

Return of Organization Exempt from Income Tax

2002

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code
(except black lung benefit trust or private foundation)

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

A For the 2002 calendar year, or tax year beginning , 2002, **and ending** , 2002, **and ending**

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

C Name of organization
National Council on Teacher Quality
 Number street (or P O box if mail is not delivered to street addr) Room/suite
1225 19th Street NW 400
 City town or country State ZIP code + 4
Washington DC 20036

D Employer Identification Number
04-3536571

E Telephone number
(202) 261-2622

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.

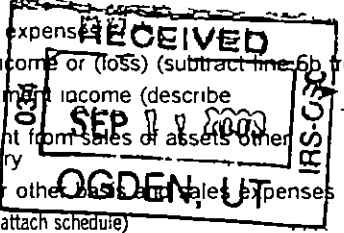
L Gross receipts Add lines 6b, 8b, 9b, and 10b to line 12 **1,596,923**

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 Schedule B (Form 990, 990-EZ, or 990-PF)

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

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

1	Contributions, gifts, grants, and similar amounts received			
a	Direct public support	1a	76,107	
b	Indirect public support	1b		
c	Government contributions (grants)	1c	1,520,716	
d	Total (add lines 1a through 1c) (cash \$ 1,596,823 noncash \$ 0)	1d	1,596,823	
2	Program service revenue including government fees and contracts (from Part VII, line 93)	2		
3	Membership dues and assessments	3		
4	Interest on savings and temporary cash investments	4		
5	Dividends and interest from securities	5		
6a	Gross rents	6a		
b	Less rental expenses	6b		
c	Net rental income or (loss) (subtract line 6b from line 6a)	6c		
7	Other investment income (describe _____)	7		
8a	Gross amount from sales of assets other than inventory	(A) Securities	(B) Other	
b	Less cost of other basis adjustments	8a		
c	Gain or (loss) (attach schedule)	8b		
d	Net gain or (loss) (combine line 8c, columns (A) and (B))	8c		
8d				
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		
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		
11	Other revenue (from Part VII line 103)	11	100	
12	Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12	1,596,923	
13	Program services (from line 44, column (B))	13	1,541,446	
14	Management and general (from line 44, column (C))	14	48,926	
15	Fundraising (from line 44, column (D))	15	50,206	
16	Payments to affiliates (attach schedule)	16		
17	Total expenses (add lines 16 and 44, column (A))	17	1,640,578	
18	Excess or (deficit) for the year (subtract line 17 from line 12)	18	-43,655	
19	Net assets or fund balances at beginning of year (from line 73, column (A))	19	47,697	
20	Other changes in net assets or fund balances (attach explanation)	20		
21	Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21	4,042	



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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

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 (att sch) (cash \$ _____ non-cash \$ _____)	22			
23 Specific assistance to individuals (att sch)	23			
24 Benefits paid to or for members (att sch)	24			
25 Compensation of officers directors etc	25	100,385	100,385	0
26 Other salaries and wages	26	256,758	193,791	24,262
27 Pension plan contributions	27			
28 Other employee benefits	28	84,622	73,561	6,574
29 Payroll taxes	29	28,644	23,837	1,794
30 Professional fundraising fees	30			
31 Accounting fees	31	66,736	57,085	9,651
32 Legal fees	32	49,863	47,757	2,106
33 Supplies	33	9,409	8,943	311
34 Telephone	34	21,987	20,406	621
35 Postage and shipping	35	4,255	4,255	0
36 Occupancy	36	39,403	36,124	1,288
37 Equipment rental and maintenance	37	8,234	7,070	1,164
38 Printing and publications	38	18,644	18,363	281
39 Travel	39	130,878	130,318	0
40 Conferences, conventions, and meetings	40	7,155	7,155	0
41 Interest	41	52	35	17
42 Depreciation, depletion, etc (attach schedule)	42	2,599	2,599	0
43 Other expenses not covered above (itemize)				
a Info/tech services	43a	2,315	694	1,621
b Marketing & outreach	43b	154,488	154,488	0
c Educational consultants	43c	631,503	632,503	-1,000
d Dues & subscriptions	43d	5,490	5,155	0
e See Other Expenses Stmt	43e	17,158	16,922	236
44 Total functional expenses (add lines 22-43) Organizations completing columns (B) - (D), carry these totals to lines 13-15	44	1,640,578	1,541,446	48,926

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? <input type="checkbox"/> Improving teacher quality through innovation and information	Program Service Expenses (Required for 501(c)(3) and (4) organizations and 4947(a)(1) trusts but optional for others)
a American Board for Certification on Teacher Excellence mission to create a certification system to ensure high quality to facilitate entry of new people into the teaching profession and recognition for veteran teachers (Grants and allocations \$ 1,445,716)	1,440,965
b National Council on Teacher Quality mission to improve teacher quality through innovation and information (Grants and allocations \$ 75,000)	100,481
c _____ (Grants and allocations \$ _____)	
d _____ (Grants and allocations \$ _____)	
e Other program services (Grants and allocations \$ _____)	
f Total of Program Service Expenses (should equal line 44, column (B), program services)	1,541,446

Part IV Balance Sheets (See Instructions)

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		76,938	45	93,303	
	46	Savings and temporary cash investments			46		
	47a	47a	Accounts receivable	3,260			
		47b	b Less allowance for doubtful accounts	351	47c	3,260	
	48a	48a	Pledges receivable				
		48b	b Less allowance for doubtful accounts		48c		
	49	Grants receivable			49	59,708	
	50	Receivables from officers, directors, trustees, and key employees (attach schedule)			50		
	51a	51a	Other notes & loans receivable (attach sch)				
		51b	b Less allowance for doubtful accounts		51c		
	52	Inventories for sale or use			52		
	53	Prepaid expenses and deferred charges		3,201	53	5,675	
	54	Investments — securities (attach schedule)			54		
	55a	55a	Investments — land, buildings, & equipment basis <input type="checkbox"/> Cost <input type="checkbox"/> FMV				
		55b	b Less accumulated depreciation (attach schedule)		55c		
56	Investments — other (attach schedule)			56			
57a	57a	Land, buildings, and equipment basis	15,825				
	57b	b Less accumulated depreciation (attach schedule) L-57 Stmt	3,235	57c	12,590		
58	Other assets (describe _____)			58			
59	Total assets (add lines 45 through 58) (must equal line 74)		87,700	59	174,536		
LIABILITIES	60	Accounts payable and accrued expenses		29,333	60	170,494	
	61	Grants payable			61		
	62	Deferred revenue		10,670	62	0	
	63	Loans from officers, directors, trustees, and key employees (attach schedule)			63		
	64a	Tax exempt bond liabilities (attach schedule)			64a		
		b Mortgages and other notes payable (attach schedule)			64b		
	65	Other liabilities (describe _____)			65		
66	Total liabilities (add lines 60 through 65)		40,003	66	170,494		
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		47,697	67	4,042	
	68	Temporarily restricted			68		
	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)		47,697	73	4,042	
	74	Total liabilities and net assets/fund balances (add lines 66 and 73)		87,700	74	174,536	

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.

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Part IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return (See instructions)		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	1,596,923	a Total expenses and losses per audited financial statements
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		Add amounts on lines (1) through (4)
c Line a minus line b	c	1,596,923	c Line a minus line b
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		Add amounts on lines (1) and (2)
e Total revenue per line 12, Form 990 (line c plus line d)	e	1,596,923	e Total expenses per line 17, Form 990 (line c plus line d)
			1,640,578

Part V List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated, see instructions)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans and deferred compensation	(E) Expense account and other allowances
Kathleen Madigan Washington, DC	Treasurer/Executive Direct 40	100,385	8,000	0
Gary Huggins University Park, MD	Director 1	0	0	0
Marci Kanstoroom Washington, DC	Director 1	0	0	0
Danielle Wilcox Princeton, NJ	Director 1	0	0	0

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 instructions

Part VI Other Information (See 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		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
78a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?		X
78b	If 'Yes,' has it filed a tax return on Form 990-T for this year?		
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If 'Yes,' attach a statement		X
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?		X
81a	Enter direct or indirect political expenditures. See line 81 instructions	81 a	0
81b	Did the organization file Form 1120-POL for this year?		X
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?		X
82b	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.)	82 b	
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
83b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	X	
84a	Did the organization solicit any contributions or gifts that were not tax deductible?		X
84b	If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
85a	501(c)(4), (5), or (6) organizations. Were substantially all dues nondeductible by members?		
85b	Did the organization make only in-house lobbying expenditures of \$2,000 or less?		
85c	Dues, assessments, and similar amounts from members	85 c	
85d	Section 162(e) lobbying and political expenditures	85 d	
85e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85 e	
85f	Taxable amount of lobbying and political expenditures (line 85d less 85e)	85 f	
85g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	85 g	
85h	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?	85 h	
86a	501(c)(7) organizations. Enter: a Initiation fees and capital contributions included on line 12	86 a	
86b	Gross receipts, included on line 12, for public use of club facilities	86 b	
87a	501(c)(12) organizations. Enter: a Gross income from members or shareholders	87 a	
87b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)	87 b	
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
89a	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		
89b	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	89 b	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		
90a	List the states with which a copy of this return is filed: Massachusetts		
90b	Number of employees employed in the pay period that includes March 12, 2002 (See instructions)	90 b	5
91	The books are in care of: Kathleen Madigan Telephone number: (202) 261-2621 Located at: 1225 19th Street NW, Washington, DC ZIP + 4: 20036		
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	

Part VII Analysis of Income-Producing Activities (See 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 & contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings & temporary cash invmnts					
96 Dividends & 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 pers prop					
99 Other investment income					
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 Other program support					100
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))					100
105 Total (add line 104 columns (B), (D), and (E))					100

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 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)
103a	Revenue that supports the organization's programs

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See instructions) N/A

(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
	%			
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See instructions)

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)

Please Sign Here

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

Signature of officer: Carl Swales Date: Sept 5, 2003

Type or print name and title: _____

Paid Preparer's Use Only

Preparer's signature: Cherry Randles Date: 08/28/03 Check if self employed: Preparer's SSN or PTIN (see General Instruction W): 219-92-4167

Firm's name (or yours if self-employed) address and ZIP + 4: Kirner & Associates, P C
6 N East Street, Suite 201
Frederick MD 21701

EIN: 52-2054314 Phone no: (301) 668-6300

SCHEDULE A
(Form 990 or 990-EZ)

**Organization Exempt Under
Section 501(c)(3)**

OMB No 1545-0047

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

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

National Council on Teacher Quality

Employer identification number

04-3536571

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees

(See 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 and deferred compensation	(e) Expense account and other allowances
Michael Poliakoff ----- Falls Church, VA	Past President 40	68,369	5,673	0
Tom Suh ----- Annapolis, MD	40	59,308	4,615	0

Total number of other employees paid over \$50,000 ▶	1			

Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services

(See 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
None -----		

Total number of others receiving over \$50,000 for professional services ▶	None	

Part III Statements About Activities (See 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		X
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?		X
b Lending of money or other extension of credit?		X
c Furnishing of goods, services, or facilities?	X	
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?	X	
e Transfer of any part of its income or assets?		X
3 Does the organization make grants for scholarships, fellowships, student loans, etc? (See Note below)		X
4 Do you have a section 403(b) annuity plan for your employees?		X

See Part V, Form 990

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 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)
- 11 a 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)
- 11 b 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 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 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.)	370,730	25,000			395,730
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					
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.	3,200				3,200
23 Total of lines 15 through 22	373,930	25,000			398,930
24 Line 23 minus line 17	373,930	25,000			398,930
25 Enter 1% of line 23	3,739	250			

26 Organizations described on lines 10 or 11

a Enter 2% of amount in column (e), line 24 ▶ **26a**

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**

c Total support for section 509(a)(1) test. Enter line 24, column (e). ▶ **26c**

d Add: Amounts from column (e) for lines **18** _____ **19** _____
22 _____ **26b** _____ ▶ **26d**

e Public support (line 26c minus line 26d total) ▶ **26e**

f **Public support percentage (line 26e (numerator) divided by line 26c (denominator))** ▶ **26f** %

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** 395,730 **16** _____
17 _____ **20** _____ **21** _____ ▶ **27c** 395,730

d Add: Line 27a total _____ and line 27b total _____ ▶ **27d**

e Public support (line 27c total minus line 27d total) ▶ **27e** 395,730

f Total support for section 509(a)(2) test. Enter amount from line 23, column (e). ▶ **27f** 398,930

g **Public support percentage (line 27e (numerator) divided by line 27f (denominator))** ▶ **27g** 99.20 %

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

Part VI-A Lobbying Expenditures by Electing Public Charities (See 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		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
(The term 'expenditures' means amounts paid or incurred)			
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 –		
	Not over \$500,000		
	Over \$500,000 but not over \$1,000,000		
	Over \$1,000,000 but not over \$1,500,000		
	Over \$1,500,000 but not over \$17,000,000		
	Over \$17,000,000		
	The lobbying nontaxable amount is –		
	20% of the amount on line 40		
	\$100,000 plus 15% of the excess over \$500,000		
	\$175,000 plus 10% of the excess over \$1,000,000		
	\$225,000 plus 5% of the excess over \$1,500,000		
	\$1,000,000		
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)

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 non-taxable 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 instructions)

N/A

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

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

Form 990, Page 2, Part II, Line 43

Other Expenses Stmt

Other expenses not covered above (itemize)	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
Insurance	3,973	3,973	0	0
Parking	2,140	2,140	0	0
Miscellaneous	2,212	1,976	236	0
Temporary Help	8,833	8,833	0	0
Total	17,158	16,922	236	0

Form 990, Page 3, Part IV, Lines 57a & 57b

Land, Buildings and Equipment Statement

	(a) Cost/Other Basis	(b) Accumulated Depreciation	(c) Book Value
Computer equipment	15,825	3,235	12,590
Total	15,825	3,235	12,590

Supporting Statement of

Form 990 p 3/Line 60, column (A)

Description	Amount
Accounts payable	22,998
Accrued expenses	6,335
Total	<u>29,333</u>

Supporting Statement of

Form 990 p 3/Line 60, column (B)

Description	Amount
Accounts payable	136,840
Accrued expenses	33,654
Total	<u>170,494</u>

Supporting Statement of.

Sch A, 990 p 3/Line 22-a

Description	Amount
Contract Income	3,200
Total	<u>3,200</u>

• If you are filing for an Additional (not automatic) 3-Month Extension, complete only Part II and check this box

Note Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.

• If you are filing for an Automatic 3-Month Extension, complete only Part I (on page 1)

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

Type or print File by the extended due date for filing the return See instructions	Name of Exempt Organization National Council on Teacher Quality	Employer identification number 04-3536571
	Number, street, and room or suite number If a P O box see instructions 1225 19th Street NW, #400	For IRS Use Only
	City town or post office, state, and ZIP code For a foreign address see instructions Washington DC 20036	

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

Form 990 Form 990-EZ Form 990 T (Section 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 organizations four digit Group Exemption Number (GEN) _____ If this is for the whole group, check this box If it is 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 Nov 17, 2003

5 For calendar year 2002, or other tax year beginning _____, 20____ and ending _____, 20____

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 waiting for completion of audit

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 \$ _____

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 Sherry L Randles Title CPA Date 8/12/03

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 filed 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 a 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 Sherry L Randles
	Number and street (include suite, room or apartment number) or a P O box number 6 N East Street, Suite 201
	City or town, province or state, and country (including postal or ZIP code) Frederick MD 21701