Form 990

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)

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

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

<table>
<thead>
<tr>
<th>A For the 2007 calendar year, or tax year beginning 01-01-2007 and ending 12-31-2007</th>
</tr>
</thead>
</table>

| B Check if applicable |
| Address change |
| Name change |
| Initial return |
| Final return |
| Amended return |
| Application pending |

C Name of organization
BLUEGRASS INSTITUTE FOR PUBLIC SOLUTIONS

D Employer identification number
11-3691843

E Telephone number
(270) 782-2140

F Accounting method $ Cash $ Accrual

G Web site:
www.bippbs.org

H and I are not applicable to section 527 organizations

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

H(b) If "Yes," enter number of affiliates $-

H(c) Are all affiliates included?
Yes $ No $ 

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

I Exemption Number

L Gross receipts Add lines 6b, 9b, and 10b to line 12 $322,534

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

<table>
<thead>
<tr>
<th>1 Contributions, gifts, grants, and similar amounts received</th>
</tr>
</thead>
<tbody>
<tr>
<td>a Contributions to donor advised funds $322,534</td>
</tr>
</tbody>
</table>
| b Direct public support (not included on line 1a) $-
| c Indirect public support (not included on line 1a) $-
| d Government contributions (grants) (not included on line 1a) $-

<table>
<thead>
<tr>
<th>2 Program service revenue including government fees and contracts (from Part VII, line 93)</th>
</tr>
</thead>
</table>
| 2 $-

<table>
<thead>
<tr>
<th>3 Membership dues and assessments</th>
</tr>
</thead>
</table>
| 3 $-

<table>
<thead>
<tr>
<th>4 Interest on investments and temporary cash investments</th>
</tr>
</thead>
</table>
| 4 $-

<table>
<thead>
<tr>
<th>5 Dividends and interest from securities</th>
</tr>
</thead>
</table>
| 5 $-

| 6a Gross rents $-
|---|
| 6a $-

| 6b Less rental expenses $-
|---|
| 6b $-

<table>
<thead>
<tr>
<th>7 Other investment income (describe $-)</th>
</tr>
</thead>
</table>
| 7 $-

<table>
<thead>
<tr>
<th>8a Gross amount from sales of assets other than inventory (A) Securities (B) Other</th>
</tr>
</thead>
</table>
| 8a $-

| 8b Less cost or other basis and sales expenses $-
|---|
| 8b $-

| 8c Gain or (loss) (attach schedule) $-
|---|
| 8c $-

| 9 Special events and activities (attach schedule) If any amount is from gaming, check here $-
|---|
| 9 $-

| 9a Gross revenue (not including $ of contributions reported on line 1b) $-
|---|
| 9a $-

| 9b Less direct expenses other than fundraising expenses $-
|---|
| 9b $-

| 9c Net income or (loss) from special events Subtract line 9b from line 9a $-
|---|
| 9c $-

| 10a Gross sales of inventory, less returns and allowances $-
|---|
| 10a $-

| 10b Less cost of goods sold $-
|---|
| 10b $-

| 10c Gross profit or (loss) from sales of inventory Subtract line 10b from line 10a $-
|---|
| 10c $-

| 11 Other revenue (from Part VII, line 103) $-
|---|
| 11 $-

<table>
<thead>
<tr>
<th>12 Total revenue Add lines 1, 2, 3, 4, 5, 6c, 7, 8d, 9c, 9c, 10c, and 11 $322,534</th>
</tr>
</thead>
</table>
| 12 $322,534

| 13 Program services (from line 44, column (B)) $-
|---|
| 13 $-

| 14 Management and general (from line 44, column (C)) $-
|---|
| 14 $-

| 15 Fundraising (from line 44, column (D)) $-
|---|
| 15 $-

| 16 Payments to affiliates (attach schedule) $-
|---|
| 16 $-

<table>
<thead>
<tr>
<th>17 Total expenses Add lines 16 and 44, column (A) $283,350</th>
</tr>
</thead>
</table>
| 17 $283,350

<table>
<thead>
<tr>
<th>18 Excess or (deficit) for the year Subtract line 17 from line 12 $49,184</th>
</tr>
</thead>
</table>
| 18 $49,184

| 19 Net assets or fund balances at beginning of year (from line 73, column (A)) $-
|---|
| 19 $-

| 20 Other changes in net assets or fund balances (attach explanation) $-
|---|
| 20 $-

<table>
<thead>
<tr>
<th>21 Net assets or fund balances at end of year Combine lines 18, 19, and 20 $35,172</th>
</tr>
</thead>
</table>
| 21 $35,172

Cat No 11282Y Form 990 (2007)
### 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. (See the instructions.)

<table>
<thead>
<tr>
<th>Item</th>
<th>(A) Total</th>
<th>(B) Program services</th>
<th>(C) Management and general</th>
<th>(D) Fundraising</th>
</tr>
</thead>
<tbody>
<tr>
<td>22a Grants paid from donor advised funds (attach Schedule)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(cash $_____________ noncash $_____________)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>If this amount includes foreign grants, check here □</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>22b Other grants and allocations (attach schedule)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(cash $_____________ noncash $_____________)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>If this amount includes foreign grants, check here □</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>23 Specific assistance to individuals (attach schedule)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>24 Benefits paid to or for members (attach schedule)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>25a Compensation of current officers, directors, key employees etc Listed in Part V - A (attach schedule)</td>
<td>59,999</td>
<td>24,692</td>
<td>35,307</td>
<td></td>
</tr>
<tr>
<td>b Compensation of former officers, directors, key employees etc Listed in Part V - B (attach schedule)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>25c 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) (attach schedule)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>26 Salaries and wages of employees not included on lines 25a, b and c</td>
<td>59,896</td>
<td>47,650</td>
<td>12,246</td>
<td></td>
</tr>
<tr>
<td>27 Pension plan contributions not included on lines 25a, b and c</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>28 Employee benefits not included on lines 25a - 27</td>
<td>2,250</td>
<td>2,250</td>
<td></td>
<td></td>
</tr>
<tr>
<td>29 Payroll taxes</td>
<td>9,483</td>
<td>3,812</td>
<td>2,846</td>
<td>2,825</td>
</tr>
<tr>
<td>30 Professional fundraising fees</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>31 Accounting fees</td>
<td>8,659</td>
<td></td>
<td>8,659</td>
<td></td>
</tr>
<tr>
<td>32 Legal fees</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>33 Supplies</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>34 Telephone</td>
<td>8,463</td>
<td>207</td>
<td>5,929</td>
<td>2,327</td>
</tr>
<tr>
<td>35 Postage and shipping</td>
<td>7,853</td>
<td></td>
<td>321</td>
<td>7,532</td>
</tr>
<tr>
<td>36 Occupancy</td>
<td>4,800</td>
<td></td>
<td>4,800</td>
<td></td>
</tr>
<tr>
<td>37 Equipment rental and maintenance</td>
<td>468</td>
<td>113</td>
<td>355</td>
<td></td>
</tr>
<tr>
<td>38 Printing and publications</td>
<td>1,138</td>
<td>857</td>
<td>87</td>
<td>194</td>
</tr>
<tr>
<td>39 Travel</td>
<td>37,804</td>
<td>37</td>
<td>16,224</td>
<td>21,543</td>
</tr>
<tr>
<td>40 Conferences, conventions, and meetings</td>
<td>1,295</td>
<td></td>
<td>1,120</td>
<td>175</td>
</tr>
<tr>
<td>41 Interest</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>42 Depreciation, depletion, etc (attach schedule)</td>
<td>2,041</td>
<td></td>
<td>2,041</td>
<td></td>
</tr>
<tr>
<td>43 Other expenses not covered above (itemize)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a PURCHASED SERVICES</td>
<td>58,048</td>
<td>52,548</td>
<td>5,500</td>
<td></td>
</tr>
<tr>
<td>b OFFICE EXPENSE</td>
<td>543</td>
<td></td>
<td>197</td>
<td>346</td>
</tr>
<tr>
<td>c MISCELLANEOUS</td>
<td>536</td>
<td>486</td>
<td>50</td>
<td></td>
</tr>
<tr>
<td>d INSURANCE</td>
<td>17,175</td>
<td></td>
<td>17,175</td>
<td></td>
</tr>
<tr>
<td>e DUES, FEES, SUBSCRIPTIONS</td>
<td>2,700</td>
<td>1,074</td>
<td>1,626</td>
<td></td>
</tr>
<tr>
<td>f BANK CHARGES</td>
<td>199</td>
<td></td>
<td>159</td>
<td>40</td>
</tr>
<tr>
<td>g Total functional expenses</td>
<td>283,350</td>
<td>106,784</td>
<td>106,277</td>
<td>70,289</td>
</tr>
</tbody>
</table>

**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 $___________, (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 (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.

<table>
<thead>
<tr>
<th>What is the organization's primary exempt purpose?</th>
<th>Program Service Expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>EDUCATION, RESEARCH &amp; ANALYSIS</td>
<td>(Required for 501(c)(3) and (4) orgs, and 4947(a)(1) trusts, but optional for others)</td>
</tr>
</tbody>
</table>

**a** TO IMPROVE THE QUALITY OF LIFE FOR ALL KENTUCKY CITIZENS BY ADVANCING THE PRINCIPLES OF A FREE MARKET ECONOMY, LIMITED GOVERNMENT AND RESPECT FOR PRIVATE PROPERTY THROUGH SCHOLARLY RESEARCH AND ANALYSIS OF KENTUCKY PUBLIC POLICY ISSUES AND PROVISION OF EDUCATION TO KENTUCKY CITIZENS, AND ANY OTHER CIVIC, EDUCATION, PATRIOTIC OR POLITICAL PURPOSE RELATED THERETO IN ACCORDANCE WITH KRS 273 167

(Grants and allocations $ ) | If this amount includes foreign grants, check here □ | 106,784

(Grants and allocations $ ) | If this amount includes foreign grants, check here □ |

(Grants and allocations $ ) | If this amount includes foreign grants, check here □ |

(Grants and allocations $ ) | If this amount includes foreign grants, check here □ |

(Grants and allocations $ ) | If this amount includes foreign grants, check here □ |

(Grants and allocations $ ) | If this amount includes foreign grants, check here □ |

Other program services (attach schedule) | |

(Grants and allocations $ ) | If this amount includes foreign grants, check here □ |

**f** Total of Program Service Expenses (should equal line 44, column (B), Program services) | □ | 106,784
### 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.

<table>
<thead>
<tr>
<th></th>
<th>(A) Beginning of year</th>
<th>(B) End of year</th>
</tr>
</thead>
<tbody>
<tr>
<td>45</td>
<td>Cash—non-interest-bearing...</td>
<td>45</td>
</tr>
<tr>
<td>46</td>
<td>Savings and temporary cash investments...</td>
<td></td>
</tr>
<tr>
<td>47a</td>
<td>Accounts receivable...</td>
<td>47a</td>
</tr>
<tr>
<td>b Less allowance for doubtful accounts</td>
<td>47b</td>
<td></td>
</tr>
<tr>
<td>48a</td>
<td>Pledges receivable...</td>
<td>48a</td>
</tr>
<tr>
<td>b Less allowance for doubtful accounts</td>
<td>48b</td>
<td></td>
</tr>
<tr>
<td>49</td>
<td>Grants receivable...</td>
<td>49</td>
</tr>
<tr>
<td>50a</td>
<td>Receivables from current and former officers, directors, trustees, and key employees (attach schedule)...</td>
<td>50a</td>
</tr>
<tr>
<td>b Receivables from other disqualified persons (as defined under section 4958(c)(3)(B) (attach schedule)...</td>
<td>50b</td>
<td></td>
</tr>
<tr>
<td>51a</td>
<td>Other notes and loans receivable (attach schedule)...</td>
<td>51a</td>
</tr>
<tr>
<td>b Less allowance for doubtful accounts</td>
<td>51b</td>
<td></td>
</tr>
<tr>
<td>52</td>
<td>Inventories for sale or use...</td>
<td>52</td>
</tr>
<tr>
<td>53</td>
<td>Prepaid expenses and deferred charges...</td>
<td>53</td>
</tr>
<tr>
<td>54a</td>
<td>Investments—publicly-traded securities...</td>
<td>54a</td>
</tr>
<tr>
<td>b Investments—other securities (attach schedule)...</td>
<td>54b</td>
<td></td>
</tr>
</tbody>
</table>

<p>| | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>55</td>
<td>Investments—land, buildings, and equipment basis...</td>
<td>55</td>
<td></td>
</tr>
<tr>
<td>b Less accumulated depreciation (attach schedule)...</td>
<td>55b</td>
<td></td>
<td></td>
</tr>
<tr>
<td>56</td>
<td>Investments—other (attach schedule)...</td>
<td>56</td>
<td></td>
</tr>
<tr>
<td>57a</td>
<td>Land, buildings, and equipment basis...</td>
<td>57a</td>
<td>10,176</td>
</tr>
<tr>
<td>b Less accumulated depreciation (attach schedule)...</td>
<td>57b</td>
<td>7,538</td>
<td></td>
</tr>
<tr>
<td>58</td>
<td>Other assets, including program-related investments (describe...</td>
<td>58</td>
<td>2</td>
</tr>
<tr>
<td>59</td>
<td>Total assets (must equal line 74) Add lines 45 through 58...</td>
<td>59</td>
<td>-2,710</td>
</tr>
<tr>
<td>60</td>
<td>Accounts payable and accrued expenses...</td>
<td>60</td>
<td>8,302</td>
</tr>
<tr>
<td>61</td>
<td>Grants payable...</td>
<td>61</td>
<td></td>
</tr>
<tr>
<td>62</td>
<td>Deferred revenue...</td>
<td>62</td>
<td></td>
</tr>
<tr>
<td>63</td>
<td>Loans from officers, directors, trustees, and key employees (attach schedule)...</td>
<td>63</td>
<td>3,000</td>
</tr>
<tr>
<td>64a</td>
<td>Tax-exempt bond liabilities (attach schedule)...</td>
<td>64a</td>
<td></td>
</tr>
<tr>
<td>b Mortgages and other notes payable (attach schedule)...</td>
<td>64b</td>
<td></td>
<td></td>
</tr>
<tr>
<td>65</td>
<td>Other liabilities (describe...</td>
<td>65</td>
<td></td>
</tr>
<tr>
<td>66</td>
<td>Total liabilities Add lines 60 through 65...</td>
<td>66</td>
<td>11,302</td>
</tr>
</tbody>
</table>

#### Organizations that follow SFAS 117, check here and complete lines
- 67 through 69 and lines 73 and 74
- 67 Unrestricted
- 68 Temporarily restricted
- 69 Permanently restricted

#### Organizations that do not follow SFAS 117, check here and complete lines 70 through 74
- 70 Capital stock, trust principal, or current funds
- 71 Paid-in or capital surplus, or land, building, and equipment fund
- 72 Retained earnings, endowment, accumulated income, or other funds
- 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
- 74 Total liabilities and net assets / fund balances Add lines 66 and 73
Part IV-A Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

(See the instructions.)

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>a</td>
<td>Total revenue, gains, and other support per audited financial statements</td>
</tr>
<tr>
<td>b</td>
<td>Amounts included on line a but not on Part I, line 12</td>
</tr>
<tr>
<td>1</td>
<td>Net unrealized gains on investments</td>
</tr>
<tr>
<td>2</td>
<td>Donated services and use of facilities</td>
</tr>
<tr>
<td>3</td>
<td>Recoveries of prior year grants</td>
</tr>
<tr>
<td>4</td>
<td>Other (specify)</td>
</tr>
<tr>
<td></td>
<td>Add lines b1 through b4</td>
</tr>
<tr>
<td>c</td>
<td>Subtract line b from line a</td>
</tr>
<tr>
<td>d</td>
<td>Amounts included on Part I, line 12, but not on line a</td>
</tr>
<tr>
<td>1</td>
<td>Investment expenses not included on Part I, line 6b</td>
</tr>
<tr>
<td>2</td>
<td>Other (specify)</td>
</tr>
<tr>
<td></td>
<td>Add lines d1 and d2</td>
</tr>
<tr>
<td>e</td>
<td>Total revenue (Part I, line 12) Add lines c and d</td>
</tr>
</tbody>
</table>

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

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>a</td>
<td>Total expenses and losses per audited financial statements</td>
</tr>
<tr>
<td>b</td>
<td>Amounts included on line a but not on Part I, line 17</td>
</tr>
<tr>
<td>1</td>
<td>Donated services and use of facilities</td>
</tr>
<tr>
<td>2</td>
<td>Prior year adjustments reported on Part I, line 20</td>
</tr>
<tr>
<td>3</td>
<td>Losses reported on Part I, line 20</td>
</tr>
<tr>
<td>4</td>
<td>Other (specify)</td>
</tr>
<tr>
<td></td>
<td>Add lines b1 through b4</td>
</tr>
<tr>
<td>c</td>
<td>Subtract line b from line a</td>
</tr>
<tr>
<td>d</td>
<td>Amounts included on Part I, line 17, but not on line a</td>
</tr>
<tr>
<td>1</td>
<td>Investment expenses not included on Part I, line 6b</td>
</tr>
<tr>
<td>2</td>
<td>Other (specify)</td>
</tr>
<tr>
<td></td>
<td>Add lines d1 and d2</td>
</tr>
<tr>
<td>e</td>
<td>Total expenses (Part I, line 17) Add lines c and d</td>
</tr>
</tbody>
</table>

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.)

<table>
<thead>
<tr>
<th>(A) Name and address</th>
<th>(B) Title and average hours per week devoted to position</th>
<th>(C) Compensation (If not paid, enter -0-)</th>
<th>(D) Contributions to employee benefit plans &amp; deferred compensation plans</th>
<th>(E) Expense account and other allowances</th>
</tr>
</thead>
<tbody>
<tr>
<td>WARREN ROGERS</td>
<td>VICE CHAIR 00 00</td>
<td>0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>649 BIZZEL DRIVE</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>LEXINGTON, KY</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>40576</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>DON BOWLES</td>
<td>Director 00 00</td>
<td>0</td>
<td></td>
<td></td>
</tr>
<tr>
<td>HWY 862 P O BOX 1999</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MADISONVILLE, KY</td>
<td></td>
<td></td>
<td></td>
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<td>42431</td>
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<tr>
<td>MATTHIAS TOEBBEN</td>
<td>Director 00 00</td>
<td>0</td>
<td></td>
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<tr>
<td>541 BUTTERMILK PIKE</td>
<td></td>
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<tr>
<td>CRESCENT SPRINGS, KY</td>
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<tr>
<td>41017</td>
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<tr>
<td>GEORGE SOWARDS</td>
<td>BOARD SEC-TREA 00 00</td>
<td>0</td>
<td></td>
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</tr>
<tr>
<td>512 COLLEGE AVENUE</td>
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<tr>
<td>BOWLING GREEN, KY</td>
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<tr>
<td>42101</td>
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<tr>
<td>KATHY GORNIK</td>
<td>BOARD CHAIRMAN 00 00</td>
<td>0</td>
<td></td>
<td></td>
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<tr>
<td>1026 NANDING BLVD</td>
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<tr>
<td>LEXINGTON, KY</td>
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<tr>
<td>40511</td>
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<tr>
<td>RICH GIMMEL</td>
<td>Director 00 00</td>
<td>0</td>
<td></td>
<td></td>
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<tr>
<td>7000 GLOBAL DRIVE</td>
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<tr>
<td>LOUISVILLE, KY</td>
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<tr>
<td>40258</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>CHRISTOPHER J DERRY</td>
<td>President &amp; CEO 50 00</td>
<td>59,999</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2380 MT LEBANON CHURCH ROAD</td>
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<tr>
<td>ALVATON, KY</td>
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<tr>
<td>42122</td>
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</tbody>
</table>

Form 990 (2007)
Form 990 (2007)

Part V-A  Current Officers, Directors, Trustees, and Key Employees (continued)

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

75b 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).

75c 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.”

75d Does the organization have a written conflict of interest policy?

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.)

<table>
<thead>
<tr>
<th>(A) Name and address</th>
<th>(B) Loans and Advances</th>
<th>(C) Compensation (If not paid enter 0)</th>
<th>(D) Contributions to employee benefit plans and deferred compensation plans</th>
<th>(E) Expense account and other allowances</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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</tbody>
</table>

Part VI  Other Information (See the instructions.)

76 Did the organization make a change in its activities or methods of conducting activities? If “Yes,” attach a detailed statement of each change.

77 Were any changes made in the organizing or governing documents but not reported to the IRS?

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

78b 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.

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?

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

81b Did the organization file Form 1120-POL for this year?
Part VI  Other Information (continued)

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?  
\[ \text{82a} \]  No

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 in Part III)  
\[ \text{82b} \]

83a  Did the organization comply with the public inspection requirements for returns and exemption applications?  
\[ \text{83a} \]  Yes

b  Did the organization comply with the disclosure requirements relating to quid pro quo contributions?  
\[ \text{83b} \]  Yes

84a  Did the organization solicit any contributions or gifts that were not tax deductible?  
\[ \text{84a} \]  No

b  If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?  
\[ \text{84b} \]  No

85  501(c)(4), (5), or (6) organizations.  
\[ \text{85a} \]  No

501(c)(4), (5), or (6) organizations.  
\[ \text{85b} \]

\begin{itemize}
  \item a Were substantially all dues non deductible by members?  
  \[ \text{85c} \]  
  \item b Did the organization make only in house lobbying expenditures of $2,000 or less?  
  \[ \text{85d} \]  
  \item c Dues assessments, and similar amounts from members  
  \[ \text{85e} \]  
  \item d Section 162(e) lobbying and political expenditures  
  \[ \text{85f} \]  
  \item e Aggregate non deductible amount of section 6033(e)(1)(A) dues notices  
  \[ \text{85g} \]  
  \item f Taxable amount of lobbying and political expenditures (line 85d less 85e)  
  \[ \text{85h} \]  
  \item g Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?  
  \[ \text{85i} \]  
  \item h If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to non deductible lobbying and political expenditures for the following tax year?  
  \[ \text{85j} \]  
\end{itemize}

86  501(c)(7) orgs. Enter a initiation fees and capital contributions included on line 12  
\[ \text{86a} \]  0

\begin{itemize}
  \item b Gross receipts, included on line 12, for public use of club facilities  
  \[ \text{86b} \]  0
  \item c Gross income from members or shareholders  
  \[ \text{86c} \]  0
\end{itemize}

87  501(c)(12) orgs. Enter a Gross income from members or shareholders  
\[ \text{87a} \]  0

b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)  
\[ \text{87b} \]  0

88a  At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-3? If "Yes," complete Part IX  
\[ \text{88a} \]  No

b  At any time during the year, did the organization directly or indirectly own a controlled entity within the meaning of section 512(b)(13)? If yes complete Part XI  
\[ \text{88b} \]  No

89a  501(c)(3) organizations Enter amount of tax imposed on the organization during the year under section 4911  
\[ \text{89a} \]  

b  501(c)(3) and 501(c)(4) orgs. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction  
\[ \text{89b} \]  

\begin{itemize}
  \item c Enter amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958  
  \[ \text{89c} \]  
  \item d Enter amount of tax on line 89c, above, reimbursed by the organization  
  \[ \text{89d} \]  
\end{itemize}

\begin{itemize}
  \item e All organizations. At any time during the tax year was the organization a party to a prohibited tax shelter transaction?  
  \[ \text{89e} \]  
  \item f All organizations. Did the organization acquire direct or indirect interest in any applicable insurance contract?  
  \[ \text{89f} \]  
  \item g For supporting organizations and sponsoring organizations maintaining donor advised funds. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?  
  \[ \text{89g} \]  
\end{itemize}

90a  List the states with which a copy of this return is filed  
\[ \text{90a} \]

b  Number of employees employed in the pay period that includes March 12, 2007 (See instructions)  
\[ \text{90b} \]  0

91a  The books are in care of GRUBBS BOOKKEEPING SERVICE IN Telephone no (270) 237-3169  
\[ \text{91a} \]  

b  At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)?  
\[ \text{91b} \]  No

If "Yes," enter the name of the foreign country  

See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts  

Form 990 (2007)
### Part VII: Analysis of Income-Producing Activities (See the instructions.)

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

<table>
<thead>
<tr>
<th>Unrelated business income</th>
<th>Excluded by section 512, 513, or 514</th>
</tr>
</thead>
<tbody>
<tr>
<td>(A) Business code</td>
<td>(B) Amount</td>
</tr>
<tr>
<td>(E) Related or exempt function income</td>
<td></td>
</tr>
</tbody>
</table>

- 93 Program service revenue
  - a
  - b
  - c
  - d
  - e Medicare/Medicaid payments
  - f Fees and contracts from government agencies
  - g
  - h Membership dues and assessments
  - i Interest on savings and temporary cash investments
  - j Dividends and interest from securities
  - k Net rental income or (loss) from real estate
    - a debt-financed property
    - b non-debt-financed property
  - l Net rental income or (loss) from personal property
  - m Other investment income
  - n Gain or (loss) from sales of assets other than inventory
  - o Net income or (loss) from special events
  - p Gross profit or (loss) from sales of inventory
  - q Other revenue
    - r
    - s
    - t
  - u Subtotal (add columns (B), (D), and (E))
  - v Total (add line 104, columns (B), (D), and (E))

**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)

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

<table>
<thead>
<tr>
<th>Name, address, and EIN of corporation, partnership, or disregarded entity</th>
<th>Percentage of ownership interest</th>
<th>Nature of activities</th>
<th>Total income</th>
<th>End-of-year assets</th>
</tr>
</thead>
<tbody>
<tr>
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</tbody>
</table>

### 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? |
|-----------------------------------------------------------------------------------------------------------------------------|-------------------|
| (b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? |

**NOTE:** If "Yes" to (b), file Form 8970 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)**

<table>
<thead>
<tr>
<th></th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>106</td>
<td>Did the reporting organization <strong>make</strong> any transfers <strong>to</strong> a controlled entity as defined in section 512(b)(13) of the Code? If &quot;Yes,&quot; complete the schedule below for each controlled entity.</td>
<td></td>
</tr>
<tr>
<td>(A) Name and address of each controlled entity</td>
<td>(B) Employer Identification Number</td>
<td>(C) Description of transfer</td>
</tr>
<tr>
<td>a</td>
<td></td>
<td></td>
</tr>
<tr>
<td>b</td>
<td></td>
<td></td>
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<tr>
<td>c</td>
<td></td>
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</tr>
<tr>
<td><strong>Totals</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>107</td>
<td>Did the reporting organization <strong>receive</strong> any transfers <strong>from</strong> a controlled entity as defined in section 512(b)(13) of the Code? If &quot;Yes,&quot; complete the schedule below for each controlled entity.</td>
<td></td>
</tr>
<tr>
<td>(A) Name and address of each controlled entity</td>
<td>(B) Employer Identification Number</td>
<td>(C) Description of transfer</td>
</tr>
<tr>
<td>a</td>
<td></td>
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<td>b</td>
<td></td>
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<td>c</td>
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<tr>
<td><strong>Totals</strong></td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>108</td>
<td>Did the organization have a binding written contract in effect on August 17, 2006 covering the interests, rents, royalties and annuities described in question 107 above?</td>
<td></td>
</tr>
</tbody>
</table>

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**Form 990 (2007)**

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**Please Sign Here**

- 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.

- Signature of officer: 
  - Date: 2008-02-09

- Preparer's signature: 
  - AARON D WOOSLEY CPA
  - Date: 
  - Check if self-employed: 
  - Preparer's SSN or PTIN (See Gen. Inst. W): 
  - Firm's name (or yours if self-employed), address, and ZIP + 4: 
  - EIN: 
  - Phone no.: (270) 237-3169

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Form 990 (2007)
Part I  Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See page 1 of the instructions. List each one. If there are none, enter "None.")

<table>
<thead>
<tr>
<th>(a) Name and address of each employee paid more than $50,000</th>
<th>(b) Title and average hours per week devoted to position</th>
<th>(c) Compensation</th>
<th>(d) Contributions to employee benefit plans &amp; deferred compensation</th>
<th>(e) Expense account and other allowances</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
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</table>

Total number of other employees paid over $50,000

Part II-A  Compensation of the Five Highest Paid Independent Contractors for Professional Services
(See page 2 of the instructions. List each one (whether individual or firms). If there are none, enter "None.")

<table>
<thead>
<tr>
<th>(a) Name and address of each independent contractor paid more than $50,000</th>
<th>(b) Type of service</th>
<th>(c) Compensation</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
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</table>

Total number of others receiving over $50,000 for professional services

Part II-B  Compensation of the Five Highest Paid Independent Contractors for Other Services
(List each contractor who performed services other than professional services, whether individual or firms. If there are none, enter "None". See page 2 for instructions.)

<table>
<thead>
<tr>
<th>(a) Name and address of each independent contractor paid more than $50,000</th>
<th>(b) Type of service</th>
<th>(c) Compensation</th>
</tr>
</thead>
<tbody>
<tr>
<td>None</td>
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</tbody>
</table>

Total number of other contractors receiving over $50,000 for other services
### Part III  Statements About Activities (See page 2 of the instructions.)

<table>
<thead>
<tr>
<th></th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td>No</td>
</tr>
<tr>
<td>n the year, has the organization attempted to influence national, state, or local legislation, include any attempt to influence public opinion on a legislative matter or referendum? If &quot;Yes,&quot; enter the total expenses paid or incurred in connection with the lobbying activities $\text{__________}$(Must equal amounts on line 38, Part VI-A, or line 1 of Part VI-B)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td></td>
<td>No</td>
</tr>
<tr>
<td>n 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 &quot;Yes,&quot; attach a detailed statement explaining the transactions.)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>a</td>
<td>Sale, exchange, or leasing property?</td>
<td>No</td>
</tr>
<tr>
<td>b</td>
<td>Lending of money or other extension of credit?</td>
<td>No</td>
</tr>
<tr>
<td>c</td>
<td>Furnishing of goods, services, or facilities?</td>
<td>No</td>
</tr>
<tr>
<td>d</td>
<td>Payment of compensation (or payment or reimbursement of expenses if more than $1,000)?</td>
<td>No</td>
</tr>
<tr>
<td>e</td>
<td>Transfer of any part of its income or assets?</td>
<td>No</td>
</tr>
<tr>
<td>3a</td>
<td>Did the organization make grants for scholarships, fellowships, student loans, etc? (If &quot;Yes,&quot; attach an explanation of how the organization determines that recipients qualify to receive payments.)</td>
<td>No</td>
</tr>
<tr>
<td>3b</td>
<td>Did the organization have a section 403(b) annuity plan for its employees?</td>
<td>No</td>
</tr>
<tr>
<td>3c</td>
<td>Did the organization receive or hold an easement for conservation purposes, including easements to preserve open space, the environment, historic land areas or structures? If &quot;Yes&quot; attach a detailed statement.</td>
<td>No</td>
</tr>
<tr>
<td>3d</td>
<td>Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services?</td>
<td>No</td>
</tr>
<tr>
<td>4a</td>
<td>Did the organization maintain any donor advised funds? If &quot;Yes,&quot; complete lines 4b through 4g. If &quot;No,&quot; complete lines 4f and 4g.</td>
<td>No</td>
</tr>
<tr>
<td>4b</td>
<td>Did the organization make any taxable distributions under section 4966?</td>
<td>No</td>
</tr>
<tr>
<td>4c</td>
<td>Did the organization make a distribution to a donor, donor advisor, or related person?</td>
<td>No</td>
</tr>
<tr>
<td>4d</td>
<td>Enter the total number of donor advised funds owned at the end of the tax year</td>
<td></td>
</tr>
<tr>
<td>4e</td>
<td>Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year</td>
<td></td>
</tr>
<tr>
<td>4f</td>
<td>Enter the total number of separate funds or accounts owned at the end of the tax 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</td>
<td></td>
</tr>
<tr>
<td>4g</td>
<td>Enter the aggregate value of assets held in all funds or accounts included on line 4f at the end of the tax year</td>
<td></td>
</tr>
</tbody>
</table>
Part IV  Reason for Non-Private Foundation Status (See pages 4 through 7 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 331/3% 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 331/3% 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 7 of the instructions.)

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

14 □ An organization organized and operated to test for public safety  Section 509(a)(4)  (See page 7 of the instructions)
### Support Schedule

**Part IV-A**

(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.

<table>
<thead>
<tr>
<th>Calendar year (or fiscal year beginning in)</th>
<th>(a) 2006</th>
<th>(b) 2005</th>
<th>(c) 2004</th>
<th>(d) 2003</th>
<th>(e) Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>15 Gifts, grants, and contributions received (Do not include unusual grants See line 28 )</td>
<td>356,827</td>
<td>277,865</td>
<td>208,280</td>
<td>35,650</td>
<td>878,622</td>
</tr>
<tr>
<td>16 Membership fees received</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0</td>
</tr>
<tr>
<td>17 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</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0</td>
</tr>
<tr>
<td>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</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0</td>
</tr>
<tr>
<td>19 Net income from unrelated business activities not included in line 18</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0</td>
</tr>
<tr>
<td>20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0</td>
</tr>
<tr>
<td>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</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0</td>
</tr>
<tr>
<td>22 Other income Attach a schedule Do not include gain or (loss) from sale of capital assets</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>0</td>
</tr>
<tr>
<td>23 Total of lines 15 through 22</td>
<td>356,827</td>
<td>277,865</td>
<td>208,280</td>
<td>35,650</td>
<td>878,622</td>
</tr>
<tr>
<td>24 Line 23 minus line 17</td>
<td>356,827</td>
<td>277,865</td>
<td>208,280</td>
<td>35,650</td>
<td>878,622</td>
</tr>
<tr>
<td>25 Enter 1% of line 23</td>
<td>3,568</td>
<td>2,779</td>
<td>2,083</td>
<td>0</td>
<td>357</td>
</tr>
</tbody>
</table>

**26 Organizations described on lines 10 or 11:**

- **a** Enter 2% of amount in column (e), line 24
- **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 2002 through 2005 exceeded the amount shown in line 26a. **Do not file this list with your return.** Enter the total of all these excess amounts
- **c** Total support for section 509(a)(1) Test. Enter line 24, column (e)
- **d** Add Amounts from column (a) for lines 18 19 22 26b
- **e** Public support (line 26c minus line 26d total)
- **f** Public support percentage (line 26e (numerator) divided by line 26c (denominator))

**27 Organizations described on line 12:**

- **a** 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

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>(2003)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- **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.

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>(2003)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- **c** Add Amounts from column (e) for lines 15 16 17 0 20 0 0 0 0

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>(2003)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- **d** Add Line 27a total and line 27b total

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>(2003)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- **e** Public support (line 27c total minus line 27d total)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>(2003)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- **f** Total support for section 509(a)(2) Test. Enter amount from line 23, column (e)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>(2003)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- **g** Public support percentage (line 27e (numerator) divided by line 27f (denominator))

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>(2003)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- **h** Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>(2003)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- **28 Unusual Grants:** For an organization described in line 10, 11, or 12 that received any unusual grants during 2002 through 2005, 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.
### Part V Private School Questionnaire
(To be completed ONLY by schools that checked the box on line 6 in Part IV)

<table>
<thead>
<tr>
<th>No.</th>
<th>Question</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>29</td>
<td>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?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>30</td>
<td>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?</td>
<td></td>
<td></td>
</tr>
<tr>
<td>31</td>
<td>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 &quot;Yes,&quot; please describe, if &quot;No,&quot; please explain (If you need more space, attach a separate statement.)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>32</td>
<td>Does the organization maintain the following</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>a. Records indicating the racial composition of the student body, faculty, and administrative staff?</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>b. Records documenting that scholarships and other financial assistance are awarded on racially nondiscriminatory basis?</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>c. Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>d. Copies of all material used by the organization or on its behalf to solicit contributions?</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>If you answered &quot;No&quot; to any of the above, please explain (If you need more space, attach a separate statement.)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>33</td>
<td>Does the organization discriminate by race in any way with respect to</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>a. Students' rights or privileges?</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>b. Admissions policies?</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>c. Employment of faculty or administrative staff?</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>d. Scholarships or other financial assistance?</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>e. Educational policies?</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>f. Use of facilities?</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>g. Athletic programs?</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>h. Other extracurricular activities?</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>If you answered &quot;Yes&quot; to any of the above, please explain (If you need more space, attach a separate statement.)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>34a</td>
<td>Does the organization receive any financial aid or assistance from a governmental agency?</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>b. Has the organization's right to such aid ever been revoked or suspended?</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>If you answered &quot;Yes&quot; to either 34a or b, please explain using an attached statement</td>
<td></td>
<td></td>
</tr>
<tr>
<td>35</td>
<td>Does the organization certify that it has complied with the applicable requirements of sections 401 through 405 of Rev Proc 75-50, 1975-2 C B 587, covering racial nondiscrimination? If &quot;No,&quot; attach an explanation</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
**Part VI-A  Lobbying Expenditures by Electing Public Charities**

(See page 9 of the instructions.)

(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)

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

**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 11 of the instructions.)

<table>
<thead>
<tr>
<th>Calendar year (or fiscal year beginning in)</th>
<th>Lobbying Expenditures During 4-Year Averaging Period</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(a) 2007</td>
</tr>
<tr>
<td>45</td>
<td>Lobbying nontaxable amount</td>
</tr>
<tr>
<td>46</td>
<td>Lobbying ceiling amount (150% of line 45(e))</td>
</tr>
<tr>
<td>47</td>
<td>Total lobbying expenditures</td>
</tr>
<tr>
<td>48</td>
<td>Grassroots nontaxable amount</td>
</tr>
<tr>
<td>49</td>
<td>Grassroots ceiling amount (150% of line 48(e))</td>
</tr>
<tr>
<td>50</td>
<td>Grassroots lobbying expenditures</td>
</tr>
</tbody>
</table>

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

(For reporting only by organizations that did not complete Part VI-A) (See page 11 of the 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

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

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 12 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?

<table>
<thead>
<tr>
<th></th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>a</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(i) Cash</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>(ii) Other assets</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>b</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(i) Sales or exchanges of assets with a noncharitable exempt organization</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>(ii) Purchases of assets from a noncharitable exempt organization</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>(iii) Rental of facilities, equipment, or other assets</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>(iv) Reimbursement arrangements</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>(v) Loans or loan guarantees</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>(vi) Performance of services or membership or fundraising solicitations</td>
<td>No</td>
<td></td>
</tr>
<tr>
<td>c</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sharing of facilities, equipment, mailing lists, other assets, or paid employees</td>
<td>No</td>
<td></td>
</tr>
</tbody>
</table>

#### 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.

<table>
<thead>
<tr>
<th>(a) Line no</th>
<th>(b) Amount involved</th>
<th>(c) Name of noncharitable exempt organization</th>
<th>(d) Description of transfers, transactions, and sharing arrangements</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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### 52a. 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?

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
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#### b. If "Yes," complete the following schedule.

<table>
<thead>
<tr>
<th>(a) Name of organization</th>
<th>(b) Type of organization</th>
<th>(c) Description of relationship</th>
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TY 2007 Land etc. Schedule

Name: BLUEGRASS INSTITUTE FOR PUBLIC SOLUTIONS
EIN: 11-3691843
Software ID: 07000211
Software Version: 2007v2.1

<table>
<thead>
<tr>
<th>Category/Item</th>
<th>Cost/Other Basis</th>
<th>Accumulated Depreciation</th>
<th>Book Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Machinery and Equipment</td>
<td>10,176</td>
<td>7,538</td>
<td>2,638</td>
</tr>
</tbody>
</table>