

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
2002
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 07/01, 2002, and ending 06/30/2003

B Check if applicable: Address change, Name change, Initial return, Final return, Amended return, Application pending. C Name of organization: NATIONAL FOUNDATION FOR TEACHING ENTREPRENEURSHIP TO HANDICAPPED & DISADVANTAGED YOUTHS, INC. D Employer identification number: 13-3408731. E Telephone number: (212) 232-3333. F Accounting method: Accrual.

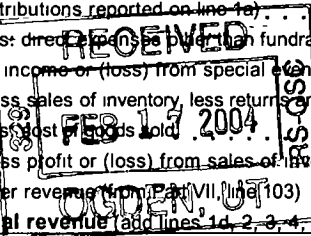
Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

G Web site: WWW.NFTE.COM. J Organization type: 501(c)(3). K Check here if the organization's gross receipts are normally not more than \$25,000. L Gross receipts: 8,628,033.

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

Table with 21 rows and 4 columns. Rows include: 1 Contributions, gifts, grants, and similar amounts received; 2 Program service revenue including government fees and contracts; 3 Membership dues and assessments; 4 Interest on savings and temporary cash investments; 5 Dividends and interest from securities; 6a Gross rents; 6b Less rental expenses; 6c Net rental income or (loss); 7 Other investment income; 8a Gross amount from sales of assets other than inventory; 8b Less cost or other basis and sales expenses; 8c Gain or (loss); 8d Net gain or (loss); 9 Special events and activities; 9a Gross revenue; 9b Less direct expenses; 9c Net income or (loss) from special events; 10a Gross sales of inventory, less returns and allowances; 10b Less cost of goods sold; 10c Gross profit or (loss) from sales of inventory; 11 Other revenue from Part VII, line 103; 12 Total revenue; 13 Program services; 14 Management and general; 15 Fundraising; 16 Payments to affiliates; 17 Total expenses; 18 Excess or (deficit) for the year; 19 Net assets or fund balances at beginning of year; 20 Other changes in net assets or fund balances; 21 Net assets or fund balances at end of year.

SCANNED FEB 27 04



For Paperwork Reduction Act Notice, see the separate instructions.

Form 990 (2002)

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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)

Table with 5 columns: (A) Total, (B) Program services, (C) Management and general, (D) Fundraising. Rows include: 22 Grants and allocations, 23 Specific assistance to individuals, 24 Benefits paid to or for members, 25 Compensation of officers, directors, etc., 26 Other salaries and wages, 27 Pension plan contributions, 28 Other employee benefits, 29 Payroll taxes, 30 Professional fundraising fees, 31 Accounting fees, 32 Legal fees, 33 Supplies, 34 Telephone, 35 Postage and shipping, 36 Occupancy, 37 Equipment rental and maintenance, 38 Printing and publications, 39 Travel, 40 Conferences, conventions, and meetings, 41 Interest, 42 Depreciation, depletion, etc, 43 Other expenses not covered above, 44 Total functional expenses.

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 [X] 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? STMT 5

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)

Table with 2 columns: Description of program service, Program Service Expenses. Rows include: a TO TEACH ENTREPRENEURSHIP TO LOW-INCOME YOUNG PEOPLE, SO THEY CAN BECOME ECONOMICALLY PRODUCTIVE MEMBERS OF SOCIETY BY IMPROVING THEIR ACADEMIC, BUSINESS, TECHNOLOGY; b AND LIFE SKILLS. NFTE'S STRATEGY FOR ACHIEVING THIS MISSION IS TO: PARTNER WITH SCHOOLS, UNIVERSITIES AND COMMUNITY-BASED ORGANIZATIONS; CREATE INNOVATIVE; c EXPERIENTIAL CURRICULA; TRAIN AND SUPPORT TEACHERS AND YOUTH WORKERS; AND PROVIDE SUPPORTIVE ALUMNI SERVICES; d; e Other program services; f Total of Program Service Expenses (should equal line 44, column (B), Program services).

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

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.

		(A) Beginning of year		(B) End of year
Assets	45 Cash - non-interest-bearing	14,047.	45	-181,374.
	46 Savings and temporary cash investments	2,268,315.	46	1,796,750.
	47a Accounts receivable	47a 232,266.		
	b Less: allowance for doubtful accounts	47b 66,000.	47,843.	47c 166,266.
	48a Pledges receivable	48a 3,258,696.		
	b Less: allowance for doubtful accounts	48b 20,884.	2,601,359.	48c 3,237,812.
	49 Grants receivable		49	
	50 Receivables from officers, directors, trustees, and key employees (attach schedule)		50	
	51a Other notes and loans receivable (attach schedule)	51a		
	b Less: allowance for doubtful accounts	51b		51c
	52 Inventories for sale or use		412,782.	52 270,447.
	53 Prepaid expenses and deferred charges		35,529.	53 196,301.
	54 Investments - securities (attach schedule) STMT 6. <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV		735,075.	54 848,191.
	55a Investments - land, buildings, and equipment: basis	55a		
	b Less: accumulated depreciation (attach schedule)	55b		55c
56 Investments - other (attach schedule)			56	
57a Land, buildings, and equipment: basis	57a 1,254,969.			
b Less: accumulated depreciation (attach schedule) STMT 3A	57b 625,516.	431,276.	57c 629,453.	
58 Other assets (describe STMT 7)		90,850.	58 167,046.	
59 Total assets (add lines 45 through 58) (must equal line 74)		6,637,076.	59 7,130,892.	
Liabilities	60 Accounts payable and accrued expenses	861,892.	60	764,640.
	61 Grants payable		61	
	62 Deferred revenue	244,155.	62	232,730.
	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)		1,106,047.	66 997,370.	
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	1,719,037.	67	1,633,917.
	68 Temporarily restricted	1,806,947.	68	2,491,560.
	69 Permanently restricted	2,005,045.	69	2,008,045.
	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)		5,531,029.	73 6,133,522.	
74 Total liabilities and net assets / fund balances (add lines 66 and 73)		6,637,076.	74 7,130,892.	

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

76 Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity
77 Were any changes made in the organizing or governing documents but not reported to the IRS?
78a Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?
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?
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?
80b If "Yes," enter the name of the organization
81a Enter direct or indirect political expenditures See line 81 instructions
81b Did the organization file Form 1120-POL for this year?
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?
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)
83a Did the organization comply with the public inspection requirements for returns and exemption applications?
83b Did the organization comply with the disclosure requirements relating to quid pro quo contributions?
84a Did the organization solicit any contributions or gifts that were not tax deductible?
84b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?
85 501(c)(4), (5), or (6) organizations. a 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
85d Section 162(e) lobbying and political expenditures
85e Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices
85f Taxable amount of lobbying and political expenditures (line 85d less 85e)
85g Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?
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?
86 501(c)(7) orgs. Enter: a Initiation fees and capital contributions included on line 12
86b Gross receipts, included on line 12, for public use of club facilities
87 501(c)(12) orgs Enter: a Gross income from members or shareholders
87b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)
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
89a 501(c)(3) organizations Enter Amount of tax imposed on the organization during the year under section 4911
89b 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
89c Enter Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958
89d 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
90b Number of employees employed in the pay period that includes March 12, 2002 (See instructions)
91 The books are in care of
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

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 LICENSE FEES					149,958.
b CONTRACT SERVICES					324,476.
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	21,466.	
96 Dividends and interest from securities			14	4.	
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			18	-827.	
101 Net income or (loss) from special events			01	341,074.	
102 Gross profit or (loss) from sales of inventory					-122,295.
103 Other revenue: a					
b TRAINING FEES					190,728.
c MISCELLANEOUS					9,223.
d					
e					
104 Subtotal (add columns (B), (D), and (E))				361,717.	552,090.
105 Total (add line 104, columns (B), (D), and (E))					913,807.

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)
▼	STMT 13

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, 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 knowledge.

Please Sign Here

Signature of officer: *Thomas Fleherly*

Type or print name and title: Thomas Fleherly - I

Paid Preparer's Use Only

Preparer's signature: *Laura Tulipenli*

Firm's name (or yours if self-employed), address, and ZIP + 4: ERNST & YOUNG LLP, 1211 AVENUE OF THE NEW YORK, NY

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

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

2002

Department of the Treasury
Internal Revenue Service

Name of the organization **NATIONAL FOUNDATION FOR TEACHING**
ENTREPRENEURSHIP

Employer identification number
13-3408731

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>DAVID J. NELSON</u> 120 WALL STREET, 29TH FLOOR NEW YORK, NY 10005	COO 40 HRS/WK	106,992.	25,441.	NONE
<u>THOMAS FLAHERTY</u> 120 WALL STREET, 29TH FLOOR NEW YORK, NY 10005	DIR. OF FINANCE 40 HRS/WK	84,239.	14,641.	NONE
<u>LESLIE PECHMAN-KOCH</u> 120 WALL STREET, 29TH FLOOR NEW YORK, NY 10005	DIR. OF DEVELOPMENT 40 HRS/WK	82,734.	22,044.	NONE
<u>CHRIS J. MEENAN</u> 120 WALL STREET, 29TH FLOOR NEW YORK, NY 10005	DIV. DIRECTOR 40 HRS/WK	80,118.	4,012.	NONE
<u>JOEL WARREN</u> 120 WALL STREET, 29TH FLOOR NEW YORK, NY 10005	DIV. DIRECTOR 40 HRS/WK	77,322.	19,546.	NONE
Total number of other employees paid over \$50,000 ▶	11			

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>HUMAN FACTORS INTERNATIONAL</u> 410 W. LOWE, PO BOX 2020, FAIRFIELD, IA	SOFTWARE CONSULTANT	405,882.
Total number of others receiving over \$50,000 for professional services ▶	NONE	

For Paperwork Reduction Act Notice, see the Instructions for Form 990 and Form 990-EZ.

Schedule A (Form 990 or 990-EZ) 2002

JSA
JE1210 1 000

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 or Part VI-B)

1 X

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? 2a X

b Lending of money or other extension of credit? 2b X

c Furnishing of goods, services, or facilities? 2c X

d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? .SEE 990, PART V . . . 2d X

e Transfer of any part of its income or assets? 2e X

3 Does the organization make grants for scholarships, fellowships, student loans, etc? (See Note below) 3 X

4 Do you have a section 403(b) annuity plan for your employees? 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 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 [X] 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)

Table with 2 columns: (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

Table with columns: Calendar year (or fiscal year beginning in), (a) * 2002, (b) 2001, (c) 2000, (d) 1999, (e) Total. Rows include: 15 Gifts, grants, and contributions received; 16 Membership fees received; 17 Gross receipts from admissions, merchandise sold or services performed; 18 Gross income from interest, dividends, amounts received from payments on securities loans; 19 Net income from unrelated business activities not included in line 18; 20 Tax revenues levied for the organization's benefit; 21 The value of services or facilities furnished to the organization by a governmental unit 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; 24 Line 23 minus line 17; 25 Enter 1% of line 23; 26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24; b Prepare a list for your records to show the name of and amount contributed by each person; c Total support for section 509(a)(1) test; d Add: Amounts from column (e) for lines 18, 19, 22; e Public support (line 26c minus line 26d total); f Public support percentage; 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"; 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; c Add Amounts from column (e) for lines 15, 16, 17, 20, 21; d Add: Line 27a total and line 27b total; e Public support (line 27c total minus line 27d total); f Total support for section 509(a)(2) test; g Public support percentage; h Investment income percentage; 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)

	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?	29	
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?	30	
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.) ----- -----	31	
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?	32d	
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?	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?	33h	
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?	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	
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 page 9 of the instructions.)

(To be completed **ONLY** by an eligible organization that filed Form 5768) **NOT APPLICABLE**

- 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 - The lobbying nontaxable amount is -			
Not over \$500,000 20% of the amount on line 40	} 41		
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			
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.)

	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					
Grassroots nontaxable					
48 amount					
Grassroots ceiling amount					
49 (150% of line 48(e))					
Grassroots lobbying					
50 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.)

	Yes	No	Amount
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		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.)			NONE

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

NATIONAL FOUNDATION FOR TEACHING ENTREPRENEURSHIP
EIN: 13-3408731
FYE: JUNE 30, 2003

FORM 990 LINE 8 COLUMN (A): GAIN OR LOSS ON SALE OF SECURITIES

<u>DESCRIPTION</u>	<u>PROCEEDS</u>	<u>COST BASIS</u>	<u>GAIN/(LOSS)</u>
SALE OF MARKETABLE SECURITIES	<u>727</u>	<u>1,554</u>	<u>(827)</u>
	<u>727</u>	<u>1,554</u>	<u>(827)</u>

NATIONAL FOUNDATION FOR TEACHING ENTREPRENEURSHIP
EIN: 13-3408731
FYE: JUNE 30, 2003

FORM 990 LINE 9: SPECIAL EVENTS

<u>DESCRIPTION</u>	<u>GROSS RECEIPTS</u>	<u>EXCLUDED CONTRIBUTIONS</u>	<u>GROSS REVENUE</u>	<u>DIRECT EXPENSES</u>	<u>NET INCOME</u>
ANNUAL GALA	436,211	18,211	418,000	76,926	341,074

NATIONAL FOUNDATION FOR TEACHING ENTREPRENEURSHIP
EIN: 13-3408731
FYE: JUNE 30, 2003

FORM 990 LINE 10: GROSS PROFIT/(LOSS) FROM SALES OF INVENTORY

<u>DESCRIPTION</u>	<u>GROSS SALES</u>	<u>COST OF GOODS SOLD</u>	<u>GAIN/(LOSS)</u>
INVENTORY SALES	<u>279,628</u>	<u>401,923</u>	<u>(122,295)</u>
	<u>279,628</u>	<u>401,923</u>	<u>(122,295)</u>

FORM 990, PART I - OTHER INCREASES IN FUND BALANCES
=====

DESCRIPTION -----	AMOUNT -----
PRIOR PERIOD ADJUSTMENT	146,995.
NET UNREALIZED GAIN ON INVESTMENTS	22,015.

TOTAL	169,010.
	=====

THE NATIONAL FOUNDATION FOR TEACHING ENTREPRENEURSHIP
EIN: 13-3408731
FYE: JUNE 30, 2003

FORM 990 PART II, LINE 42 & PART IV, LINE 57

<u>FIXED ASSETS</u>	<u>6/30/2003</u>
LEASEHOLD IMPROVEMENTS	162,561
COMPUTER EQUIPMENT	504,786
EQUIPMENT & FIXTURES	223,922
SOFTWARE	363,700
	<u>1,254,969</u>
LESS: ACCUMULATED DEPRECIATION	<u>625,516</u>
NET FIXED ASSETS	<u><u>629,453</u></u>
<u>DEPRECIATION</u>	<u><u>176,760</u></u>

DEPRECIATION IS CALCULATED ON A STRAIGHT-LINE BASIS OVER THE ESTIMATED USEFUL LIVES OF THE ASSETS.

FORM 990, PART II - OTHER EXPENSES

=====

DESCRIPTION -----	TOTAL -----	PROGRAM SERVICES -----	MANAGEMENT AND GENERAL -----	FUNDRAISING -----
OTHER PROFESSIONAL FEES	690,382.	519,534.	130,642.	40,206.
OFFICE EXPENSES	303,860.	199,306.	40,550.	64,004.
INSURANCE	63,346.	23,438.	23,016.	16,892.
TRAINING	61,046.	61,046.		
BAD DEBT EXPENSE	14,796.		14,796.	
DIRECT PROGRAM EXPENSES	1,018,698.	1,018,698.		
CURRICULUM DEVELOPMENT	63,143.	63,143.		
OTHER EXPENSES	219,669.	136,739.	19,519.	63,411.
TOTALS	2,434,940.	2,021,904.	228,523.	184,513.
	=====	=====	=====	=====

FORM 990, PART III - ORGANIZATION'S PRIMARY EXEMPT PURPOSE
=====

ENTREPRENEURSHIP EDUCATION FOR YOUTH.

FORM 990, PART IV - INVESTMENTS - SECURITIES
=====

DESCRIPTION	ENDING BOOK VALUE
-----	-----
COMMON STOCKS	102,906.
EQUITY MUTUAL FUNDS	745,285.
TOTALS	----- 848,191. =====

FORM 990, PART IV - OTHER ASSETS
=====

DESCRIPTION	ENDING BOOK VALUE
-----	-----
EMPLOYEE ADVANCES	64,754.
SECURITY DEPOSITS	40,745.
INTANGIBLE ASSETS	61,547.
TOTALS	----- 167,046. =====

FORM 990, PART IV-A - OTHER REVENUE ON BOOKS BUT NOT ON RETURN
=====

DESCRIPTION -----	AMOUNT -----
COST OF GOODS SOLD	401,923.

TOTAL	401,923.
	=====

FORM 990, PART IV-B - OTHER EXPENSES ON BOOKS BUT NOT ON RETURN

=====

DESCRIPTION -----	AMOUNT -----
COST OF GOODS SOLD	401,923.
TOTAL	----- 401,923. =====

FORM 990, PART V - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES

=====

NAME AND ADDRESS	TITLE AND TIME DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
-----	-----	-----	-----	-----
STEVE MARIOTTI 120 WALL STREET, 29TH FLOOR NEW YORK, NY 10005	PRESIDENT 40 HRS/WK	164,124.	11,947.	NONE
MICHAEL CASLIN, III 120 WALL STREET, 29TH FLOOR NEW YORK, NY 10005	CEO/EXEC DIRECTOR 40 HRS/WK	163,000.	19,191.	NONE
ALBERT ABNEY 120 WALL STREET, 29TH FLOOR NEW YORK, NY 10005	TRUSTEE 1 HR/WK	NONE	NONE	NONE
BART BREIGHNER 120 WALL STREET, 29TH FLOOR NEW YORK, NY 10005	TRUSTEE 1 HR/WK	NONE	NONE	NONE
JAY W. CHRISTOPHER 120 WALL STREET, 29TH FLOOR NEW YORK, NY 10005	TRUSTEE 1 HR/WK	NONE	NONE	NONE
JOHN B. FULLERTON 120 WALL STREET, 29TH FLOOR NEW YORK, NY 10005	TRUSTEE 1 HR/WK	NONE	NONE	NONE
VERNE HARNISH 120 WALL STREET, 29TH FLOOR NEW YORK, NY 10005	TRUSTEE 1 HR/WK	NONE	NONE	NONE
TOM HARTOCOLLIS 120 WALL STREET, 29TH FLOOR NEW YORK, NY 10005	TRUSTEE 1 HR/WK	NONE	NONE	NONE

FORM 990, PART V - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES

=====

NAME AND ADDRESS	TITLE AND TIME DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
-----	-----	-----	-----	-----
JAMES HOLDEN 120 WALL STREET, 29TH FLOOR NEW YORK, NY 10005	VICE CHAIRMAN 1 HR/WK	NONE	NONE	NONE
EDUARDO CENTOLA 120 WALL STREET, 29TH FLOOR NEW YORK, NY 10005	TRUSTEE 1 HR/WK	NONE	NONE	NONE
MICHELE COURTON BROWN 120 WALL STREET, 29TH FLOOR NEW YORK, NY 10005	TRUSTEE 1 HR/WK	NONE	NONE	NONE
BERNARD GOLDBIRSH 120 WALL STREET, 29TH FLOOR NEW YORK, NY 10005	TRUSTEE 1 HR/WK	NONE	NONE	NONE
LANDIN HILLIARD, III 120 WALL STREET, 29TH FLOOR NEW YORK, NY 10005	TRUSTEE 1 HR/WK	NONE	NONE	NONE
DIANA DAVIS SPENCER 120 WALL STREET, 29TH FLOOR NEW YORK, NY 10005	VICE CHAIRMAN 1 HR/WK	NONE	NONE	NONE
MICHAEL FETTERS 120 WALL STREET, 29TH FLOOR NEW YORK, NY 10005	TRUSTEE 1 HR/WK	NONE	NONE	NONE
LOIDA LEWIS 120 WALL STREET, 29TH FLOOR NEW YORK, NY 10005	TRUSTEE 1 HR/WK	NONE	NONE	NONE

FORM 990, PART V - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES

=====

NAME AND ADDRESS	TITLE AND TIME DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
-----	-----	-----	-----	-----
JAMES LYLE 120 WALL STREET, 29TH FLOOR NEW YORK, NY 10005	BOARD CHAIRMAN 1 HR/WK	NONE	NONE	NONE
ARTHUR SAMBURG 120 WALL STREET, 29TH FLOOR NEW YORK, NY 10005	TRUSTEE 1 HR/WK	NONE	NONE	NONE
KENNETH STARR 120 WALL STREET, 29TH FLOOR NEW YORK, NY 10005	TRUSTEE 1 HR/WK	NONE	NONE	NONE
PETER WALKER 120 WALL STREET, 29TH FLOOR NEW YORK, NY 10005	TRUSTEE 1 HR/WK	NONE	NONE	NONE
	GRAND TOTALS	327,124.	31,138.	NONE
		=====	=====	=====

FORM 990, PART VIII - ACCOMPLISHMENT OF EXEMPT PURPOSES

=====

LINE NO. ---	EXPLANATION OF HOW EACH ACTIVITY FOR WHICH INCOME IS REPORTED IN COLUMN (E) OF PART VII CONTRIBUTED IMPORTANTLY TO THE ACCOMPLISHMENT OF EXEMPT PURPOSES -----
--------------------	---

93A	LICENSE FEES ARE REVENUES GENERATED FROM THE USE OF THE FOUNDATION'S MATERIALS AND PROGRAMS BY OTHER FIRMS.
93B	CONTRACT SERVICE INCOME IS EARNED BY INSTRUCTORS CONDUCTING SEMINARS AND TEACHING CLASSES.
102	SALES OF EDUCATIONAL MATERIALS USED IN TEACHING PROGRAMS.
103B	TUITION RECEIVED FOR TRAINING TEACHERS.
103C	MISCELLANEOUS INCOME USED TO FURTHER THE ORGANIZATION'S EXEMPT PURPOSES.

SCHEDULE A, PART IV-A - OTHER INCOME

=====

DESCRIPTION -----	2001 ----	2000 ----	1999 ----	1998 ----	TOTAL -----
TRAINING FEES	100,527.	162,444.	192,338.	112,019.	567,328.
MISCELLANEOUS	10,803.	4,271.	40,619.	71,005.	126,698.
	-----	-----	-----	-----	-----
TOTALS	111,330.	166,715.	232,957.	183,024.	694,026.
	=====	=====	=====	=====	=====

Application for Extension of Time To File an Exempt Organization Return

Department of the Treasury
Internal Revenue Service

▶ File a separate application for each return.

- If you are filing for an Automatic 3-Month Extension, complete only Part I and check this box
- If you are filing for an Additional (not automatic) 3-Month Extension, complete only Part II (on page 2 of this form).

Note: Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Part I Automatic 3-Month Extension of Time - Only submit original (no copies needed)

Note: Form 990-T corporations requesting an automatic 6-month extension - check this box and complete Part I only

All other corporations (including Form 990-C filers) must use Form 7004 to request an extension of time to file income tax returns. Partnerships, REMICs and trusts must use Form 8736 to request an extension of time to file Form 1065, 1066, or 1041.

Type or print File by the due date for filing your return. See instructions.	Name of Exempt Organization	Employer identification number
	NATIONAL FOUNDATION FOR TEACHING ENTREPRENEURSHIP	13-3408731
	Number, street, and room or suite no. If a P.O. box, see instructions.	
	120 WALL STREET	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions.	
	NEW YORK, NY 10005	

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

- | | | |
|--|--|------------------------------------|
| <input checked="" type="checkbox"/> Form 990 | <input type="checkbox"/> Form 990-T (corporation) | <input type="checkbox"/> Form 4720 |
| <input type="checkbox"/> Form 990-BL | <input type="checkbox"/> Form 990-T(sec. 401(a) or 408(a) trust) | <input type="checkbox"/> Form 5227 |
| <input type="checkbox"/> Form 990-EZ | <input type="checkbox"/> Form 990-T (trust other than above) | <input type="checkbox"/> Form 6069 |
| <input type="checkbox"/> Form 990-PF | <input type="checkbox"/> Form 1041-A | <input type="checkbox"/> Form 8870 |

- 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 will cover.

1 I request an automatic 3-month (6-month, for 990-T corporation) extension of time until FEBRUARY 15, 2004, to file the exempt organization return for the organization named above. The extension is for the organization's return for:

▶ calendar year _____ or

▶ tax year beginning JULY 1, 2002, and ending JUNE 30, 2003.

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

3a 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 or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit. \$ _____

c **Balance Due.** Subtract line 3b from line 3a. 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 ▶ *Laura K. [Signature]* Title ▶ CPA Date ▶ 11/3/2003

For Paperwork Reduction Act Notice, see Instruction Form 8868 (12-2000)