

Return of Organization Exempt From Income Tax

2002

Open to Public Inspection


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

Department of the Treasury
Internal Revenue Service

A For the 2002 calendar year, or tax year beginning January 1, 2002, and ending December 31, 2002

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

29 IB VD 94-3136961 200312
EVERGREEN FREEDOM FOUNDATION
BOB WILLIAMS
PO BOX 552
OLYMPIA WA 98507-0552 P-105 P50


IRS

D Employer identification number
94 3136961

E Telephone number
(360) 956-3482

F Accounting method: Cash Accrual
 Other (specify) ▶

G Web site ▶

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

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

- 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
(If "No," attach a list. See instructions.)
- H(d)** Is this a separate return filed by an organization covered by a group ruling? Yes No
- I** Enter 4-digit GEN ▶
- M** Check if the organization is not required to attach Sch B (Form 990, 990-EZ, or 990-PF)

L Gross receipts. Add lines 6b, 8b, 9b, and 10b to line 12 ▶ 1,395,681

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See page 17 of the instructions)

		1a	1b	1c	1d
Revenue	1 Contributions, gifts, grants, and similar amounts received				
	a Direct public support	<u>1,234,380</u>			
	b Indirect public support				
	c Government contributions (grants)				
	d Total (add lines 1a through 1c) (cash \$ <u>1,205,064</u> noncash \$ <u>29,316</u>)				<u>1,234,380</u>
	2 Program service revenue including government fees and contracts (from Part VII, line 93)				<u>0</u>
	3 Membership dues and assessments				<u>0</u>
	4 Interest on savings and temporary cash investments				<u>3,429</u>
	5 Dividends and interest from securities				<u>5,285</u>
	6a Gross rents				
	b Less rental expenses				
	c Net rental income or (loss) (subtract line 6b from line 6a)				<u>0</u>
	7 Other investment income (describe ▶)				<u>0</u>
8a Gross amount from sales of assets other than inventory	(A) Securities	<u>152,587</u>	8a	<u>0</u>	
	(B) Other		8b	<u>188</u>	
	b Less cost or other basis and sales expenses	<u>110,230</u>	8c	<u><188></u>	
	c Gain or (loss) (attach schedule)	<u>42,357</u>	8d		<u>42,169</u>
9 Special events and activities (attach schedule)					
a Gross revenue (not including \$ _____ of contributions reported on line 1a)		9a			
b Less direct expenses other than fundraising expenses		9b			
c Net income or (loss) from special events (subtract line 9b from line 9a)		9c		<u>0</u>	
10a Gross sales of inventory, less returns and allowances		10a			
	b Less cost of goods sold		10b		
	c Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)		10c		<u>0</u>
11 Other revenue (from Part VII, line 103)				<u>0</u>	
12 Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)				<u>1,285,263</u>	
Expenses	13 Program services (from line 44, column (B))				<u>806,997</u>
	14 Management and general (from line 44, column (C))				<u>139,727</u>
	15 Fundraising (from line 44, column (D))				<u>182,996</u>
	16 Payments to affiliates (attach schedule)				<u>0</u>
	17 Total expenses (add lines 16 and 44, column (A))				<u>1,129,720</u>
Net Assets	18 Excess or (deficit) for the year (subtract line 17 from line 12)				<u>155,543</u>
	19 Net assets or fund balances at beginning of year (from line 73, column (A))				<u>546,023</u>
	20 Other changes in net assets or fund balances (attach explanation)				<u><55,561></u>
	21 Net assets or fund balances at end of year (combine lines 18, 19, and 20)				<u>646,005</u>

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Part II Statement of Functional Expenses

All organizations must complete column (A) Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others (See page 21 of the instructions)

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22	Grants and allocations (attach schedule) (cash \$ _____ noncash \$ _____)	0	0		
23	Specific assistance to individuals (attach schedule)	0	0		
24	Benefits paid to or for members (attach schedule)	0	0		
25	Compensation of officers, directors, etc	142,640	88,986	12,982	40,672
26	Other salaries and wages	503,491	380,725	78,898	43,868
27	Pension plan contributions	0	0	0	0
28	Other employee benefits	1,947	1,695	252	0
29	Payroll taxes	48,951	31,541	11,409	6,001
30	Professional fundraising fees	25,579	0	0	25,579
31	Accounting fees	6,480	0	6,480	0
32	Legal fees	81,704	81,552	152	0
33	Supplies	7,147	4,432	2,868	347
34	Telephone	9,177	6,946	696	1,535
35	Postage and shipping	50,046	17,741	507	31,798
36	Occupancy	36,180	25,841	5,987	4,352
37	Equipment rental and maintenance	7,355	4,539	875	1,941
38	Printing and publications	97,070	81,240	112	15,718
39	Travel	33,792	26,010	1,077	6,705
40	Conferences, conventions, and meetings	6,148	6,148	0	0
41	Interest	0	0	0	0
42	Depreciation, depletion, etc (attach schedule)	20,178	3,375	16,801	2
43	Other expenses not covered above (itemize) a Refund	150	150	0	0
b	licenses, fees, misc taxes, insurance	17,724	12,641	862	4,221
c	Research materials	4,294	4,118	94	82
d	Subscriptions	14,657	14,312	170	175
e	Misc expenses	15,010	15,005	5	0
44	Total functional expenses (add lines 22 through 43) Organizations completing columns (B)-(D), carry these totals to lines 13-15	1,129,720	806,997	139,727	182,996

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 page 24 of the instructions)

What is the organization's primary exempt purpose? **Education, research & analysis**

All organizations must describe their exempt purpose achievements in a clear and concise manner State the number of clients served, publications issued, etc Discuss achievements that are not measurable (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others)

	Program Service Expenses (Required for 501(c)(3) and (4) orgs and 4947(a)(1) trusts but optional for others)
a Research & analysis of state budget & tax policies - legislative testimony & briefings upon request, published: 22 policy highlighters (2,160 ea), 6 in-briefs (765 ea), 33 press releases*, 28 opeds*, 51 radio shows (avg. 23.4 min ea)*	113,294
b Research & analysis of education policies - legislative testimony & briefings upon request, published 1 oped*, 1 radio show*, 1 study (3,000 copies)	13,920
c Research, analysis & monitoring of issues surrounding individual liberty, citizenship & governance - 14g testimony & briefings upon request, published: 1 highlighter (2,160 copies), 1 study (3,000), 1 magazine (51,000), 2 commentaries*, 34 press releases*, 14 opeds*, 24 radio shows (avg 23.4 min ea), 2 TV*, 3 nat media	450,307
d Community service - 12 monthly journals (avg 2,500 ea), group & individual briefings (2,700+ people served); legislative bill tracking website; constituent research; website maintenance; public speaking	227,786
e Other program services (attach schedule)	1,690
f Total of Program Service Expenses (should equal line 44, column (B), Program services)	806,997

* It is impossible to determine the # of people served through radio TV. The avg # of households reached by newspaper was 547,884 per week.

Part IV Balance Sheets (See page 24 of the instructions)

Note		(A)		(B)	
<i>Where required, attached schedules and amounts within the description column should be for end-of-year amounts only</i>		Beginning of year		End of year	
Assets	45	Cash—non-interest-bearing	61,402	45	19,673
	46	Savings and temporary cash investments	30,992	46	258,444
	47a	Accounts receivable		47a	
	b	Less allowance for doubtful accounts	0	47c	0
	48a	Pledges receivable		48a	
	b	Less allowance for doubtful accounts	0	48c	0
	49	Grants receivable	0	49	0
	50	Receivables from officers, directors, trustees, and key employees (attach schedule)	0	50	0
	51a	Other notes and loans receivable (attach schedule)		51a	
	b	Less allowance for doubtful accounts	0	51c	0
	52	Inventories for sale or use	0	52	0
	53	Prepaid expenses and deferred charges	4,162	53	3,757
	54	Investments—securities (attach schedule) ▶ <input type="checkbox"/> Cost <input type="checkbox"/> FMV	204,119	54	115,876
	55a	Investments—land, buildings, and equipment basis		55a	
	b	Less accumulated depreciation (attach schedule)	0	55c	0
	56	Investments—other (attach schedule)	0	56	0
	57a	Land, buildings, and equipment basis	611,508	57a	
	b	Less accumulated depreciation (attach schedule)		57c	
	58	Other assets (describe ▶ _____)	561,412	58	550,286
59	Total assets (add lines 45 through 58) (must equal line 74)	862,087	59	948,036	
Liabilities	60	Accounts payable and accrued expenses	17,064	60	3,031
	61	Grants payable	0	61	0
	62	Deferred revenue	0	62	0
	63	Loans from officers, directors, trustees, and key employees (attach schedule)	0	63	0
	64a	Tax-exempt bond liabilities (attach schedule)	0	64a	0
	b	Mortgages and other notes payable (attach schedule)	299,000	64b	299,000
	65	Other liabilities (describe ▶ _____)	0	65	0
	66	Total liabilities (add lines 60 through 65)	316,064	66	302,031
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74				
	67	Unrestricted	486,023	67	458,550
	68	Temporarily restricted	60,000	68	187,455
	69	Permanently restricted	0	69	0
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74				
	70	Capital stock, trust principal, or current funds		70	
	71	Paid-in or capital surplus, or land, building, and equipment fund		71	
	72	Retained earnings, endowment, accumulated income, or other funds		72	
	73	Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72, column (A) must equal line 19, column (B) must equal line 21)	546,023	73	646,005
	74	Total liabilities and net assets / fund balances (add lines 66 and 73)	862,087	74	948,036

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

Part IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return (See page 26 of the instructions)

N/A

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

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

N/A

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

Part V List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated, see page 26 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
G Robert Williams 6625 149th Ave KPN, Lakebay, WA	President 50 hrs	64,320	12,000	0
Lynn Harsh 6031 78th Ave NE, Olympia, WA	Exec Director 50 hrs	66,320	0	0
see attached list of board				

75 Did any officer, director, trustee, or key employee receive aggregate compensation of more than \$100,000 from your organization and all related organizations, of which more than \$10,000 was provided by the related organizations? Yes No
If "Yes," attach schedule—see page 26 of the instructions

Part VI Other Information (See page 27 of the instructions)

		Yes	No
76	Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity	76	<input checked="" type="checkbox"/>
77	Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes	77	<input checked="" type="checkbox"/>
78a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	78a	<input checked="" type="checkbox"/>
b	If "Yes," has it filed a tax return on Form 990-T for this year?	78b	N/A
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement	79	<input checked="" type="checkbox"/>
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?	80a	<input checked="" type="checkbox"/>
b	If "Yes," enter the name of the organization <input type="checkbox"/> and check whether it is <input type="checkbox"/> exempt or <input type="checkbox"/> nonexempt		
81a	Enter direct or indirect political expenditures See line 81 instructions	81a	
b	Did the organization file Form 1120-POL for this year?	81b	<input checked="" type="checkbox"/>
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?	82a	<input checked="" type="checkbox"/>
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)	82b	
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	83a	<input checked="" type="checkbox"/>
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	83b	N/A
84a	Did the organization solicit any contributions or gifts that were not tax deductible?	84a	<input checked="" type="checkbox"/>
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	84b	N/A
85	501(c)(4), (5), or (6) organizations a Were substantially all dues nondeductible by members?	85a	N/A
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year	85b	N/A
c	Dues, assessments, and similar amounts from members	85c	
d	Section 162(e) lobbying and political expenditures	85d	
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85e	
f	Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f	
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	85g	N/A
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 nondeductible lobbying and political expenditures for the following tax year?	85h	N/A
86	501(c)(7) orgs Enter a Initiation fees and capital contributions included on line 12	86a	N/A
b	Gross receipts, included on line 12, for public use of club facilities	86b	
87	501(c)(12) orgs Enter a Gross income from members or shareholders	87a	N/A
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	87b	
88	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 301.7701-2 and 301.7701-3? If "Yes," complete Part IX	88	<input checked="" type="checkbox"/>
89a	501(c)(3) organizations Enter Amount of tax imposed on the organization during the year under section 4911 <input type="checkbox"/> , section 4912 <input type="checkbox"/> , section 4955 <input type="checkbox"/>		
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	89b	<input checked="" type="checkbox"/>
c	Enter Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958		<input type="checkbox"/>
d	Enter Amount of tax on line 89c, above, reimbursed by the organization		<input type="checkbox"/>
90a	List the states with which a copy of this return is filed		Washington
b	Number of employees employed in the pay period that includes March 12, 2002 (See instructions)	90b	20
91	The books are in care of <input type="checkbox"/> Located at <input type="checkbox"/>		Juliana McMahon PO Box 552, Olympia, WA Telephone no <input type="checkbox"/> (360) 956-3482 ZIP + 4 <input type="checkbox"/> 98507-0552
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041—Check here and enter the amount of tax-exempt interest received or accrued during the tax year	92	N/A

Part VII Analysis of Income-Producing Activities (See page 31 of the instructions)

Note: Enter gross amounts unless otherwise indicated

	Unrelated business income		Excluded by section 512 513 or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue					
a _____					
b _____					
c _____					
d _____					
e _____					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments			14	3,429	
96 Dividends and interest from securities			18	5,285	
97 Net rental income or (loss) from real estate					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory			18201	42,169	
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue a _____					
b _____					
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))				50,882	
105 Total (add line 104, columns (B), (D), and (E))				50,882	

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

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See page 32 of 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)
N/A	

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See page 32 of the instructions)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
N/A	%			
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See page 33 of the instructions)

(a) Did the organization, during the year, receive any funds, directly or indirectly, from a personal benefit contract?

(b) Did the organization, during the year, pay premiums, directly or indirectly, from a personal benefit contract?

Note: If "Yes" to (b), file Form 8870 and Form 4720 (see instructions)

Please Sign Here

Under penalties of perjury, I declare that I have examined this return and belief, it is true, correct and complete Declaration of preparer (other than the taxpayer) is based on all the information provided to the preparer after reasonable verification.

Signature of officer: *G Robert Williams*

Type or print name and title: *G Robert Williams, President*

Paid Preparer's Use Only

Preparer's signature: _____

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

SCHEDULE A
(Form 990 or 990-EZ)

Organization Exempt Under Section 501(c)(3)

(Except Private Foundation) and Section 501(e), 501(f), 501(k),
501(n), or Section 4947(a)(1) Nonexempt Charitable Trust

OMB No 1545-0047

2002

Department of the Treasury
Internal Revenue Service

MUST be completed by the above organizations and attached to their Form 990 or 990-EZ

Name of the organization

Evergreen Freedom Foundation

Employer identification number

94 3136961

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")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
Jami Lund 498 Brim Rd, Onalaska, WA	Project Manager 40 hrs	\$51,850	0	0

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



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

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
Ellis, Li & McKinstry 2 Union Sq, 601 Union St #4900, Seattle, WA	Legal	80,704

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



Part III Statements About Activities (See page 2 of the instructions)

	Yes	No
1 During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ▶ \$ _____ (Must equal amounts on line 38, Part VI-A, or line 1 of Part VI-B) Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes," must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.		✓
2 During 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 "Yes," attach a detailed statement explaining the transactions.)		
a Sale, exchange, or leasing of property?		✓
b Lending of money or other extension of credit?		✓
c Furnishing of goods, services, or facilities?		✓
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?	✓	
e Transfer of any part of its income or assets?		✓
3 Does the organization make grants for scholarships, fellowships, student loans, etc.? (See Note below)		✓
4 Do you have a section 403(b) annuity plan for your employees?	✓	
Note: Attach a statement to explain how the organization determines that individuals or organizations receiving grants or loans from it in furtherance of its charitable programs "qualify" to receive payments.		

Part IV Reason for Non-Private Foundation Status (See pages 3 through 5 of the instructions)

The organization is not a private foundation because it is (Please check only **ONE** applicable box.)

- 5** A church, convention of churches, or association of churches Section 170(b)(1)(A)(i)
- 6** A school Section 170(b)(1)(A)(ii) (Also complete Part V)
- 7** A hospital or a cooperative hospital service organization Section 170(b)(1)(A)(iii)
- 8** A Federal, state, or local government or governmental unit Section 170(b)(1)(A)(v)
- 9** A medical research organization operated in conjunction with a hospital Section 170(b)(1)(A)(iii) Enter the hospital's name, city, and state ▶ _____
- 10** An organization operated for the benefit of a college or university owned or operated by a governmental unit Section 170(b)(1)(A)(iv) (Also complete the **Support Schedule** in Part IV-A)
- 11a** An organization that normally receives a substantial part of its support from a governmental unit or from the general public Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV-A)
- 11b** A community trust Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV-A)
- 12** An organization that normally receives (1) more than 33% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions—subject to certain exceptions, and (2) no more than 33% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See section 509(a)(2) (Also complete the **Support Schedule** in Part IV-A)
- 13** An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in (1) lines 5 through 12 above, or (2) section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2) (See section 509(a)(3))

Provide the following information about the supported organizations (See page 5 of the instructions)

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

- 14** An organization organized and operated to test for public safety Section 509(a)(4) (See page 5 of the instructions)

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12) *Use cash method of accounting.*

Note You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting

Calendar year (or fiscal year beginning in) ▶	(a) 2001	(b) 2000	(c) 1999	(d) 1998	(e) Total
15 Gifts, grants, and contributions received (Do not include unusual grants See line 28)	1,189,814	923,833	1,787,642	944,711	4,846,000
16 Membership fees received					
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					
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	120,030	21,390	15,868	9,046	166,334
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge Do not include the value of services or facilities generally furnished to the public without charge					
22 Other income Attach a schedule Do not include gain or (loss) from sale of capital assets					
23 Total of lines 15 through 22	1,309,844	945,223	1,803,510	953,757	5,012,334
24 Line 23 minus line 17	1,309,844	945,223	1,803,510	953,757	5,012,334
25 Enter 1% of line 23	13,098	9,452	18,035	9,538	

26 Organizations described on lines 10 or 11	a Enter 2% of amount in column (e), line 24 ▶	26a	100,247
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 1998 through 2001 exceeded the amount shown in line 26a Do not file this list with your return. Enter the total of all these excess amounts ▶		26b	872,875
c Total support for section 509(a)(1) test Enter line 24, column (e) ▶		26c	5,012,334
d Add Amounts from column (e) for lines 18 <u>166,334</u> 19 _____		26d	1,039,209
22 _____ 26b <u>872,875</u>		26e	3,973,125
e Public support (line 26c minus line 26d total) ▶		26f	79.27 %
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

(2001)	(2000)	(1999)	(1998)	
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 11, 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	(2001)	(2000)	(1999)	(1998)

c Add Amounts from column (e) for lines 15 _____ 16 _____	17 _____ 20 _____	21 _____	▶	27c
d Add Line 27a total _____ and line 27b total _____			▶	27d
e Public support (line 27c total minus line 27d total)			▶	27e
f Total support for section 509(a)(2) test Enter amount from line 23, column (e) ▶	27f			
g Public support percentage (line 27e (numerator) divided by line 27f (denominator)) ▶				27g %
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator)) ▶				27h %

28 Unusual Grants. For an organization described in line 10, 11, or 12 that received any unusual grants during 1998 through 2001, 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 (See page 7 of the instructions)
 (To be completed ONLY by schools that checked the box on line 6 in Part IV) N/A

	Yes	No
29 Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?		
30 Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
31 Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe, if "No," please explain (If you need more space, attach a separate statement)		
32 Does the organization maintain the following		
a Records indicating the racial composition of the student body, faculty, and administrative staff?		
b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?		
c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?		
d Copies of all material used by the organization or on its behalf to solicit contributions? If you answered "No" to any of the above, please explain (If you need more space, attach a separate statement)		
33 Does the organization discriminate by race in any way with respect to		
a Students' rights or privileges?		
b Admissions policies?		
c Employment of faculty or administrative staff?		
d Scholarships or other financial assistance?		
e Educational policies?		
f Use of facilities?		
g Athletic programs?		
h Other extracurricular activities? If you answered "Yes" to any of the above, please explain (If you need more space, attach a separate statement)		
34a Does the organization receive any financial aid or assistance from a governmental agency?		
b Has the organization's right to such aid ever been revoked or suspended? If you answered "Yes" to either 34a or b, please explain using an attached statement		
35 Does the organization certify that it has complied with the applicable requirements of sections 4 01 through 4 05 of Rev Proc 75-50, 1975-2 C B 587, covering racial nondiscrimination? If "No," attach an explanation		

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 9 of the instructions)
 (To be completed **ONLY** by an eligible organization that filed Form 5768)

NIA

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)

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

Caution. If there is an amount on either line 43 or line 44, you must file Form 4720

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below
 See the instructions for lines 45 through 50 on page 11 of the instructions)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2002	(b) 2001	(c) 2000	(d) 1999	(e) Total
45 Lobbying nontaxable amount					
46 Lobbying ceiling amount (150% of line 45(e))					
47 Total lobbying expenditures					
48 Grassroots nontaxable amount					
49 Grassroots ceiling amount (150% of line 48(e))					
50 Grassroots lobbying expenditures					

Part VI-B Lobbying Activity by Nonelecting Public Charities

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

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

Yes	No	Amount
	✓	
	✓	
	✓	
	✓	
	✓	
	✓	
	✓	
	✓	
	✓	
		0

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities

Form 990
Part I - Line 8 (A)

Schedule of Gain or (Loss) - Securities

Publically traded securities	
Total sale	\$152,587
Total cost basis	<u>\$110,230</u>
Total gain or (loss)	\$42,357

Form 990
Part I - Line 8 (B)

Schedule of Gain or (Loss) - Other

Inventory disposed	
Sales from disposal	\$0
Depreciated value	<u>\$188</u>
Total gain or (loss)	(\$188)

Form 990
Part I - Line 20

Unrealized loss on securities	(\$54,698)
Other	<u>(\$863)</u>
	(\$55,561)

Form 990
Part II - Line 42

Depreciation Expenses	\$20,178
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Form 990
Part III - Line e

Other program services	
Research & analysis of health care policies	\$1,690

Form 990
Part IV - Line 54

Stocks are listed at end-of-year fair market value

Corporate stocks	\$115,876
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Form 990
Part IV - Line 57

Schedule of Fixed Assets

Building	\$550,046	line 57a
Accum Depreciation	-21,200	line 57b
Previous Equipment + Increase	61,462	line 57a
Accum Depreciation	-40,022	line 57b

Total line 57c	\$550,286	

Form 990
Part IV - Line 64b

Mortgage payable \$299,000

Form 990 - Schedule A
Part III - Line 2d

Payment of expenses over \$1,000

Total expenses for the year 2002 were reimbursed as follows

Lynn Harsh, Executive Director = \$1,697

Jami Lund, Project Manager = \$1,201

Form 990
Part V

Board of Directors

(A)	(B)	(C)	(D)	(E)
Duane Alton 712 N Lancashire Ln, Liberty Lake, WA 99019	Board Member 1 hr	\$0	\$0	\$0
Bill Conner 846 108th Ave NE #202, Bellevue, WA 98004	Board Member 1 hr	\$0	\$0	\$0
Harry James 15802 Virginia Pt NE, Poulsbo, WA 98370	Board Member 1 hr	\$0	\$0	\$0
Barbara Kenney 16245 SE 31st St, Bellevue, WA 98008	Board Member 1 hr	\$0	\$0	\$0
Mary Jo Kahler 21911 SE 20th St, Sammamish, WA 98075	Board Member 1 hr	\$0	\$0	\$0
Andy Nisbet 441 Nisbet Rd, Sequim, WA 98382	Board Member 1 hr	\$0	\$0	\$0
Alexandra Ockey 431 W 29th Ave, Spokane, WA 99203	Board Member 1 hr	\$0	\$0	\$0
Ansgar Schei PO Box 38, Woodland, WA 98674	Board Member 1 hr	\$0	\$0	\$0
Bill Shortt 4011 SW 321st, Federal Way, WA 98023-2413	Board Member 1 hr	\$0	\$0	\$0
Bob Taigen 124 E Salmon Ave, Spokane, WA 99218	Board Member 1 hr	\$0	\$0	\$0
R P Wollenberg 1632 Kessler Blvd, Longview, WA 98632	Board Member 1 hr	\$0	\$0	\$0
Jim Youngsman 1669 Hickox Rd, Mount Vernon, WA 98273	Board Member 1 hr	\$0	\$0	\$0

as of 12/31/02