

Return of Organization Exempt from Income Tax

1998

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

Department of the Treasury Internal Revenue Service

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

This Form is Open to Public Inspection

A For the 1998 calendar year, Or tax year period beginning Oct 1, 1998, and ending Sep 30, 19 99

B Check if:

- Change of address
Initial return
Final return
Amended return (required also for state reporting)

Please use IRS label or print or type. See specific instructions.

C Name of organization

Industrial Areas Foundation

Number & street (or P.O. box if mail is not delivered to street addr) Room/suite

220 West Kinzie Street

City, Town or Country

Chicago

State ZIP + 4

IL 60610

D Employer Identification Number

36-2334627

E Telephone 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

Note: Section 501(c)(3) exempt organizations and 4947(a)(1) nonexempt charitable trusts Must attach a completed Schedule A (Form 990).

H (a) Is this a group return filed for affiliates? Yes No I If either box in H is checked 'Yes,' enter four-digit group exemption number (GEN)

(b) If 'Yes,' enter the number of affiliates for which this return is filed J Accounting method: Cash Accrual

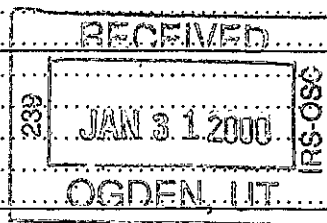
(c) Is this a separate return filed by an organization covered by a group ruling? Yes No Other (specify)

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. Some states require a complete return.

Note: Form 990-EZ may be used by organizations with gross receipts less than \$100,000 and total assets less than \$250,000 at end of year.

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

Table with 21 rows and 4 columns: Description, Sub-column, Amount, Total. Includes sections for Contributions, Program Service Revenue, Other Investment Income, Special Events, and Total Revenue/Expenses.



SCANNED FEB 17 00

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	121,326.	60,663.	60,663.	
26 Other salaries and wages	26	799,600.	723,900.	75,700.	
27 Pension plan contributions	27	115,881.	104,293.	11,588.	
28 Other employee benefits	28	147,465.	73,733.	73,732.	
29 Payroll taxes	29	57,300.	48,705.	8,595.	
30 Professional fundraising fees	30				
31 Accounting fees	31	11,000.		11,000.	
32 Legal fees	32				
33 Supplies	33				
34 Telephone	34	42,560.	28,515.	14,045.	
35 Postage and shipping	35	5,061.	2,530.	2,531.	
36 Occupancy	36	44,079.	22,040.	22,039.	
37 Equipment rental and maintenance	37	9,241.	1,386.	7,855.	
38 Printing and publications	38				
39 Travel	39	191,576.	191,576.		
40 Conferences, conventions, and meetings	40	12,280.	6,140.	6,140.	
41 Interest	41				
42 Depreciation, depletion, etc (attach schedule)	42	3,727.		3,727.	
43 Other expenses (itemize): a	43a				
b Consulting Fees	43b	102,189.	102,189.		
c Prov. for uncoll. rec.	43c	113,730.	113,730.		
d Books/Subscriptions	43d	18,554.	18,554.		
e See Other Expenses Stmt	43e	3,805.	552.	3,253.	
44 Total functional expenses (add lines 22 - 43) Organizations completing columns (B) - (D), carry these totals to lines 13 - 15	44	1,799,374.	1,498,506.	300,868.	

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? <u>Community organization/develop.</u>	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 \$ _____)	1,498,506.
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)	1,498,506.

Part IV Balance Sheets (See instructions)

		(A) Beginning of year		(B) End of year	
Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.					
ASSETS	45	Cash — non-interest-bearing.....		45	
	46	Savings and temporary cash investments.....	1,178,115.	46	1,158,549.
	47a	Accounts receivable.....		47a	
		b Less: allowance for doubtful accounts.....		47b	
			5,637.	47c	
	48a	Pledges receivable.....		48a	
		b Less: allowance for doubtful accounts.....		48b	
				48c	
	49	Grants receivable.....	440,500.	49	317,585.
	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	
				51c	
	52	Inventories for sale or use.....		52	
	53	Prepaid expenses and deferred charges.....	62,114.	53	45,536.
54	Investments — securities (attach schedule)..... L-54 Stmt....	224,537.	54	234,834.	
55a	Investments — land, buildings, & equipment: basis.....		55a		
	b Less: accumulated depreciation (attach schedule).....		55b		
			55c		
56	Investments — other (attach schedule).....		56		
57a	Land, buildings, and equipment: basis.....	37,306.	57a		
	b Less: accumulated depreciation (attach schedule)..... L-57 Stmt.....	25,959.	57b		
		15,074.	57c	11,347.	
58	Other assets (describe ▶ See Line 58 Stmt.....)	257,949.	58	293,323.	
59	Total assets (add lines 45 through 58) (must equal line 74).....	2,183,926.	59	2,061,174.	
LIABILITIES	60	Accounts payable and accrued expenses.....	92,132.	60	56,000.
	61	Grants payable.....		61	
	62	Deferred revenue.....	45,008.	62	46,167.
	63	Loans from officers, directors, trustees, and key employees (attach schedule).....		63	
	64a	Tax-exempt bond liabilities (attach schedule).....		64a	
		b Mortgages and other notes payable (attach schedule).....	115,000.	64b	95,000.
	65	Other liabilities (describe ▶ See Line 65 Stmt.....)	64,545.	65	72,659.
66	Total liabilities (add lines 60 through 65).....	316,685.	66	269,826.	
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.				
	67	Unrestricted.....	1,773,240.	67	1,693,021.
	68	Temporarily restricted.....	94,001.	68	98,327.
	69	Permanently restricted.....		69	
	Organizations that do not follow SFAS 117, check here <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	Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72; column (A) must equal line 19 and column (B) must equal line 21).....	1,867,241.	73	1,791,348.	
74	Total liabilities and net assets/fund balances (add lines 66 and 73).....	2,183,926.	74	2,061,174.	

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.

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

a	Total revenue, gains, and other support per audited financial statements	a	1,723,481.
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	1,723,481.
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	1,723,481.

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

a	Total expenses and losses per audited financial statements	a	1,799,374.
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	1,799,374.
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	1,799,374.

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 and deferred compensation	(E) Expense account and other allowances
See attached schedule				
See List of Officers, Etc. Statement				

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?		X
81a	b If 'Yes,' enter the name of the organization _____ 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 81a		
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?		X
82b	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.)		
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?		X
84b	b If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
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?		
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?		
86a	86 501(c)(7) organizations - Enter: a Initiation fees and capital contributions included on line 12		
86b	b Gross receipts, included on line 12, for public use of club facilities		
87a	87 501(c)(12) organizations - Enter: a Gross income from members or shareholders		
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	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	89a 501(c)(3) organizations - Enter: Amount of tax imposed on the organization during the year under: section 4911 <u>0.</u> ; section 4912 <u>0.</u> ; section 4955 <u>0.</u>		
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 on line 89c, above, reimbursed by the organization		
90a	90a List the states with which a copy of this return is filed <u>Illinois</u>		
90b	b Number of employees employed in the pay period that includes March 12, 1998 (see instructions)		11
91	91 The books are in care of <u>Industrial Areas Found.</u> Telephone number <u>(312) 245-9211</u> Located at <u>220 West Kinzie St., Chicago</u> IL ZIP + 4 <u>60610</u>		
92	92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 - Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the tax year. <u>92</u>		

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.		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?		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 .P.T. .V., .Fm. 990	X	
e Transfer of any part of its income or assets?		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?		X
4a Do you have a section 403(b) annuity plan for your employees?		X
b 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) 1997	(b) 1996	(c) 1995	(d) 1994	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	2,408.		8,900.	5,120.	16,428.
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	1,702,572.	1,710,744.	1,779,392.	1,673,503.	6,866,211.
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	67,102.	66,838.	54,522.	42,152.	230,614.
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	1,772,082.	1,777,582.	1,842,814.	1,720,775.	7,113,253.
24 Line 23 minus line 17	69,510.	66,838.	63,422.	47,272.	247,042.
25 Enter 1% of line 23	17,721.	17,776.	18,428.	17,208.	
26 Organizations described on 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 1994 through 1997 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: (1997) _____ (1996) _____ (1995) _____ (1994) _____ 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: (1997) _____ (1996) _____ (1995) _____ (1994) _____ c Add: Amounts from column (e) for lines: 15 _____ 16,428. 16 _____ 17 6,866,211. 20 _____ 21 _____ ...					27c 6,882,639.
d Add: Line 27a total and line 27b total					27d
e Public support (line 27c total minus line 27d total)					27e 6,882,639.
f Total support for Section 509(a)(2) test: Enter amount on line 23, column (e)					27f 7,113,253.
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))					27g 96.76 %
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					27h 3.24 %

28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 1994 through 1997, 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:		
32a	a Records indicating the racial composition of the student body, faculty, and administrative staff?.....		
32b	b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?		
32c	c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?.....		
32d	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:		
33a	a Students' rights or privileges?.....		
33b	b Admissions policies?		
33c	c Employment of faculty or administrative staff?.....		
33d	d Scholarships or other financial assistance?.....		
33e	e Educational policies?		
33f	f Use of facilities?		
33g	g Athletic programs?		
33h	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?.....		
34b	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)

N/A

Check here a if the organization belongs to an affiliated group.
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 —		
	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	
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) 1998	(b) 1997	(c) 1996	(d) 1995	(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 (See instructions.)
(For reporting only by organizations that did not complete Part VI-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		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.

Form 990, Page 1, Line 7

Other Investment Income Statement

Other investment income (describe)

Gain on government securities	10,040.
Unrealized loss on securities	-85.
Total	9,955.

Form 990, Page 2, Part II, Line 43

Other Expenses Stmt

	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
Other expenses (itemize):				
Insurance	825.	552.	273.	
Temporary Staff	2,980.		2,980.	
Total	3,805.	552.	3,253.	

Form 990, Page 3, Part IV, Line 54

Investments - Securities Statement

Line 54 - Investments - Securities:	Beginning of Year	End of Year
Exxon Corp. (210 shares)	14,739.	15,934.
Federal Home Loan Mtg. Corp. Discount Note	209,798.	218,900.
Total	224,537.	234,834.

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

Land, Buildings and Equipment Statement

	(a) Cost/Other Basis	(b) Accumulated Depreciation	(c) Book Value
FURNITURE AND EQUIPMENT	37,306.	25,959.	11,347.
Total	37,306.	25,959.	11,347.

Form 990, Page 3, Part IV, Line 58

Other Assets Statement

Line 58 - Other Assets:	Beginning of Year	End of Year
Cash Surrender Value of Officer and Faculty Life Insurance	256,719.	292,300.
Security Deposits	830.	830.
Other Misc. Assets	400.	193.

Form 990, Page 3, Part IV, Line 58

Continued

Other Assets Statement

Line 58 - Other Assets:	Beginning of Year	End of Year
Total	<u>257,949.</u>	<u>293,323.</u>

Form 990, Page 3, Part IV, Line 65

Other Liabilities Statement

Line 65 - Other Liabilities:	Beginning of Year	End of Year
Custodial Obligations	64,545.	72,659.
Total	<u>64,545.</u>	<u>72,659.</u>

Form 990, Page 4, Part V

List of Officers, Etc. Statement

(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	V. Pres. 5	0.	0.	0.
Msgr. John J. Egan Chicago, IL 60604	Treasurer 5	0.	0.	0.
Dr. Jean Elshtain Nashville, TN 37215	Secretary 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.
Sidney Perlstadt Chicago, IL 60611	Member 5	0.	0.	0.
Edward T. Chambers Chicago, IL 60610	Exec Dir 65	121,326.	8,765.	0.
Total		<u>121,326.</u>	<u>8,765.</u>	<u>0.</u>

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 Divine Compassion	10,000.
Sisters of Notre Dame	10,000.
Total	<u>95,000.</u>