

Return of Private Foundation
or Section 4947(a)(1) Nonexempt Charitable Trust
Treated as a Private Foundation

2003

Department of the Treasury
 Internal Revenue Service

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

For calendar year 2003, or tax year beginning _____, **and ending** _____

G Check all that apply: Initial return Final return Amended return Address change Name change

Use the IRS label. Otherwise, print or type. See Specific Instructions.	Name of organization CLAUDE R. LAMBE CHARITABLE FOUNDATION		A Employer identification number 48-0935563	
	Number and street (or P O box number if mail is not delivered to street address) Room/suite PO BOX 2256		B Telephone number (see page 10 of the instr.) (316) 828-5552	
	City or town, state, and ZIP code WICHITA KANSAS 67201-2256		C If exemption application is pending, check here <input type="checkbox"/>	

H Check type of organization Section 501(c)(3) exempt private foundation
 Section 4947(a)(1) nonexempt charitable trust Other taxable private foundation

I Fair market value of all assets at end of year (from Part II, col (c), line 16) \$ 23,604,654	J Accounting method: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) _____ <i>(Part I, column (d) must be on cash basis)</i>	D 1. Foreign organizations, check here <input type="checkbox"/> 2. Foreign organizations meeting the 85% test, check here <input type="checkbox"/>	E If private foundation status was terminated under section 507(b)(1)(A), check here <input type="checkbox"/>	F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here <input type="checkbox"/>
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Part I Analysis of Revenue and Expenses
(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 10 of the instructions))

	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B	0			
2 Distributions from split-interest trusts		0		
3 Interest on savings and temporary cash investments	263,479	263,479	0	
4 Dividends and interest from securities	1,119	1,119	0	
5 a Gross rents	0	0	0	
b (Net rental income or (loss))	0			
6 a Net gain or (loss) from sale of assets not on line 10	0			
b G.S.P. on assets on 6a	0			
7 Capital gain net income (from Part IV, line 2)		0		
8 Net short-term capital gain			0	
9 Income modifications			0	
10 a Gross sales less returns and allowances	0			
b Less: Cost of goods sold	0			
c Gross profit or (loss) (attach schedule)	0		0	
11 Other income (attach schedule)	0	0	0	
12 Total. Add lines 1 through 11	264,598	264,598	0	
13 Compensation of officers, directors, trustees, etc	0	0	0	0
14 Other employee salaries and wages	0	0	0	0
15 Pension plans, employee benefits	0	0	0	0
16 a Legal fees (attach schedule)	25,558	0	0	2,905
b Accounting fees (attach schedule)	18,204	0	0	16,380
c Other professional fees (attach schedule)	309,233	1,564	0	284,261
17 Interest	0	0	0	0
18 Taxes (attach schedule)	2,630	0	0	0
19 Depreciation and depletion	0	0	0	
20 Occupancy	0	0	0	0
21 Travel, conferences, and meetings	31,454	0	0	27,335
22 Printing and publications	1,063	0	0	926
23 Other expenses (attach schedule)	16,877	0	0	13,328
24 Total operating and administrative expenses. Add lines 13 through 23	405,019	1,564	0	345,135
25 Contributions, gifts, grants paid	2,065,345			2,035,345
26 Total expenses & disbursements. Add lines 24 and 25	2,470,364	1,564	0	2,380,480
27 Subtract line 26 from line 12:				
a Excess of revenue over expenses and disbursements	(2,205,766)			
b Net investment income (if negative, enter -0-)		263,034		
c ADJUSTED NET INCOME (if negative, enter -0-)			0	

SCANNED NOV 29 2004

Revenue

Operating and Administrative Expenses

15

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only		Beginning of year	End of year		
		(a) Book Value	(b) Book Value	(c) Fair Market Value			
Assets	1	Cash—non-interest-bearing		0	0	0	
	2	Savings and temporary cash investments		25,690,392	23,572,841	23,572,841	
	3	Accounts receivable	29				
		Less: allowance for doubtful accounts	0		29	29	
	4	Pledges receivable	0				
		Less: allowance for doubtful accounts	0				
	5	Grants receivable			0	0	
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions)			0	0	
	7	Other notes and loans receivable	0				
		Less: allowance for doubtful accounts	0				
	8	Inventories for sale or use			0	0	
	9	Prepaid expenses and deferred charges			34,414	31,784	31,784
	10 a	Investments—U.S. and state government obligations			0	0	0
	b	Investments—corporate stock (attach schedule)			0	0	0
	c	Investments—corporate bonds (attach schedule)			0	0	0
	11	Investments—land, buildings, and equipment basis	0				
	Less: accumulated depreciation	0					
12	Investments—mortgage loans			0		0	
13	Investments—other (attach schedule)			0	0	0	
14	Land, buildings, and equipment: basis	0					
	Less: accumulated depreciation	0					
15	Other assets (describe)	0					
16	Total assets (to be completed by all filers—see page 16 of the instructions. Also, see page 1, item I)			25,724,806	23,604,654	23,604,654	
Liabilities	17	Accounts payable and accrued expenses		28,062	83,676		
	18	Grants payable		0	30,000		
	19	Deferred revenue		0	0		
	20	Loans from officers, directors, trustees, and other disqualified persons		0	0		
	21	Mortgages and other notes payable (attach schedule)		0	0		
	22	Other liabilities (describe)			0	0	
23	Total liabilities (add lines 17 through 22)			28,062	113,676		
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.						
	24	Unrestricted		25,696,744	23,490,978		
	25	Temporarily restricted		0	0		
	26	Permanently restricted		0	0		
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 27 through 31.						
	27	Capital stock, trust principal, or current funds		0	0		
	28	Paid-in or capital surplus, or land, bldg., and equipment fund		0	0		
29	Retained earnings, accumulated income, endowment, or other funds		0	0			
30	Total net assets or fund balances (see page 17 of the instructions)			25,696,744	23,490,978		
31	Total liabilities and net assets/fund balances (see page 17 of the instructions)			25,724,806	23,604,654		

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year—Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	25,696,744
2	Enter amount from Part I, line 27a	2	(2,205,766)
3	Other increases not included in line 2 (itemize)	3	
4	Add lines 1, 2, and 3	4	23,490,978
5	Decreases not included in line 2 (itemize)	5	
6	Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	23,490,978

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)		(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a				
b				
c				
d				
e				
(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)	
a				0
b				0
c				0
d				0
e				0
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col.(h))	
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any		
a		0		0
b		0		0
c		0		0
d		0		0
e		0		0
2 Capital gain net income or (net capital loss).	{ If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }		2	0
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6):	{ If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions). If (loss), enter -0- in Part I, line 8 }		3	0

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income.)

If section 4940(d)(2) applies, leave this part blank.

Was the organization liable for the section 4942 tax on the distributable amount of any year in the base period? . . . Yes No
 If "Yes," the organization does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year; see page 17 of the instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2002	2,601,735	26,953,253	0.0965
2001	1,797,332	30,411,286	0.0591
2000	1,826,608	35,234,631	0.0518
1999	1,723,803	33,838,743	0.0509
1998	2,233,196	32,530,333	0.0686
2 Total of line 1, column (d)			2 0.3269
3 Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years			3 0.0654
4 Enter the net value of noncharitable-use assets for 2003 from Part X, line 5			4 24,494,757
5 Multiply line 4 by line 3			5 1,601,957
6 Enter 1% of net investment income (1% of Part I, line 27b)			6 2,630
7 Add lines 5 and 6			7 1,604,587
8 Enter qualifying distributions from Part XII, line 4			8 2,380,480

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions on page 17.

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see page 17 of the instructions)

1 a Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling letter _____ (attach copy of ruling letter if necessary—see instructions)			
b Domestic organizations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b	1		2,630
c All other domestic organizations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)			
2 Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2		0
3 Add lines 1 and 2	3		2,630
4 Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only Others enter -0-)	4		0
5 Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	5		2,630
6 Credits/Payments:			
a 2003 estimated tax payments and 2002 overpayment credited to 2003	6a	34,414	
b Exempt foreign organizations—tax withheld at source	6b	0	
c Tax paid with application for extension of time to file (Form 8868)	6c	0	
d Backup withholding erroneously withheld	6d	0	
7 Total credits and payments. Add lines 6a through 6d	7		34,414
8 Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8		0
9 Tax due. If the total of lines 5 and 8 is more than line 7, enter amount owed	9		0
10 Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10		31,784
11 Enter the amount of line 10 to be: Credited to 2004 estimated tax 15,000 Refunded	11		16,784

Part VII-A Statements Regarding Activities

	Yes	No
1 a During the tax year, did the organization attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 18 of the instructions for definition)? <i>If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the organization in connection with the activities</i>		X
c Did the organization file Form 1120-POL for this year?		X
d Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the organization. ▶ \$ 0 (2) On organization managers. ▶ \$ 0		
e Enter the reimbursement (if any) paid by the organization during the year for political expenditure tax imposed on organization managers. ▶ \$ 0		
2 Has the organization engaged in any activities that have not previously been reported to the IRS? <i>If "Yes," attach a detailed description of the activities.</i>		X
3 Has the organization made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? <i>If "Yes," attach a conformed copy of the changes</i>		X
4 a Did the organization have unrelated business gross income of \$1,000 or more during the year?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?		N/A
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? <i>If "Yes," attach the statement required by General Instruction T.</i>		X
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the organization have at least \$5,000 in assets at any time during the year? <i>If "Yes," complete Part II, col. (c), and Part XV.</i>	X	
8 a Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) ▶ Kansas and District of Columbia		
b If the answer is "Yes" to line 7, has the organization furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	X	
9 Is the organization claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2003 or the taxable year beginning in 2003 (see instructions for Part XIV on page 25)? <i>If "Yes," complete Part XIV</i>		X
10 Did any persons become substantial contributors during the tax year? <i>If "Yes," attach a schedule listing their names and addresses</i>		X
11 Did the organization comply with the public inspection requirements for its annual returns and exemption application? Web site address ▶ None	X	
12 The books are in care of ▶ Vonda Holliman Telephone no. ▶ (316) 828-5552 Located at ▶ 4111 E. 37th Street North, Wichita, KS ZIP+4 ▶ 67220		
13 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041—Check here and enter the amount of tax-exempt interest received or accrued during the year		N/A

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

1 a During the year did the organization (either directly or indirectly):
(1) Engage in the sale or exchange, or leasing of property with a disqualified person?
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?
(6) Agree to pay money or property to a government official?
b If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 19 of the instructions)?
c Did the organization engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2003?
2 Taxes on failure to distribute income (section 4942) (does not apply for years the organization was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):
a At the end of tax year 2003, did the organization have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2003?
b Are there any years listed in 2a for which the organization is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income?
c If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here.
3 a Did the organization hold more than a 2% direct or indirect interest in any business enterprise at any time during the year?
b If "Yes," did it have excess business holdings in 2003 as a result of (1) any purchase by the organization or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period?
4 a Did the organization invest during the year any amount in a manner that would jeopardize its charitable purposes?
b Did the organization make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2003?
5 a During the year did the organization pay or incur any amount to:
(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?
(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive?
(3) Provide a grant to an individual for travel, study, or other similar purposes?
(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)?
(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals?
b If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see page 20 of the instructions)?
c If the answer is "Yes" to question 5a(4), does the organization claim exemption from the tax because it maintained expenditure responsibility for the grant?
6 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?
If you answered "Yes" to 6b, also file Form 8870

Part VIII

Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

1 List all officers, directors, trustees, foundation managers and their compensation (see page 20 of the instructions):

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (If not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SEE ATTACHED STATEMENT 5				

2 Compensation of five highest-paid employees (other than those included on line 1—see page 20 of the instructions). If none, enter "NONE."

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
NONE				

Total number of other employees paid over \$50,000 ▶ 0

3 Five highest-paid independent contractors for professional services—(see page 20 of the instructions). If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
Koch Industries, Inc. Wichita, Kansas	Management Fees for Managing Grants	177,176

Total number of others receiving over \$50,000 for professional services ▶ 0

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 NONE	
2	
3	
4	

Part IX-B Summary of Program-Related Investments (see page 21 of the instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.	Amount
1 NONE	
2	
3 All other program-related investments See page 21 of the instructions.	
Total. Add lines 1 through 3	0

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see page 21 of the instructions.)

1 Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a Average monthly fair market value of securities	1a	0
b Average of monthly cash balances	1b	24,867,774
c Fair market value of all other assets (see page 22 of the instructions)	1c	0
d Total (add lines 1a, b, and c)	1d	24,867,774
e Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0
2 Acquisition indebtedness applicable to line 1 assets	2	0
3 Subtract line 2 from line 1d	3	24,867,774
4 Cash deemed held for charitable activities. Enter 1½% of line 3 (for greater amount, see page 23 of the instructions)	4	373,017
5 Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	24,494,757
6 Minimum investment return. Enter 5% of line 5	6	1,224,738

Part XI Distributable Amount (see page 23 of the instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here and do not complete this part.)

1 Minimum investment return from Part X, line 6	1	1,224,738
2a Tax on investment income for 2003 from Part VI, line 5	2a	2,630
b Income tax for 2003. (This does not include the tax from Part VI.)	2b	0
c Add lines 2a and 2b	2c	2,630
3 Distributable amount before adjustments. Subtract line 2c from line 1	3	1,222,108
4a Recoveries of amounts treated as qualifying distributions	4a	0
b Income distributions from section 4947(a)(2) trusts	4b	0
c Add lines 4a and 4b	4c	0
5 Add lines 3 and 4c	5	1,222,108
6 Deduction from distributable amount (see page 23 of the instructions)	6	0
7 Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	1,222,108

Part XII Qualifying Distributions (see page 23 of the instructions)

1 Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a Expenses, contributions, gifts, etc.—total from Part I, column (d), line 26	1a	2,380,480
b Program-related investments—Total from Part IX-B	1b	0
2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	0
3 Amounts set aside for specific charitable projects that satisfy the:		
a Suitability test (prior IRS approval required)	3a	0
b Cash distribution test (attach the required schedule)	3b	0
4 Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	2,380,480
5 Organizations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see page 24 of the instructions)	5	2,630
6 Adjusted qualifying distributions. Subtract line 5 from line 4	6	2,377,850

Note: The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

Part XIII Undistributed Income (see page 24 of the instructions)

	(a) Corpus	(b) Years prior to 2002	(c) 2002	(d) 2003
1 Distributable amount for 2003 from Part XI, line 7				1,222,108
2 Undistributed income, if any, as of the end of 2002:				
a Enter amount for 2002 only			0	
b Total for prior years: _____, _____, _____		0		
3 Excess distributions carryover, if any, to 2003:				
a From 1998 742,330				
b From 1999 130,351				
c From 2000 119,691				
d From 2001 287,576				
e From 2002 1,263,398				
f Total of lines 3a through e	2,543,346			
4 Qualifying distributions for 2003 from Part XII, line 4: ► \$ 2,380,480				
a Applied to 2002, but not more than line 2a			0	
b Applied to undistributed income of prior years (Election required—see page 24 of the instructions)		0		
c Treated as distributions out of corpus (Election required—see page 24 of the instructions)	0			
d Applied to 2003 distributable amount				1,222,108
e Remaining amount distributed out of corpus	1,158,372			
5 Excess distributions carryover applied to 2003 (If an amount appears in column (d), the same amount must be shown in column (a).)	0			0
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	3,701,718			
b Prior years' undistributed income. Subtract line 4b from line 2b		0		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0		
d Subtract line 6c from line 6b. Taxable amount—see page 24 of the instructions		0		
e Undistributed income for 2002. Subtract line 4a from line 2a. Taxable amount—see page 24 of the instructions			0	
f Undistributed income for 2003. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2004				0
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(E) or 4942(g)(3) (see page 25 of the instructions)	0			
8 Excess distributions carryover from 1998 not applied on line 5 or line 7 (see page 25 of the instructions)	742,330			
9 Excess distributions carryover to 2004. Subtract lines 7 and 8 from line 6a	2,959,388			
10 Analysis of line 9:				
a Excess from 1999 130,351				
b Excess from 2000 119,691				
c Excess from 2001 287,576				
d Excess from 2002 1,263,398				
e Excess from 2003 1,158,372				

Part XIV Private Operating Foundations (see page 25 of the instructions and Part VII-A, question 9) N/A

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2003, enter the date of the ruling 4942(j)(3) or 4942(j)(5)

b Check box to indicate whether the organization is a private operating foundation described in section 4942(j)(3) or 4942(j)(5)

	Tax Year				(e) Total
	(a) 2003	(b) 2002	(c) 2001	(d) 2000	
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed	0	0	0	0	0
b 85% of line 2a	0	0	0	0	0
c Qualifying distributions from Part XII, line 4 for each year listed	0	0	0	0	0
d Amounts included in line 2c not used directly for active conduct of exempt activities	0	0	0	0	0
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c	0	0	0	0	0
3 Complete 3a, b, or c for the alternative test relied upon:					
a "Assets" alternative test—enter:					
(1) Value of all assets	0	0	0	0	0
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)	0	0	0	0	0
b "Endowment" alternative test— Enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed	0	0	0	0	0
c "Support" alternative test—enter:					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)	0	0	0	0	0
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)	0	0	0	0	0
(3) Largest amount of support from an exempt organization	0	0	0	0	0
(4) Gross investment income	0	0	0	0	0

Part XV Supplementary Information (Complete this part only if the organization had \$5,000 or more in assets at any time during the year—see page 25 of the instructions.)

1 Information Regarding Foundation Managers:

a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000). (See section 507(d)(2).)
NONE

b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.
NONE

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:

Check here if the organization only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the organization makes gifts, grants, etc. (see page 25 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

a The name, address, and telephone number of the person to whom applications should be addressed:
Grant Administrator, 655 15th Street NW, Suite 445, Washington, DC 20005 (202) 393-2354

b The form in which applications should be submitted and information and materials they should include:
Letter explaining project and amount requested, plus a copy of IRS Determination letter showing exemption.

c Any submission deadlines:
None

d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors: Grants are restricted to charitable organizations as defined in section 501(c)(3) of the Internal Revenue Code. The Foundation does not make grants to individuals.

Part XV Supplementary Information (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
<p><i>a Paid during the year</i></p> <p>SEE ATTACHED STATEMENT 6</p>				2,035,345
Total	▶ 3a			2,035,345
<p><i>b Approved for future payment</i></p> <p>University of Virginia Center for Politics</p>	None	N/A	General Operating	30,000
Total	▶ 3b			30,000

CLAUDE R. LAMBE CHARITABLE FOUNDATION
EIN 48-0935563
SCHEDULE OF INFORMATION FOR 2003 FORM 990-PF

PART I, LINE 16 A, B, C - PROFESSIONAL FEES	STATEMENT 1		
	(a)	(b)	(d)
Part 1, Line 16a - Legal Fees			
Legal services for general matters during the year	25,558	0	2,905
Part 1, Line 16b - Accounting Fees			
General accounting, preparation of financial statements, and preparation of Form 990-PF	18,204	0	16,380
Part 1, Line 16c - Other Professional Fees			
Bank and investment management fees	1,773	1,564	209
Administrative management fees for managing grants and general matters	307,460	0	284,052
Total Other Professional Fees	309,233	1,564	284,261

PART I, LINE 18 - TAXES	STATEMENT 2		
Excise Tax on Net Investment Income	2,630	0	0

PART I, LINE 23 - OTHER EXPENSES	STATEMENT 3		
Insurance	11,187	0	11,187
Miscellaneous	230	0	152
Telephone Expenses	343	0	560
Membership & Dues	3,265	0	269
Supplies	1,852	0	1,160
Total Other Expenses	16,877	0	13,328

CLAUDE R. LAMBE CHARITABLE FOUNDATION
EIN 48-0935563
ATTACHMENT TO FORM 990-PF TO REPORT
EXPENDITURE RESPONSIBILITY GRANT
For the Year Ended 12/31/03

PART VII-B, Question on Line 5c:

STATEMENT 4

Expenditure Responsibility Statement for the year 2003

Pursuant to IRC Regulation section 53.4945-5(d)(2), the CLAUDE R. LAMBE CHARITABLE FOUNDATION provides the following information:

- (i) Name & Address of Grantee: Allen-Lambe House Foundation
255 N. Roosevelt
Wichita, KS 67208
- (ii) Date and Amount of Grant: April 7, 2003 90,625
- (iii) Purpose of Grant: General program operating support for the Allen-Lambe House Foundation, an educational foundation which operates a museum and study center in a house located in Wichita, Kansas, designed by Frank Lloyd Wright in 1915. The house museum is open to the general public. The program of the Foundation includes restoration and conservation of the house, gardens, and its interiors, with furnishings to showcase the "Prairie Style" designs of Frank Lloyd Wright; and to maintain a library archive study center for the study of Frank Lloyd Wright and other interrelated areas of design.
- (iv) Amounts expended: Reports received from the Allen-Lambe House Foundation show the following expenditures:
\$90,625 of the April 2003 grant was spent for operating support of the museum.
- (v) Diversions: To the knowledge of this grantor foundation, no funds have been diverted to any activity other than the activity for which the grant was originally made.
- (vi) Date of Reports: On May 11, 2004, the Allen-Lambe House Foundation submitted a full and complete report of its expenditures of the April 2003 operating support grant.
- (vi) Verification: The grantor has no reason to doubt the accuracy or reliability of the report from the grantee; therefore, no independent verification of the reports were made.

CLAUDE R. LAMBE CHARITABLE FOUNDATION
EIN 48-0935563
SCHEDULE OF INFORMATION FOR 2003 FORM 990 PF

PART VIII, Line 1 - Officers, Directors, Trustees, Managers, Etc.

STATEMENT 5

<u>(a) Name and Address</u>	<u>(b) Title, and average hours per week devoted to position</u>	<u>(c) Compensation</u>	<u>(d) Contributions to employee benefit plans</u>	<u>(e) Expense account, other allowances</u>
Richard H Fink 655 15th Street, NW, Suite 445 Washington, DC 20005	President / Director 1 hour per week	0	0	0
Kelly Young 655 15th Street, NW, Suite 445 Washington, DC 20005	Vice President 20 hours per week average	0	0	0
Alex Beehler 655 15th Street, NW, Suite 445 Washington, DC 20005	Vice President 10/08/03 to 12/31/03 13 hours per week average	0	0	0
Kevin Gentry 655 15th Street, NW, Suite 445 Washington, DC 20005	Vice President 10/08/03 to 12/31/03 20 hours per week average	0	0	0
Tony Woodlief 655 15th Street, NW, Suite 445 Washington, DC 20005	Vice President 10/08/03 to 12/31/03 9 hours per week average	0	0	0
Mark Humphrey P.O. Box 2256 Wichita, KS 67201	Secretary 10/08/03 to 12/31/03 Less than 1 hour per week	0	0	0
Vonda Holliman P.O. Box 2256 Wichita, KS 67201	Treasurer 4 hours per week average	0	0	0
Charles G Koch P.O. Box 2256 Wichita, KS 67201	Director Less than 1 hour per week	0	0	0
Elizabeth B. Koch P O Box 2256 Wichita, KS 67201	Director Less than 1 hour per week	0	0	0
Elizabeth Robinson Koch PO Box 2256 Wichita, KS 67201	Director Less than 1 hour per week	0	0	0
Charles Chase Koch PO Box 2256 Wichita, KS 67201	Director Less than 1 hour per week	0	0	0
Koch Industries, Inc. P O Box 2256 Wichita, KS 67201	Not Applicable (Payment for management services of officers above)	139,867	0	0
TOTAL		139,867	0	0

CLAUDE R. LAMBE CHARITABLE FOUNDATION
EIN 48-0935563
SCHEDULE OF INFORMATION FOR 2003 FORM 990 PF

Part XV, Line 3a - Grants and Contributions Paid During the Year **STATEMENT 6**

Recipient	If recipient is an individual show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a Paid during the year:				
Allen-Lambe House Foundation Wichita, KS		Private	General Operating Support	\$ 90,625
Americans for Tax Reform Washington, DC		Public	General Operating Support	10,000
The Brookings Institution Washington, DC		Public	Educational Research General Operating Support	126,400 280,000
Capital Research Center Washington, DC		Public	General Operating Support	100,000
Cato Institute Washington, DC		Public	General Operating Support	250,000
Competitive Enterprise Institute Washington, DC		Public	General Operating Support General Operating Support	2,320 25,000
Federalist Society Washington, DC		Public	General Operating Support	100,000
Foundation for Research on Economics & the Environment Bozeman, MT		Public	General Operating Support	150,000
The Heritage Foundation Washington, DC		Public	General Operating Support General Operating Support	330,000 75,000
Independence Institute Golden, CO		Public	General Operating Support	6,000
Institute for Energy Research Laramie, WY		Public	General Operating Support	10,000
John Locke Foundation Raleigh, NC		Public	General Operating Support	5,000
The Leadership Institute Arlington, VA		Public	Educational Conference General Operating Support	5,000 10,000
The Manhattan Institute New York, NY		Public	General Operating Support	200,000
National Center for Policy Analysis Dallas, TX		Public	General Operating Support	30,000
NFIB Legal Foundation Nashville, TN		Public	General Operating Support	25,000
Philanthropy Roundtable Washington, DC		Public	General Operating Support	25,000
Political Economy Research Center Bozeman, MT		Public	General Operating Support	10,000
Science & Environmental Policy Project Arlington, VA		Public	General Operating Support	5,000
Washington Legal Foundation Washington, DC		Public	General Operating Support	100,000
Tax Foundaton Washington, DC		Public	General Operating Support	50,000
University of Virginia Center for Politics Charlottesville, VA		Public	General Operating Support	15,000
TOTAL GRANTS PAID TO ORGANIZATIONS				\$ 2,035,345

- If you are filing for an **Additional (not automatic) 3-Month Extension**, complete only Part II and check this box
- Note: Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.
- If you are filing for an **Automatic 3-Month Extension**, complete only Part I (on page 1).

PART II Additional (not automatic) 3-Month Extension of Time - Must File Original and One Copy.

Type or print	Name of Exempt Organization CLAUDE R. LAMBE CHARITABLE FOUNDATION	Employer identification number 48-0935563
File by the extended due date for filing the return See instructions	Number, street, and room or suite no. If a P.O. box, see instructions. P. O. BOX 2256	For IRS use only
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. WICHITA, KS 67201-2256	

Check type of return to be filed (File a separate application for each return):

Form 990
 Form 990-EZ
 Form 990-T (sec. 401(a) or 408(a) trust)
 Form 1041-A
 Form 5227
 Form 8870
 Form 990-BL
 Form 990-PF
 Form 990-T (trust other than above)
 Form 4720
 Form 6069

STOP: Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____ . If this is for the whole group, check this box . If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension is for.

4 I request an additional 3-month extension of time until 11/15/2004

5 For calendar year 2003, or other tax year beginning _____ and ending _____

6 If this tax year is for less than 12 months, check reason: Initial return Final return Change in accounting period

7 State in detail why you need the extension More time is requested to acquire all information needed to complete and file an accurate return.

8 a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions \$ 0

b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868 \$ 0

c **Balance Due.** Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions \$ 0

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature Vonda Holliman Title Treasurer Date 8/13/2004

Notice to Applicant-To Be Completed by the IRS

- We have approved this application. Please attach this form to the organization's return.
- We have not approved this application. However, we have granted a 10-day grace period from the later of the date shown below or the due date of the organization's return (including any prior extensions). This grace period is considered to be a valid extension of time for elections otherwise required to be made on a timely return. Please attach this form to the organization's return **EXTENSION APPROVED**
- We have not approved this application. After considering the reasons stated in item 7, we cannot grant your request for an extension of time to file. We are not granting a 10-day grace period. **SEP 01 2004**
- We cannot consider this application because it was filed after the due date of the return for which an extension was requested.
- Other _____

SUBMISSION PROCESSING, OGDEN
FIELD DIRECTOR

By: _____ Date _____
Director

Alternate Mailing Address - Enter the address if you want the copy of this application for an additional 3-month extension returned to an address different than the one entered above.

Type or print	Name
	Number and street (include suite, room, or apt. no.) Or a P.O. box number
	City or town, province or state, and country (including postal or ZIP code)