

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)

OMB No. 1545-0047

2001

Open to Public Inspection

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

A For the 2001 calendar year, or tax year period beginning **JUL 1, 2001** and ending **JUN 30, 2002**

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
THE INSTITUTE FOR FOREIGN POLICY ANALYSIS, INC.

D Employer identification number
51-0192436

Number and street (or P O box if mail is not delivered to street address) Room/Suite
675 MASSACHUSETTS AVENUE

E Telephone number
617-492-2116

City or town, state or country, and ZIP + 4
CAMBRIDGE, MA 02139

F Accounting method Cash Accrual
 Other (specify) ▶

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

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? **N/A** Yes No (If "No," attach a list.)
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)

G Web site ▶ **WWW.IFPA.ORG**

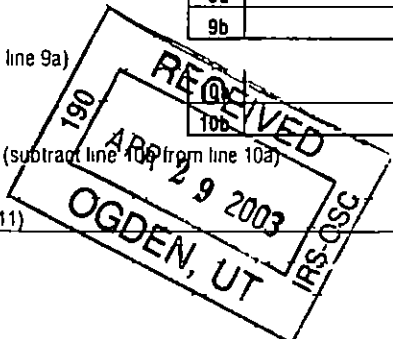
J Organization type (check only one) ▶ 501(c) (3) ◀ (insert no.) 4947(a)(1) or 527

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

L Gross receipts Add lines 6b, 8b, 9b, and 10b to line 12 ▶ **3,169,245.**

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances

		1a		1b		1c		1d	
Revenue	1	Contributions, gifts, grants, and similar amounts received							
		a	Direct public support	1,243,414.					
		b	Indirect public support						
		c	Government contributions (grants)						
		d	Total (add lines 1a through 1c)					1,243,414.	
			(cash \$ 1,243,414. noncash \$)						
		2	Program service revenue including government fees and contracts (from Part VII, line 93)						1,838,429.
		3	Membership dues and assessments						
		4	Interest on savings and temporary cash investments						954.
		5	Dividends and interest from securities						
		6a	Gross rents	SEE STATEMENT 1	81,894.				
		6b	Less rental expenses	SEE STATEMENT 2	81,894.				
	6c	Net rental income or (loss) (subtract line 6b from line 6a)						0.	
	7	Other investment income (describe ▶ INTEREST ON SUBSIDIARY LOAN)						4,554.	
	8a	Gross amount from sale of assets other than inventory		(A) Securities	(B) Other				
	8b	Less cost or other basis and sales expenses							
	8c	Gain or (loss) (attach schedule)							
	8d	Net gain or (loss) (combine line 8c, columns (A) and (B))							
	9a	Gross revenue (not including \$ of contributions reported on line 1a)							
	9b	Less direct expenses other than fundraising expenses							
	9c	Net income or (loss) from special events (subtract line 9b from line 9a)							
	10a	Gross sales of inventory, less returns and allowances							
	10b	Less cost of goods sold							
	10c	Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)							
	11	Other revenue (from Part VII, line 103)							
	12	Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)						3,087,351.	
Expenses	13	Program services (from line 44, column (B))						2,269,519.	
	14	Management and general (from line 44, column (C))						609,951.	
	15	Fundraising (from line 44, column (D))						29,532.	
	16	Payments to affiliates (attach schedule)							
	17	Total expenses (add lines 16 and 44, column (A))						2,909,002.	
Net Assets	18	Excess or (deficit) for the year (subtract line 17 from line 12)						178,349.	
	19	Net assets or fund balances at beginning of year (from line 73, column (A))						326,512.	
	20	Other changes in net assets or fund balances (attach explanation) SEE STATEMENT 3						<141,949.>	
	21	Net assets or fund balances at end of year (combine lines 18, 19, and 20)						362,912.	



SCANNED MAY 14 2003

13

THE INSTITUTE FOR FOREIGN POLICY

ANALYSIS, INC.

51-0192436

Form 990 (2001)

Part II Statement of Functional Expenses

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

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising	
22	Grants and allocations (attach schedule)					
	cash \$ _____ noncash \$ _____	22				
23	Specific assistance to individuals (attach schedule)	23				
24	Benefits paid to or for members (attach schedule)	24				
25	Compensation of officers, directors, etc	25	396,937.	282,493.	108,284.	6,160.
26	Other salaries and wages	26	821,808.	584,852.	224,189.	12,767.
27	Pension plan contributions	27	69,552.	49,497.	18,975.	1,080.
28	Other employee benefits	28	67,506.	48,041.	18,417.	1,048.
29	Payroll taxes	29	74,147.	52,766.	20,229.	1,152.
30	Professional fundraising fees	30				
31	Accounting fees	31	20,725.		20,725.	
32	Legal fees	32				
33	Supplies	33	49,655.		49,655.	
34	Telephone	34	51,956.		51,956.	
35	Postage and shipping	35	16,814.	1,346.	15,468.	
36	Occupancy	36	141,566.		141,566.	
37	Equipment rental and maintenance	37	20,493.		20,493.	
38	Printing and publications	38	30,340.	27,433.	2,907.	
39	Travel	39	211,347.	114,250.	97,097.	
40	Conferences, conventions, and meetings	40	373,439.	367,950.	5,489.	
41	Interest	41	1,672.		1,672.	
42	Depreciation, depletion, etc (attach schedule)	42	26,396.		26,396.	
43	Other expenses not covered above (itemize)					
a	_____	43a				
b	_____	43b				
c	_____	43c				
d	_____	43d				
e	SEE STATEMENT 4	43e	534,649.	740,891.	<213,567.>	7,325.
44	Total functional expenses (add lines 22 through 43) Organizations completing columns (B)-(D), carry these totals to lines 13-15	44	2,909,002.	2,269,519.	609,951.	29,532.

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

What is the organization's primary exempt purpose?

GOVERNMENT POLICY RESEARCH

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	EXAMINATION OF US FOREIGN POLICY & FORMULATION OF POLICY OPTIONS FOR SUBMISSION TO US GOV'T AGENCIES AND DISSEMINATION TO GENERAL PUBLIC	(Grants and allocations \$ _____)	2,178,738.
b	TRAINING OF FOREIGN POLICY ANALYSTS	(Grants and allocations \$ _____)	90,781.
c	_____	(Grants and allocations \$ _____)	
d	_____	(Grants and allocations \$ _____)	
e	Other program services (attach schedule)	(Grants and allocations \$ _____)	
f	Total of Program Service Expenses (should equal line 44, column (B), Program services)		2,269,519.

Part IV Balance Sheets

Note			(A)		(B)
Where required, attached schedules and amounts within the description column should be for end-of-year amounts only			Beginning of year		End of year
Assets	45	Cash - non-interest-bearing	500.	45	800.
	46	Savings and temporary cash investments	104,942.	46	196,172.
	47 a	Accounts receivable	47a 496,390.		
	b	Less allowance for doubtful accounts	47b	47c	496,390.
	48 a	Pledges receivable	48a		
	b	Less allowance for doubtful accounts	48b	48c	
	49	Grants receivable	250,346.	49	141,756.
	50	Receivables from officers, directors, trustees, and key employees		50	
	51 a	Other notes and loans receivable	51a		
	b	Less allowance for doubtful accounts	51b	51c	
	52	Inventories for sale or use		52	
	53	Prepaid expenses and deferred charges		53	
	54	Investments - securities <input type="checkbox"/> Cost <input type="checkbox"/> FMV		54	
	55 a	Investments - land, buildings, and equipment: basis	55a		
	b	Less accumulated depreciation	55b	55c	
56	Investments - other	27,978.	56	0.	
57 a	Land, buildings, and equipment basis	57a 390,871.			
b	Less accumulated depreciation	57b 321,322.	57c	69,549.	
58	Other assets (describe <input type="checkbox"/> SEE STATEMENT 5)	50,685.	58	54,470.	
59	Total assets (add lines 45 through 58) (must equal line 74)	650,327.	59	959,137.	
Liabilities	60	Accounts payable and accrued expenses	151,346.	60	195,668.
	61	Grants payable	124,000.	61	180,499.
	62	Deferred revenue		62	
	63	Loans from officers, directors, trustees, and key employees		63	
	64 a	Tax-exempt bond liabilities		64a	
	b	Mortgages and other notes payable		64b	
	65	Other liabilities (describe <input type="checkbox"/> REFUNDABLE ADVANCE)	48,469.	65	220,058.
66	Total liabilities (add lines 60 through 65)	323,815.	66	596,225.	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74				
	67	Unrestricted	<528,004.>	67	<360,558.>
	68	Temporarily restricted	854,516.	68	723,470.
	69	Permanently restricted		69	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74				
	70	Capital stock, trust principal, or current funds		70	
	71	Paid-in or capital surplus, or land, building, and equipment fund		71	
	72	Retained earnings, endowment, accumulated income, or other funds		72	
73	Total net assets or fund balances (add lines 67 through 69 OR lines 70 through 72, column (A) must equal line 19, column (B) must equal line 21)	326,512.	73	362,912.	
74	Total liabilities and net assets / fund balances (add lines 66 and 73)	650,327.	74	959,137.	

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.

**THE INSTITUTE FOR FOREIGN POLICY
ANALYSIS, INC.**

Form 990 (2001)

51-0192436 Page 4

Part IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return		Part IV-B Reconciliation of Expenses per Audited Financial Statements With Expenses per Return	
a Total revenue, gains, and other support per audited financial statements	▶ a 3,087,351.	a Total expenses and losses per audited financial statements	▶ a 2,909,002.
b Amounts included on line a but not on line 12, Form 990		b Amounts included on line a but not on line 17, Form 990	
(1) Net unrealized gains on investments \$		(1) Donated services and use of facilities \$	
(2) Donated services and use of facilities \$		(2) Prior year adjustments reported on line 20, Form 990 \$	
(3) Recoveries of prior year grants \$		(3) Losses reported on line 20, Form 990 \$	
(4) Other (specify) \$		(4) Other (specify) \$	
Add amounts on lines (1) through (4)	▶ b 0.	Add amounts on lines (1) through (4)	▶ b 0.
c Line a minus line b	▶ c 3,087,351.	c Line a minus line b	▶ c 2,909,002.
d Amounts included on line 12, Form 990 but not on line a		d Amounts included on line 17, Form 990 but not on line a	
(1) Investment expenses not included on line 6b, Form 990 \$		(1) Investment expenses not included on line 6b, Form 990 \$	
(2) Other (specify) \$		(2) Other (specify) \$	
Add amounts on lines (1) and (2)	▶ d 0.	Add amounts on lines (1) and (2)	▶ d 0.
e Total revenue per line 12, Form 990 (line c plus line d)	▶ e 3,087,351.	e Total expenses per line 17, Form 990 (line c plus line d)	▶ e 2,909,002.

Part V List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated)				
(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
<u>ROBERT PFALTZGRAFF, JR</u> ----- <u>STRAFFORD, PA</u>	PRESIDENT 40	176,675.	17,141.	0.
<u>JACQUELYN K. DAVIS</u> ----- <u>BETHESDA, MD</u>	EXECUTIVE VP 40	131,160.	12,938.	0.
<u>CHARLES PERRY</u> ----- <u>BROOKLINE, MA</u>	CLERK 40	89,102.	8,735.	0.
<u>JOHN R. GALVIN</u> ----- <u>MEDFORD, MA</u>	DIRECTOR 0.	0.	0.	0.
<u>WILLIAM S. EDGERLY</u> ----- <u>CAMBRIDGE, MA</u>	DIRECTOR 0.	0.	0.	0.
<u>WILLIAM SMITH</u> ----- <u>ALEXANDRIA, VA</u>	DIRECTOR 0.	0.	0.	0.
<u>FRANK CARLUCCI</u> ----- <u>MCLEAN, VA</u>	DIRECTOR 0.	0.	0.	0.
<u>STEPHEN W. RITTERBUSH</u> ----- <u>MCLEAN, VA</u>	DIRECTOR 0.	0.	0.	0.
<u>NEIL B. RUSSELL</u> ----- <u>IRVINE, CA</u>	DIRECTOR 0.	0.	0.	0.
----- ----- -----				

**THE INSTITUTE FOR FOREIGN POLICY
ANALYSIS, INC.**

Form 990 (2001)

51-0192436

Page 5

Part VI Other Information		Yes	No
76	Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity		X
77	Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes.		X
78 a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	X	
b	If "Yes," has it filed a tax return on Form 990-T for this year?	X	
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement		X
80 a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization?	X	
b	If "Yes," enter the name of the organization SEE STATEMENT 7 and check whether it is <input type="checkbox"/> exempt OR <input type="checkbox"/> nonexempt.		
81 a	Enter direct or indirect political expenditures See line 81 instructions 81a 0.		
b	Did the organization file Form 1120-POL for this year?		X
82 a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?		X
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 N/A		
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions? 83b N/A		
84 a	Did the organization solicit any contributions or gifts that were not tax deductible?		X
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 N/A		
d	Section 162(e) lobbying and political expenditures 85d N/A		
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices 85e N/A		
f	Taxable amount of lobbying and political expenditures (line 85d less 85e) 85f N/A		
g	Does the organization elect to pay the section 6033(e) tax on the amount in 85f? 85g N/A		
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount in 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year? 85h N/A		
86	501(c)(7) organizations 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 N/A		
87	501(c)(12) organizations 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 N/A		
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 X		
89 a	501(c)(3) organizations Enter Amount of tax imposed on the organization during the year under section 4911 0. , section 4912 0. , section 4955 0.		
b	501(c)(3) and 501(c)(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 a statement explaining each transaction 89b X		
c	Enter Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 0.		
d	Enter Amount of tax on line 89c, above, reimbursed by the organization 0.		
90 a	List the states with which a copy of this return is filed MASSACHUSETTS		
b	Number of employees employed in the pay period that includes March 12, 2001 90b 26		
91	The books are in care of DOROTHY WHALEN Telephone no 617-492-2116		
	Located at 675 MASSACHUSETTS AVENUE, CAMBRIDGE, MA ZIP + 4 02139		
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041- Check here <input type="checkbox"/> and enter the amount of tax exempt interest received or accrued during the tax year 92 N/A		

THE INSTITUTE FOR FOREIGN POLICY
ANALYSIS, INC.

Form 990 (2001)

51-0192436

Page 6

Part VII Analysis of Income-Producing Activities (See Specific Instructions on page 32)

	Unrelated business income		Excluded by section 512 513 or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclu- sion code	(D) Amount	
Note Enter gross amounts unless otherwise indicated					
93 Program service revenue					
a GRANTS & CONTRACTS					395,055.
b CONFERENCES					131,114.
c REPORTS					454.
d					
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					1,311,806.
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments			14	954.	
96 Dividends and interest from securities					
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	900003	4,554.			
100 Gain or (loss) from sales of assets other than inventory					
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))		4,554.		954.	1,838,429.
105 Total (add line 104, columns (B), (D), and (E))					1,843,937.

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 Specific Instructions on page 32)

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)
93A	EXAMINE FOREIGN POLICY, TRAIN POLICY ANALYSTS & FORMULATE OPTIONS
93G	EXAMINE FOREIGN POLICY, TRAIN POLICY ANALYSTS & FORMULATE OPTIONS
93B	DISSEMINATE RESULTS OF EXAMINATION OF FOREIGN POLICY ISSUES
93C	DISSEMINATE RESULTS OF EXAMINATION OF FOREIGN POLICY ISSUES

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See Specific Instructions on page 33)

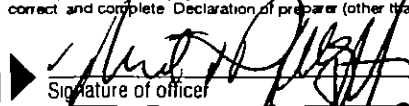
(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of year assets
NATIONAL SECURITY	%			
PLANNING ASSOCIATES, INC, CAMBRIDGE, MA	%			
04-2993284	100%	RESEARCH	<141,949.>	0.

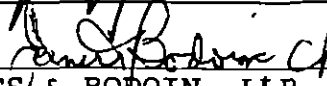
Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See Specific Instructions on page 33)

- (a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No
- (b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No

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

Under penalties of perjury I declare that I have examined this return including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Please Sign Here:  Date: 1/4/03 Type or print name and title: ROBERT L. PLATZER, PRESIDENT

Paid Preparer's Use Only: Preparer's signature:  Date: 4/24/03 Check if self employed: Preparer's SSN or PTIN: 00046276

Firm's name (or yours if self employed), address and ZIP + 4: COLES & BODOIN, LLP, 75 SECOND AVENUE, NEEDHAM, MA 02494

Phone no: 781-455-1400

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

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

Supplementary Information-(See separate instructions.)

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

OMB No 1545-0047

2001

Name of the organization **THE INSTITUTE FOR FOREIGN POLICY
ANALYSIS, INC.**

Employer identification number
51 0192436

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
<u>MICHAEL SWEENEY</u> <u>ARLINGTON, VA</u>	SR STAFF 40	73,525.	7,352.	
<u>DOROTHY WHALEN</u> <u>CAMBRIDGE, MA</u>	CFO 40	58,333.	0.	

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

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
<u>ROGER W. ROBINSON, INC</u> <u>WASHINGTON, DC</u>	RESEARCH CONSULTANT	155,365.
<u>TIMOTHY CAMPBELL</u> <u>ALEXANDRIA, VA</u>	RESEARCH CONSULTANT	138,000.

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

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 i 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?

1		X
2a		X
2b	X	
2c	X	
2d	X	
2e		X
3	X	
4	X	

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 6 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 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc , functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See section 509(a)(2) (Also complete the **Support Schedule** in Part IV-A.)
- 13 An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in (1) lines 5 through 12 above, or (2) section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2) (See section 509(a)(3))

Provide the following information about the supported organizations (See 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 6 of the instructions)

THE INSTITUTE FOR FOREIGN POLICY

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) 2000	(b) 1999	(c) 1998	(d) 1997	(e) Total
15 Gifts, grants, and contributions received (Do not include unusual grants. See line 28.)	1,342,330.	928,098.	779,846.	729,548.	3,779,822.
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	1,155,525.	939,768.	1,068,620.	1,057,659.	4,221,572.
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	12,781.	25,380.	25,740.	18,316.	82,217.
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	2,510,636.	1,893,246.	1,874,206.	1,805,523.	8,083,611.
24 Line 23 minus line 17	1,355,111.	953,478.	805,586.	747,864.	3,862,039.
25 Enter 1% of line 23	25,106.	18,932.	18,742.	18,055.	
26 Organizations described on lines 10 or 11					
a Enter 2% of amount in column (e), line 24					26a 77,241.
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 1997 through 2000 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts					26b 2,564,422.
c Total support for section 509(a)(1) test. Enter line 24, column (e)					26c 3,862,039.
d Add: Amounts from column (e) for lines 18 <u>82,217.</u> 19 _____ 22 _____ 26b <u>2,564,422.</u>					26d 2,646,639.
e Public support (line 26c minus line 26d total)					26e 1,215,400.
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					26f 31.4704%
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: (2000) N/A (1999) _____ (1998) _____ (1997) _____					
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: (2000) N/A (1999) _____ (1998) _____ (1997) _____					
c Add: Amounts from column (e) for lines 15 _____ 16 _____ 17 _____ 20 _____ 21 _____					27c N/A
d Add: Line 27a total _____ and line 27b total _____					27d N/A
e Public support (line 27c total minus line 27d total)					27e N/A
f Total support for section 509(a)(2) test. Enter amount on line 23, column (e)					27f N/A
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))					27g N/A %
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					27h N/A %

28 Unusual Grants For an organization described in line 10, 11, or 12, that received any unusual grants during 1997 through 2000, 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.

NONE

THE INSTITUTE FOR FOREIGN POLICY

Part V Private School Questionnaire (See page 7 of the instructions)

N/A

(To be completed ONLY by schools that checked the box on line 6 in Part IV)

		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.)		
<hr/> <hr/> <hr/>			
32	Does the organization maintain the following		
a	Records indicating the racial composition of the student body, faculty, and administrative staff?	32a	
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	32b	
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32c	
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.)	32d	
<hr/> <hr/> <hr/>			
33	Does the organization discriminate by race in any way with respect to		
a	Students' rights or privileges?	33a	
b	Admissions policies?	33b	
c	Employment of faculty or administrative staff?	33c	
d	Scholarships or other financial assistance?	33d	
e	Educational policies?	33e	
f	Use of facilities?	33f	
g	Athletic programs?	33g	
h	Other extracurricular activities? If you answered "Yes" to any of the above, please explain (If you need more space, attach a separate statement)	33h	
<hr/> <hr/> <hr/>			
34 a	Does the organization receive any financial aid or assistance from a governmental agency?	34a	
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.	34b	
<hr/> <hr/> <hr/>			
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	35	

THE INSTITUTE FOR FOREIGN POLICY

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)

N/A

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
		N/A	
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				N/A (e) Total
	(a) 2001	(b) 2000	(c) 1999	(d) 1998	
45	Lobbying nontaxable amount				0.
46	Lobbying ceiling amount (150% of line 45(e))				0.
47	Total lobbying expenditures				0.
48	Grassroots nontaxable amount				0.
49	Grassroots ceiling amount (150% of line 48(e))				0.
50	Grassroots lobbying expenditures				0.

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See page 12 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	Yes	No	Amount
a Volunteers		X	
b Paid staff or management (Include compensation in expenses reported on lines c through h)		X	
c Media advertisements		X	
d Mailings to members, legislators, or the public		X	
e Publications, or published or broadcast statements		X	
f Grants to other organizations for lobbying purposes		X	
g Direct contact with legislators, their staffs, government officials, or a legislative body		X	
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means		X	
i Total lobbying expenditures (Add lines c through h)			0.

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

FORM 990	RENTAL INCOME	STATEMENT	1
KIND AND LOCATION OF PROPERTY		ACTIVITY NUMBER	GROSS RENTAL INCOME
CAMBRIDGE, MA & WASHINGTON, DC		1	81,894.
TOTAL TO FORM 990, PART I, LINE 6A			81,894.

FORM 990	RENTAL EXPENSES	STATEMENT	2
DESCRIPTION	ACTIVITY NUMBER	AMOUNT	TOTAL
RENTAL EXPENSES		81,894.	
- SUBTOTAL -	1		81,894.
TOTAL TO FORM 990, PART I, LINE 6B			81,894.

FORM 990	OTHER CHANGES IN NET ASSETS OR FUND BALANCES	STATEMENT	3
DESCRIPTION			AMOUNT
LOSS OF UNCONSOLIDATED WHOLLY-OWNED SUBSIDIARY			<141,949.>
TOTAL TO FORM 990, PART I, LINE 20			<141,949.>

FORM 990	OTHER EXPENSES	STATEMENT	4	
DESCRIPTION	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT AND GENERAL	(D) FUNDRAISING
PROMOTION	13,549.		13,549.	
OTHER PROF SERVICES	408,901.	408,901.		
LIBRARY & RESEARCH MATERIALS	24,126.	24,126.		
MISCELLANEOUS	40,893.	629.	40,264.	
USA FUNDING FEE	13,140.	13,140.		
FELLOWSHIPS	34,040.	34,040.		
ALLOCATION OF OVERHEAD	0.	260,055.	<267,380.>	7,325.
TOTAL TO FM 990, LN 43	534,649.	740,891.	<213,567.>	7,325.

FORM 990 OTHER ASSETS STATEMENT 5

DESCRIPTION	AMOUNT
DEPOSITS	6,782.
MISC RECEIVABLES	6,834.
PREPAID EXPENSES	40,854.
TOTAL TO FORM 990, PART IV, LINE 58, COLUMN B	54,470.

FORM 990 PART V - OFFICER COMPENSATION FROM RELATED ORGANIZATIONS STATEMENT 6

OFFICER'S NAME	NAME OF RELATED ORGANIZATION	COMPEN-SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
JACQUELYN K. DAVIS	NATIONAL SECURITY PLANNING ASSOCIATES, INC.	43,808.	4,203.	0.
CHARLES PERRY	NATIONAL SECURITY PLANNING ASSOCIATES, INC.	85,806.	8,364.	0.

FORM 990 IDENTIFICATION OF RELATED ORGANIZATIONS PART VI, LINE 80B STATEMENT 7

NAME OF ORGANIZATION	EXEMPT	NONEXEMPT
NATIONAL SECURITY PLANNING ASSOCIATES, INC		X

Depreciation and Amortization
(Including Information on Listed Property)

(Rev March 2002)
Department of the Treasury
Internal Revenue Service (99)

See separate instructions Attach to your tax return

Table with 3 columns: Name(s) shown on return, Business or activity to which this form relates, Identifying number. Values: INSTITUTE FOR FOREIGN POLICY ANALYSIS, NONPROFIT RESEARCH ORGANIZATION, 51-0192436

Part I Election To Expense Certain Tangible Property Under Section 179
Note If you have any listed property, complete Part V before you complete Part I

Table with 2 columns: Line number, Amount. Lines 1-5: 1 (24,000), 2 (0), 3 (200,000), 4 (0), 5 (24,000)

Table with 3 columns: (a) Description of property, (b) Cost (business use only), (c) Elected cost. Lines 6-13: 6 (0), 7 (0), 8 (0), 9 (0), 10 (0), 11 (0), 12 (0), 13 (0)

Note Do not use Part II or Part III below for listed property. Instead, use Part V

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property)

Table with 2 columns: Line number, Amount. Lines 14-16: 14 (0), 15 (0), 16 (23,598)

Part III MACRS Depreciation (Do not include listed property) (See page 4 of the instructions)

Section A

Table with 2 columns: Line number, Amount. Lines 17-18: 17 (0), 18 (0)

Section B - Assets Placed in Service During 2001 Tax Year Using the General Depreciation System

Table with 7 columns: (a) Classification of property, (b) Month and year placed in service, (c) Basis for depreciation, (d) Recovery period, (e) Convention, (f) Method, (g) Depreciation deduction. Rows 19a-i: 19a (0), 19b (2,798), 19c (0), 19d (0), 19e (0), 19f (0), 19g (0), 19h (0), 19i (0)

Section C - Assets Placed in Service During 2001 Tax Year Using the Alternative Depreciation System

Table with 7 columns: (a) Class life, (b) Month and year placed in service, (c) Basis for depreciation, (d) Recovery period, (e) Convention, (f) Method, (g) Depreciation deduction. Rows 20a-c: 20a (0), 20b (0), 20c (0)

Part IV Summary (See page 6 of the instructions)

Table with 2 columns: Line number, Amount. Lines 21-23: 21 (0), 22 (26,396), 23 (0)

THE INSTITUTE FOR FOREIGN POLICY ANALYSIS, INC.

FORM 990

51-0192436

JUNE 30, 2002

SCHEDULE A - PART III - QUESTION 2(B) AND 2 (C)

The following activity took place with National Security Planning Associates, Inc , which is a wholly owned non-exempt corporation. All of the officers of the Institute are also officers or directors of the subsidiary

Net advances to subsidiary	34,538
Charges billed to subsidiary for allocated expense	5,397
Rent charges to subsidiary for facilities	81,894
Interest income charged to subsidiary	4,554
Payments received from subsidiary	(20,000)

SCHEDULE A - PART III - QUESTION 4

The Institute for Foreign Policy Analysis, Inc is a non-profit research organization which has a three-fold purpose

- 1 Examination of issues of U S foreign policy
- 2 Formulation of policy options and programs for submission to U S government agencies and dissemination to the public
- 3 Training of students for policy analysis careers

The Institute awards fellowships and research appointments to a select number of pre-doctoral candidates and recent recipients of the PhD degree in keeping with its commitment to the training of policy analysts

THE INSTITUTE FOR FOREIGN POLICY ANALYSIS, INC.

51-0192436

FORM 990 – SCHEDULE A

JUNE 30, 2002

**STATEMENT OF FACTS AND CIRCUMSTANCES
RE PUBLIC SUPPORT**

- 1 The Organization's percentage of public support for the last two years 2001 and 2000 was 31.47% and 25.63%, respectively, which is greater than the 10% minimum requirement
- 2 The Organization's governing body represents the broad interest of the general public
- 3 The Organization performs research which serves the interests of the general public in furtherance of its exempt purpose
- 4 The Organization maintains a continuous program for solicitation of funds from the general public

• If you are filing for a: 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 THE INSTITUTE FOR FOREIGN POLICY ANALYSIS, INC.
File by the extended due date for filing the return See instructions	Employer identification number 51-0192436
	Number, street and room or suite no. If a P.O. box, see instructions 675 MASSACHUSETTS AVENUE
	City, town or post office, state, and ZIP code For a foreign address, see instructions CAMBRIDGE, MA 02139

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 MAY 15, 2003
- 5 For calendar year _____, or other tax year beginning JUL 1, 2001 and ending JUN 30, 2002
- 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
ADDITIONAL TIME NEEDED TO GATHER SUFFICIENT INFORMATION TO PREPARE A COMPLETE AND ACCURATE RETURN

- 8a 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 \$ _____
- 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 \$ _____
- 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 \$ N/A

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 [Signature] Title _____ Date 2/7/03

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
- 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 the 10-day grace period
- We cannot consider this application because it was filed after the due date of the return for which an extension was requested
- Other _____

Director _____ By _____ Date _____

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 COLES & BODOIN, LLP
	Number and street (include suite room, or apt no.) Or a P.O. box number 75 SECOND AVENUE
	City or town, province or state, and country (including postal or ZIP code) NEEDHAM, MA 02494

123832 07 10 01

