____)	
c _____ (Grants and allocations \$ _____)	
d _____ (Grants and allocations \$ _____)	
e Other program services _____ (Grants and allocations \$ _____)	
f Total of Program Service Expenses (should equal line 44, column (B), program services)	1,438,253.

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

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

		(A)		(B)	
		Beginning of year		End of year	
ASSETS	45 Cash - non-interest-bearing.....		45		
	46 Savings and temporary cash investments.....	1,291,039.	46	1,178,115.	
	47a Accounts receivable.....	47a 5,637.			
	b Less: allowance for doubtful accounts.....	47b			
			6,743.	47c	5,637.
	48a Pledges receivable.....	48a			
	b Less: allowance for doubtful accounts.....	48b			
	49 Grants receivable.....		413,494.	49	440,500.
	50 Receivables from officers, directors, trustees, and key employees (attach schedule).....			50	
	51a Other notes & loans receivable (attach schedule).....	51a			
	b Less: allowance for doubtful accounts.....	51b			
	52 Inventories for sale or use.....			52c	
	53 Prepaid expenses and deferred charges.....		53,647.	53	62,114.
	54 Investments - securities (attach schedule)..... L-54 Stmt.....		213,133.	54	224,537.
	55a Investments - land, buildings, & equipment: basis.....	55a			
	b Less: accumulated depreciation (attach schedule).....	55b			
	56 Investments - other (attach schedule).....			55c	
	57a Land, buildings, and equipment: basis.....	57a 37,305.			
	b Less: accumulated depreciation (attach schedule)..... L-57 Stmt.....	57b 22,231.			
58 Other assets (describe ▶ L-58 Stmt.....)		17,560.	57c	15,074.	
59 <b>Total assets</b> (add lines 45 through 58) (must equal line 74).....		248,592.	58	257,949.	
LIABILITIES	60 Accounts payable and accrued expenses.....	2,244,208.	59	2,183,926.	
	61 Grants payable.....	145,076.	60	82,132.	
	62 Deferred revenue.....		61		
	63 Loans from officers, directors, trustees, and key employees (attach schedule).....	70,502.	62	55,008.	
	64a Tax-exempt bond liabilities (attach schedule).....		63		
	b Mortgages and other notes payable (attach schedule).....		64a		
	65 Other liabilities (describe ▶ L-65 Stmt.....)		115,000.	64b	115,000.
66 <b>Total liabilities</b> (add lines 60 through 65).....		73,988.	65	64,545.	
NET ASSETS OR FUND BALANCES	Organizations that follow SFAS 117, check here ▶ <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.	404,566.	66	316,685.	
	67 Unrestricted.....				
	68 Temporarily restricted.....	1,731,641.	67	1,773,240.	
	69 Permanently restricted.....	108,001.	68	94,001.	
	Organizations that do not follow SFAS 117, check here ▶ <input type="checkbox"/> and complete lines 70 through 74.			69	
	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).....		1,839,642.	73	1,867,241.	
74 <b>Total liabilities and net assets/fund balances</b> (add lines 66 and 73).....		2,244,208.	74	2,183,926.	

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.

BAA

**Part IV A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return** (See instructions.)

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

a	Total revenue, gains, and other support per audited financial statements	a	1,772,082.
b	Amounts included on line a but not on line 12, Form 990:		
(1)	Net unrealized gains on investments		\$
(2)	Donated services and use of facilities		\$
(3)	Recoveries of prior year grants		\$
(4)	Other (specify):		\$
	Add amounts on lines (1) through (4)	b	
c	Line a minus line b	c	1,772,082.
d	Amounts included on line 12, Form 990 but not on line a:		
(1)	Investment expenses not included on line 6b, Form 990		\$
(2)	Other (specify):		\$
	Add amounts on lines (1) and (2)	d	
e	Total revenue per line 12, Form 990 (line c plus line d)	e	1,772,082.

a	Total expenses and losses per audited financial statements	a	1,744,483.
b	Amounts included on line a but not on line 17, Form 990:		
(1)	Donated services and use of facilities		\$
(2)	Prior year adjustments reported on line 20, Form 990		\$
(3)	Losses reported on line 20, Form 990		\$
(4)	Other (specify):		\$
	Add amounts on lines (1) through (4)	b	
c	Line a minus line b	c	1,744,483.
d	Amounts included on line 17, Form 990 but not on line a:		
(1)	Investment expenses not included on line 6b, Form 990		\$
(2)	Other (specify):		\$
	Add amounts on lines (1) and (2)	d	
e	Total expenses per line 17, Form 990 (line c plus line d)	e	1,744,483.

**Part V List of Officers, Directors, Trustees, and Key Employees** (List each one even if not compensated; see 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	(E) Expense account and other allowances
SEE ATTACHED OFFICERS STMT				
See Officers Stmt		117,997.	1,790.	0.

75 Did any officer, director, trustee, or key employee receive aggregate compensation of more than \$100,000 from your organization and all related organizations, of which more than \$10,000 was provided by the related organizations?  Yes  No  
 If 'Yes,' attach schedule - see instructions.

**Part VI Other Information** (See specific instructions)

		Yes	No
76	Did the organization engage in any activity not previously reported to the IRS? If 'Yes,' attach a detailed description of each activity		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.		X
78a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?		X
78b	b If 'Yes,' has it filed a tax return on Form 990-T for this year?		
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If 'Yes,' attach a statement		X
80a	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? b If 'Yes,' enter the name of the organization		X
----- and check whether it is <input type="checkbox"/> exempt or <input type="checkbox"/> nonexempt.			
81a	Enter the amount of political expenditures, direct or indirect, as described in the instructions <b>81a</b>		
81b	b Did the organization file Form 1120-POL for this year?		
82a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value? b If 'Yes,' you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions for reporting in Part III.)		X
82b	..... <b>82b</b>		
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
83b	b Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	X	
84a	Did the organization solicit any contributions or gifts that were not tax deductible? b If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		X
84b	.....		
85a	501(c)(4), (5), or (6) organizations - a Were substantially all dues nondeductible by members?		
85b	b Did the organization make only in-house lobbying expenditures of \$2,000 or less? If 'Yes' was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.		
85c	c Dues, assessments, and similar amounts from members		
85d	d Section 162(e) lobbying and political expenditures		
85e	e Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices		
85f	f Taxable amount of lobbying and political expenditures (line 85d less 85e)		
85g	g Does the organization elect to pay the section 6033(e) tax on the amount in 85f?		
85h	h If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount in 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?		
86	501(c)(7) organizations - Enter: a Initiation fees and capital contributions included on line 12		
86a	..... <b>86a</b>		
86b	b Gross receipts, included on line 12, for public use of club facilities		
87a	501(c)(12) organizations - Enter: a Gross income from members or shareholders		
87a	..... <b>87a</b>		
87b	b Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)		
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership? If 'Yes,' complete Part IX		X
89a	501(c)(3) organizations - Enter: Amount of tax paid during the year under: section 4911; section 4912; section 4955		
89b	b 501(c)(3) and 501(c)(4) organizations - Did the organization engage in any section 4958 excess benefit transaction during the year? If 'Yes,' attach a statement explaining each transaction		X
	c Enter: Amount of tax paid by the organization managers or disqualified persons during the year under section 4912, 4955, and 4958		
	d Enter: Amount of tax in 89c, above, reimbursed by the organization		
90a	List the states with which a copy of this return is filed		
90b	b Number of employees employed in the pay period that includes March 12, 1997 (see instructions)		11
91	The books are in care of Industrial Areas Found Telephone number (312) 245-9211 Located at 220 West Kinzie St., Chicago, IL ZIP + 4 60610		
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		

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

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) Exclusion code	(D) Amount	
93 Program service revenue:					
a Sponsoring Organ.					
b Fees					
c					
d					1,702,572.
e					
f Medicare/Medicaid payments					
g Fees & contracts from government agencies					
94 Membership dues and assessments					
95 Int on savings & temporary cash invmnts					
96 Dividends and interest from securities			14	54,923.	
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 pers prop					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory			18	12,179.	
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue					
a					
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), & (E))				67,102.	1,702,572.
105 Total (add line 104, columns (B), (D), and (E))					1,769,674.

Note: (Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I.)

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

93b Industrial Areas Foundation aids in the development of programs for the solution of problems of American industrial areas.

**Part IX Information Regarding Taxable Subsidiaries** (Complete this Part if the 'Yes' box on line 88 is checked.)

Name, address, and employer identification number of corporation or partnership	Percentage of ownership interest	Nature of business activities	Total income	End-of-year assets
	%			
	%			
	%			
	%			

Under penalties of perjury, I declare that I am the preparer of this return.

accompanying schedules and statements, and to the best of my knowledge and belief, it is on all information of which preparer has any knowledge. (See instructions.)

1/26/99  
Date

President  
Title

**Organization Exempt Under Section 501(c)(3)**  
(Except Private Foundation) and Section 501(e), 501(f), 501(k),  
501(n), or Section 4947(a)(1) Nonexempt Charitable Trust  
Supplementary Information  
See separate instructions.

OMB No. 1545-0047

**1997**

Department of the Treasury  
Internal Revenue Service

▶ Must be completed by the above organizations and attached to their Form 990 or 990-EZ.

Name of the Organization

Industrial Areas Foundation

Employer Identification Number

36-2334627

**Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees**  
(See instructions. List each one. If there are none, enter 'None')

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
SEE ATTACHED				
COMPENSATION STATEMENT				
Total number of other employees paid over \$50,000 .....				

**Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services**  
(See instructions. List each one (whether individuals or firms). If there are none, enter 'None.')

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over \$50,000 for professional services .....	NONE	

**Part III Statements About Activities**

	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... ▶ \$ _____ 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.	1	X
2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any of its 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:		
a Sale, exchange, or leasing of property? .....	2a	X
b Lending of money or other extension of credit? .....	2b	X
c Furnishing of goods, services, or facilities? .....	2c	X
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? See Part V, Form 990 .....	2d	X
e Transfer of any part of its income or assets? .....	2e	X
If the answer to any question is 'Yes,' attach a detailed statement explaining the transactions.		
3 Does the organization make grants for scholarships, fellowships, student loans, etc? .....	3	X
4 Attach a statement to explain how the organization determines that individuals or organizations receiving grants or loans from it in furtherance of its charitable programs qualify to receive payments. (See instructions.)		

**Part IV Reason for Non-Private Foundation Status (See instructions.)**

- 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, page 4.)
  - 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 supports organizations described in: (1) lines 5 through 12 above; or (2) section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2). (See section 509(a)(3).)

Provide the following information about the supported organizations. (See instructions.)

(a) Name(s) of supported organization(s)	(b) Line number from above

14  An organization organized and operated to test for public safety. Section 509(a)(4). (See 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) 1996	(b) 1995	(c) 1994	(d) 1993	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.) ....		8,900.	5,120.	16,930.	30,950.
16 Membership fees received.....					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is not a business unrelated to the organization's charitable, etc, purpose .....	1,710,744.	1,779,392.	1,673,503.	1,517,319.	6,680,958.
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975 .....	66,838.	54,522.	42,152.	25,678.	189,190.
19 Net income from unrelated business activities not included in line 18 .....					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf .....					
21 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 .....					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets .....					
23 Total of lines 15 through 22 .....	1,777,582.	1,842,814.	1,720,775.	1,559,927.	6,901,098.
24 Line 23 minus line 17 .....	66,838.	63,422.	47,272.	42,608.	220,140.
25 Enter 1% of line 23 .....	17,776.	18,428.	17,208.	15,599.	
26 Organizations described in lines 10 or 11:					
a Enter 2% of amount in column (e), line 24 .....					26a
b Attach a list (which is not open to public inspection) showing the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 1993 through 1996 exceeded the amount shown in line 26a. Enter the sum of all these excess amounts .....					26b
c Total support for section 509(a)(1) test: Enter line 24, column (e) .....					26c
d Add: Amounts from column (e) for lines:	18	19			
	22	26b			26d
e Public support (line 26c minus line 26d total).....					26e
f Public support percentage (line 26e (numerator) divided by line 26c (denominator)) .....					26f %
27 Organizations described on line 12:					
a For amounts included in lines 15, 16, and 17 that were received from a 'disqualified person,' attach a list to show the name of, and total amounts received in each year from, each 'disqualified person.' Enter the sum of such amounts for each year:					
(1996) _____ (1995) _____ (1994) _____ (1993) _____					
b For any amount included in line 17 that was received from a nondisqualified person, attach a list 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 11, as well as individuals.) 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:					
(1996) _____ (1995) _____ (1994) _____ (1993) _____					
c Add: Amounts from column (e) for lines:	15	16			
	17	20			27c
d Add: Line 27a total .....	and line 27b total .....				27d
e Public support (line 27c total minus line 27d total) .....					27e
f Total support for section 509(a)(2) test: Enter amount on line 23, column (e).....					27f \$ 6,901,098.
g Public support percentage (line 27e (numerator) divided by line 27f (denominator)) .....					27g 97.26 %
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator)) .....					27h 2.74 %

28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 1993 through 1996, attach a list (which is not open to public inspection) for each year showing the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not include these grants in line 15. (See instructions)

**Part V Private School Questionnaire** (See instructions.)  
 (To be completed Only by schools that checked the box on line 6 in Part IV)

		N/A	
		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.) ----- ----- -----		
32	Does the organization maintain the following:		
	a Records indicating the racial composition of the student body, faculty, and administrative staff? .....		
	b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis? .....		
	c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships? .....		
	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.) ----- -----		
33	Does the organization discriminate by race in any way with respect to:		
	a Students' rights or privileges? .....		
	b Admissions policies? .....		
	c Employment of faculty or administrative staff?.....		
	d Scholarships or other financial assistance?.....		
	e Educational policies? .....		
	f Use of facilities? .....		
	g Athletic programs? .....		
	h Other extracurricular activities? .....		
	If you answered 'Yes' to any of the above, please explain. (If you need more space, attach a separate statement.) ----- -----		
34a	Does the organization receive any financial aid or assistance from a governmental agency?.....		
	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.		
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.....		

**Part VI-A Lobbying Expenditures by Electing Public Charities** (See instructions.)  
 (To be completed **Only** by an eligible organization that filed Form 5768)

Check here  **a** if the organization belongs to an affiliated group. N/A  
 Check here  **b** if you checked 'a' above and 'limited control' provisions apply.

Limits on Lobbying Expenditures		(a) Affiliated group totals	(b) To be completed for all electing organizations
(The term 'expenditures' means amounts paid or incurred.)			
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 —		
	<b>If the amount on line 40 is —</b>		
	<b>The lobbying nontaxable amount is —</b>		
	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 .....	
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.)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 1997	(b) 1996	(c) 1995	(d) 1994	(e) Total
45	Lobbying nontaxable amount .....				
46	Lobbying ceiling amount (150% of line 45(e)) .....				
47	Total lobbying expenditures .....				
48	Grassroots nontaxable amount .....				
49	Grassroots ceiling amount (150% of line 48(e)) .....				
50	Grassroots lobbying expenditures .....				

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

(For reporting only by organizations that did not complete Part VI-A) (See instructions.)

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 .....			X	
b	Paid staff or management (include compensation in expenses reported on lines c through h) .....			X	
c	Media advertisements .....			X	
d	Mailings to members, legislators, or the public .....			X	
e	Publications, or published or broadcast statements .....			X	
f	Grants to other organizations for lobbying purposes .....			X	
g	Direct contact with legislators, their staffs, government officials, or a legislative body .....			X	
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means .....			X	
i	Total lobbying expenditures (add lines c through h) .....				

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**

**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:

		Yes	No
<b>(i)</b> Cash .....	51 a (i)		X
<b>(ii)</b> Other assets .....	a (ii)		X
<b>b</b> Other transactions:			
<b>(i)</b> Sales of assets to a noncharitable exempt organization .....	b (i)		X
<b>(ii)</b> Purchases of assets from a noncharitable exempt organization .....	b (ii)		X
<b>(iii)</b> Rental of facilities or equipment .....	b (iii)		X
<b>(iv)</b> Reimbursement arrangements .....	b (iv)		X
<b>(v)</b> Loans or loan guarantees .....	b (v)		X
<b>(vi)</b> Performance of services or membership or fundraising solicitations .....	b (vi)		X
<b>c</b> Sharing of facilities, equipment, mailing lists, other assets, or paid employees .....	c		X

**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.

(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:

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

Form 990, Page 2, Part II, Line 43

**Line 43 Statement**

Other expenses (itemize): a _____				
INSURANCE	923.	618.	305.	
TEMPORARY STAFF	2,570.		2,570.	
MOVING	4,653.		4,653.	
Total	8,146.	618.	7,528.	

Form 990, Page 3, Line 54 Supporting Statement

**Line 54 Statement**

Line 54 – Investments - Securities:	Beginning of Year	End of Year
EXXON CORP. (210 shares)	13,453.	14,739.
FEDERAL HOME LOAN MTG. CORP. DISCOUNT NOTE	199,680.	209,798.
Total	213,133.	224,537.

Form 990, Page 3, Part IV, Lines 57a & 57b  
**Lines 57a & 57b Statement**

	(a) Cost/Other Basis	(b) Accumulated Depreciation	(c) Book Value
FURNITURE & EQUIPMENT	37,305.	22,231.	15,074.
Total	37,305.	22,231.	15,074.

Form 990, Page 3, Line 58 Supporting Statement  
**Line 58 Statement**

Line 58 – Other Assets:	Beginning of Year	End of Year
CASH SURRENDER VALUE OF OFFICER AND FACULTY LIFE INSURANCE	245,172.	256,719.
SECURITY DEPOSITS	920.	830.
OTHER MISC. ASSETS	2,500.	400.
Total	248,592.	257,949.

Form 990, Page 3, Line 65 Supporting Statement  
**Line 65 Statement**

Line 65 – Other Liabilities:	Beginning of Year	End of Year
CUSTODIAL OBLIGATIONS	73,988.	64,545.
Total	73,988.	64,545.

Form 990, Page 4, Part V

## Officers Stmt

(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 and deferred compensation	(E) Expense account and other allowances
MARVIN D. WURTH CHILMARK, MA 02535	PRESIDENT 5	0.	0.	0.
D. BARRY MENEZ POUGHKEEPSIE, NY	VICE PRES 5	0.	0.	0.
MSGR. JOHN J. EGAN CHICAGO, IL 60604	TREASURER 5	0.	0.	0.
DR. JEAN BETHKE ELSHTAIN NASHVILLE, TN 37215	SECRETARY 5	0.	0.	0.
SIDNEY PERLSTADT CHICAGO, IL 60611	MEMBER 5	0.	0.	0.
REV. HAYES ROCKWELL ST. LOUIS, MO	MEMBER 5	0.	0.	0.
THOMAS J. BOODELL, JR CHICAGO, IL 60601	MEMBER 5	0.	0.	0.
BISHOP JOHN ADAMS COLUMBIA, SC 29223	MEMBER 5	0.	0.	0.
EDWARD T. CHAMBERS CHICAGO, IL 60610	EXEC DIR 65	117,997.	1,790.	0.
Total		117,997.	1,790.	0.

**Supporting Statement of:**

Form 990 p 1/Line 7 Amount-1

Description	Amount
GAIN ON GOVERNMENT SECURITIES	10,893.
UNREALIZED GAIN ON SECURITIES	1,286.
Total	12,179.

**Supporting Statement of:**

Form 990 p 3/Line 64b, column (B)

Description	Amount
FRIARS OF THE ATONEMENT	50,000.
SISTERS OF CHARITY, MT. ST. VINCENT	25,000.
SISTERS OF PRESENTATION OF THE BLESSED VIRGIN	20,000.
SISTERS OF DIVINE COMPASSION	10,000.
SISTERS OF NOTRE DAME	10,000.
Total	115,000.

Form 990, Page 1, Schedule A, Part I

**Compensation Statement****Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees**

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & def comp	(e) Expense account and other allowances
ERNEST CORTES JR., 220 W. KINZIE ST. CHI, ILL 60610	SUPERVISOR 60	105,500	163	0
LARRY MCNEIL, 220 W. KINZIE ST. CHI, ILL 60610	SUPERVISOR 60	100,200	110	0
ARNOLD GRAF, 220 W. KINZIE ST. CHI, ILL 60610	SUPERVISOR 60	95,833	172	0
MICHAEL GECAN, 220 W. KINZIE ST. CHI, ILL 60610	SUPERVISOR 60	95,000	97	0
JAMES DRAKE, 220 W. KINZIE ST. CHI, ILL 60610	SUPERVISOR 60	80,833	0	0
Total number of other employees paid over \$50,000.....		THREE		