

Form **990-EZ**

Short Form

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)

► For organizations with gross receipts less than \$100,000 and total assets less than \$250,000 at the end of the year

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

OMB No 1545-1150

2002

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

A For the 2002 calendar year, or tax year beginning

, 2002, and ending

, 20

B Check if applicable

- Address change
- Name change
- Initial return
- Final return
- Amended return
- Application pending

Please use IRS label or print or type See Specific Instructions

C Name of organization

Education Policy Institute

Number and street (or P O box if mail is not delivered to street address) Room/suite
4461-A Connecticut Ave, NW PMB # 294

City or town, state or country and ZIP + 4

Washington, DC 20018-2322

D Employer identification number

23 7442269

E Telephone number

(802) 244-7535

F Enter 4-digit (GEN) ►

• Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ)

G Accounting method Cash Accrual
Other (specify) ►

I Web site: ► *www.educationpolicy.org*

H Check ► if the organization is not required to attach Schedule B (Form 990, 990-EZ, or 990-PF)

J Organization type (check only one) — 501(c)(3) (insert no) 4947(a)(1) or 527

K Check ► if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS, but if the organization received a Form 990 Package in the mail, it should file a return without financial data. **Some states require a complete return**

L Add lines 5b, 6b, and 7b, to line 9 to determine gross receipts, if \$100,000 or more, file Form 990 instead of Form 990-EZ ► \$ *26,454.-*

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See page 36 of the instructions)

		1	2	3	4	5a	5b	5c	6a	6b	6c	7a	7b	7c	8	9	10	11	12	13	14	15	16	17	18	19	20	21						
Revenue	1	Contributions, gifts, grants, and similar amounts received														<i>22,521.-</i>																		
	2	Program service revenue including government fees and contracts														<i>2,811.-</i>																		
	3	Membership dues and assessments																																
	4	Investment income															<i>4,122.-</i>																	
	5a	Gross amount from sale of assets other than inventory																																
	b	Less cost or other basis and sales expenses																																
	c	Gain or (loss) from sale of assets other than inventory (line 5a less line 5b) (attach schedule)																																
	6	Special events and activities (attach schedule)																																
	a	Gross revenue (not including \$ _____ of contributions reported on line 1)																																
b	Less direct expenses other than fundraising expenses																																	
c	Net income or (loss) from special events and activities (line 6a less line 6b)																																	
7a	Gross sales of inventory, less returns and allowances																																	
b	Less cost of goods sold																																	
c	Gross profit or (loss) from sales of inventory (line 7a less line 7b)																																	
8	Other revenue (attach schedule)																																	
9	Total revenue (add lines 1, 2, 3, 4, 5c, 6c, 7c, and 8)																															<i>26,454</i>		
Expenses	10	Grants and similar amounts paid (attach schedule)																																
	11	Benefits paid to or for members																																
	12	Salaries, other compensation, and employee benefits																															<i>58,310</i>	
	13	Professional fees and other payments to independent contractors																															<i>19,625</i>	
	14	Occupancy, rent, utilities, and maintenance																																
	15	Printing, publications, postage, and shipping																																<i>9,174</i>
	16	Other expenses (describe ► <i>Materials, supplies, travel</i>)																															<i>13,669</i>	
17	Total expenses (add lines 10 through 16)																															<i>100,778</i>		
Net Assets	18	Excess or (deficit) for the year (line 9 less line 17)																															<i>(-74,324)</i>	
	19	Net assets or fund balances at beginning of year (from line 27, column (A)) (must agree with end-of-year figure reported on prior year's return)																															<i>148,815</i>	
	20	Other changes in net assets or fund balances (attach explanation)																																
	21	Net assets or fund balances at end of year (combine lines 18 through 20)																															<i>74,491</i>	

Part II Balance Sheets—If Total assets on line 25, column (B) are \$250,000 or more, file Form 990 instead of Form 990-EZ

(See page 39 of the instructions)

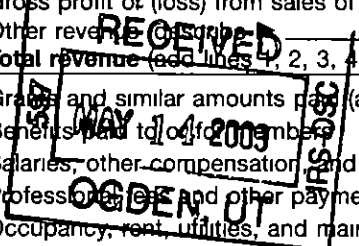
		(A) Beginning of year	(B) End of year
22	Cash, savings, and investments	<i>143,815</i>	<i>70,292.-</i>
23	Land and buildings	<i>-0-</i>	
24	Other assets (describe ► <i>Publications, Equipment</i>)	<i>5000</i>	<i>4199</i>
25	Total assets	<i>143,815</i>	<i>74,491</i>
26	Total liabilities (describe ►)		
27	Net assets or fund balances (line 27 of column (B) must agree with line 21)	<i>148,815</i>	<i>74,491</i>

For Paperwork Reduction Act Notice, see the separate instructions

Cat No 106421

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SCANNED MAY 29 2003



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Part III Statement of Program Service Accomplishments (See page 39 of the instructions)		Expenses
What is the organization's primary exempt purpose? <i>Foster a competitive education system.</i>		(Required for 501(c)(3) and (4) organizations and 4947(a)(1) trusts, optional for others)
Describe what was achieved in carrying out the organization's exempt purposes. In a clear and concise manner, describe the services provided, the number of persons benefited, or other relevant information for each program title		
28	<i>Assist in the development of local associations to represent K-12 teachers in collective bargaining.</i> (Grants \$)	28a 41,265.-
29	<i>Maintain website to promote competitive education industry.</i> (Grants \$)	29a 27,510.-
30	<i>Create materials, conduct seminars re. school choice.</i> (Grants \$)	30a 22,925.-
31	Other program services (attach schedule) (Grants \$)	31a
32	Total program service expenses (add lines 28a through 31a)	32

Part IV List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated. See page 40 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 & deferred compensation	(E) Expense account and other allowances
<i>Myron Lieberman 4401-A Connecticut Ave, Wash. DC</i>	<i>Chairman 5</i>	<i>- 0 -</i>	<i>- 0 -</i>	<i>- 0 -</i>
<i>Charlene K. Haar 4401-A Connecticut Ave, Wash. DC</i>	<i>President 20</i>	<i>48000.</i>	<i>- 0 -</i>	<i>- 0 -</i>
<i>Jay Bryant 4401-A Connecticut Ave, Wash. DC</i>	<i>Secretary .5</i>	<i>- 0 -</i>	<i>- 0 -</i>	<i>- 0 -</i>

Part V Other Information (Note the attachment requirement in General Instruction V, page 14)		Yes	No
33	Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity		X
34	Were any changes made to the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes		X
35	If the organization had income from business activities, such as those reported on lines 2, 6, and 7 (among others), but not reported on Form 990-T, attach a statement explaining your reason for not reporting the income on Form 990-T		
a	Did the organization have unrelated business gross income of \$1,000 or more or 6033(e) notice, reporting, and proxy tax requirements?		X
b	If "Yes," has it filed a tax return on Form 990-T for this year?		X
36	Was there a liquidation, dissolution, termination, or substantial contraction during the year? (If "Yes," attach a statement)		X
37a	Enter amount of political expenditures, direct or indirect, as described in the instructions ▶ <i>37a N/A</i>		X
b	Did the organization file Form 1120-POL for this year?		X
38a	Did the organization borrow from, or make any loans to, any officer, director, trustee, or key employee or were any such loans made in a prior year and still unpaid at the start of the period covered by this return?		X
b	If "Yes," attach the schedule specified in the line 38 instructions and enter the amount involved <i>38b</i>		
39	501(c)(7) organizations Enter a Initiation fees and capital contributions included on line 9 <i>39a</i>		
b	Gross receipts, included on line 9, for public use of club facilities <i>39b</i>		
40a	501(c)(3) organizations Enter Amount of tax imposed on the organization during the year under section 4911 ▶ <i>- 0 -</i> , section 4912 ▶ <i>- 0 -</i> , section 4955 ▶ <i>- 0 -</i>		
b	501(c)(3) and (4) organizations 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 an explanation		X
c	Amount of tax imposed on organization managers or disqualified persons during the year under 4912, 4955, and 4958 ▶ <i>- 0 -</i>		
d	Enter Amount of tax on line 40c, above, reimbursed by the organization ▶ <i>N/A</i>		
41	List the states with which a copy of this return is filed ▶ <i>Not Applicable</i>		
42	The books are in care of ▶ <i>Education Policy, Inc</i> Located at ▶ <i>4401-A Connecticut Ave, Wash</i>		
43	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 and enter the amount of tax-exempt interest received or accrued		

Under penalties of perjury, I declare that I have examined this return, and believe it is true, correct, and complete. Declaration of preparer (other than the taxpayer) is based on information provided by the taxpayer.

Please Sign Here

Charlene K. Haar
Signature of officer

Charlene K. Haar, President
Type or print name and title

Paid Preparer's Use Only

Preparer's signature

Firm's name (or yours if self-employed), address, and ZIP + 4