

**Return of Private Foundation
or Section 4947(a)(1) Nonexempt Charitable Trust
Treated as a Private Foundation**

2005

Department of the Treasury
Internal Revenue Service

Note: The organization may be able to use a copy of this return to satisfy state reporting requirements.

For calendar year **2005**, or tax year beginning _____, and ending _____

G Check all that apply: Initial return Final return Amended return Address change Name change

Use the IRS label. Otherwise, print or type. See Specific Instructions.	Name of organization THE OPPORTUNITY FOUNDATION Number and street (or P O box number if mail is not delivered to street address) Room/suite C/O PEDERSEN & HOUPT, 161 N CLARK 3100 City or town, state, and ZIP code CHICAGO, IL 60601	A Employer identification number 36-3835681 B Telephone number (312) 641-6888
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H Check type of organization: Section 501(c)(3) exempt private foundation
 Section 4947(a)(1) nonexempt charitable trust Other taxable private foundation

I Fair market value of all assets at end of year (from Part II, col. (c), line 16) **\$ 2,283,750.**
J Accounting method: Cash Accrual Other (specify) _____
 (Part I, column (d) must be on cash basis.)

Part I Analysis of Revenue and Expenses <small>(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))</small>	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
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Part I Analysis of Revenue and Expenses <small>(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a))</small>	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1 Contributions, gifts, grants, etc., received			N/A	
2 Check <input checked="" type="checkbox"/> if the foundation is not required to attach Sch B				
3 Interest on savings and temporary cash investments	4,415.	4,415.		STATEMENT 1
4 Dividends and interest from securities	98,881.	98,881.		STATEMENT 2
5a Gross rents				
b Net rental income or (loss)				
6a Net gain or (loss) from sale of assets not on line 10	25,788.			
b Gross sales price for all assets on line 6a	139,496.			
7 Capital gain net income (from Part IV, line 2)		25,788.		
8 Net short-term capital gain				
9 Income modifications				
10a Gross sales less returns and allowances				
b Less Cost of goods sold				
c Gross profit or (loss)				
11 Other income				
12 Total. Add lines 1 through 11	129,084.	129,084.		
13 Compensation of officers, directors, trustees, etc	0.	0.		0.
14 Other employee salaries and wages				
15 Pension plans, employee benefits				
16a Legal fees				
b Accounting fees				
c Other professional fees				
17 Interest				
18 Taxes STMT 3	27,047.	0.		0.
19 Depreciation and depletion				
20 Occupancy				
21 Travel, conferences, and meetings				
22 Printing and publications				
23 Other expenses STMT 4	132.	0.		25.
24 Total operating and administrative expenses. Add lines 13 through 23	27,179.	0.		25.
25 Contributions, gifts, grants paid	70,385.			70,385.
26 Total expenses and disbursements. Add lines 24 and 25	97,564.	0.		70,410.
27 Subtract line 26 from line 12:				
a Excess of revenue over expenses and disbursements	31,520.			
b Net investment income (if negative, enter -0-)		129,084.		
c Adjusted net income (if negative, enter -0-)			N/A	

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Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only		Beginning of year	End of year		
		(a) Book Value	(b) Book Value	(c) Fair Market Value			
Assets	1	Cash - non-interest-bearing		177,484.	9,233.	9,233.	
	2	Savings and temporary cash investments		90,956.	29,183.	29,183.	
	3	Accounts receivable ▶					
		Less: allowance for doubtful accounts ▶					
	4	Pledges receivable ▶					
		Less: allowance for doubtful accounts ▶					
	5	Grants receivable					
	6	Receivables due from officers, directors, trustees, and other disqualified persons					
	7	Other notes and loans receivable ▶					
		Less: allowance for doubtful accounts ▶					
	8	Inventories for sale or use					
	9	Prepaid expenses and deferred charges					
	10a	Investments - U.S. and state government obligations					
	b	Investments - corporate stock	STMT 5		1,676,601.	1,938,145.	2,245,334.
	c	Investments - corporate bonds					
11	Investments - land, buildings, and equipment basis ▶						
	Less: accumulated depreciation ▶						
12	Investments - mortgage loans						
13	Investments - other						
14	Land, buildings, and equipment: basis ▶						
	Less: accumulated depreciation ▶						
15	Other assets (describe ▶)						
	16 Total assets (to be completed by all filers)			1,945,041.	1,976,561.	2,283,750.	
Liabilities	17	Accounts payable and accrued expenses					
	18	Grants payable					
	19	Deferred revenue					
	20	Loans from officers, directors, trustees, and other disqualified persons					
	21	Mortgages and other notes payable					
	22	Other liabilities (describe ▶)					
	23 Total liabilities (add lines 17 through 22)			0.	0.		
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here ▶ <input type="checkbox"/>						
	and complete lines 24 through 26 and lines 30 and 31.						
	24	Unrestricted					
	25	Temporarily restricted					
	26	Permanently restricted					
	Organizations that do not follow SFAS 117, check here ▶ <input checked="" type="checkbox"/>						
	and complete lines 27 through 31.						
27	Capital stock, trust principal, or current funds			1,468,253.	1,468,253.		
28	Paid-in or capital surplus, or land, bldg., and equipment fund			0.	0.		
29	Retained earnings, accumulated income, endowment, or other funds			476,788.	508,308.		
	30 Total net assets or fund balances			1,945,041.	1,976,561.		
	31 Total liabilities and net assets/fund balances			1,945,041.	1,976,561.		

Part III Analysis of Changes in Net Assets or Fund Balances

1	Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	1,945,041.
2	Enter amount from Part I, line 27a	2	31,520.
3	Other increases not included in line 2 (itemize) ▶	3	0.
4	Add lines 1, 2, and 3	4	1,976,561.
5	Decreases not included in line 2 (itemize) ▶	5	0.
6	Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6	1,976,561.

Part IV Capital Gains and Losses for Tax on Investment Income

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)	(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a 3909.774 SHS VANGUARD EXTENDED INDEX FUND	P	VARIOUS	08/05/05
b CAPITAL GAINS DIVIDENDS			
c			
d			
e			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a 130,000.		113,708.	16,292.
b 9,496.			9,496.
c			
d			
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69			(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	
a			16,292.
b			9,496.
c			
d			
e			

2 Capital gain net income or (net capital loss). { If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7 }	2	25,788.
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c). If (loss), enter -0- in Part I, line 8	3	N/A

Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income.)

If section 4940(d)(2) applies, leave this part blank.

Was the organization liable for the section 4942 tax on the distributable amount of any year in the base period?

Yes No

If "Yes," the organization does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year; see instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2004	86,125.	1,994,605.	.043179
2003	81,919.	1,748,279.	.046857
2002	94,026.	1,677,317.	.056057
2001	80,981.	1,945,185.	.041632
2000	86,902.	2,140,754.	.040594

2 Total of line 1, column (d)	2	.228319
3 Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	.045664
4 Enter the net value of noncharitable-use assets for 2005 from Part X, line 5	4	2,195,884.
5 Multiply line 4 by line 3	5	100,273.
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	1,291.
7 Add lines 5 and 6	7	101,564.
8 Enter qualifying distributions from Part XII, line 4	8	70,410.

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see instructions)

1a	Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling letter: _____ (attach copy of ruling letter if necessary-see instructions)		
b	Domestic organizations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b	1	2,582.
c	All other domestic organizations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b)		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2	0.
3	Add lines 1 and 2	3	2,582.
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4	0.
5	Tax based on investment income. Subtract line 4 from line 3. If zero or less, enter -0-	5	2,582.
6	Credits/Payments:		
a	2005 estimated tax payments and 2004 overpayment credited to 2005	6a	2,443.
b	Exempt foreign organizations - tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments. Add lines 6a through 6d	7	2,443.
8	Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8	
9	Tax due If the total of lines 5 and 8 is more than line 7, enter amount owed	9	139.
10	Overpayment. If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	
11	Enter the amount of line 10 to be: Credited to 2006 estimated tax <input type="checkbox"/> Refunded <input type="checkbox"/>	11	

Part VII-A Statements Regarding Activities

	Yes	No
1a		X
1b		X
If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the organization in connection with the activities.		
1c		X
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the organization. ▶ \$ 0. (2) On organization managers. ▶ \$ 0.	
e	Enter the reimbursement (if any) paid by the organization during the year for political expenditure tax imposed on organization managers. ▶ \$ 0.	
2		X
If "Yes," attach a detailed description of the activities.		
3		X
4a		X
4b		
N/A		
5		X
If "Yes," attach the statement required by General Instruction T.		
6	X	
7	X	
If "Yes," complete Part II, col. (c), and Part XV.		
8a	Enter the states to which the foundation reports or with which it is registered (see instructions) ▶ <u>IL</u>	
8b	X	
If the answer is "Yes" to line 7, has the organization furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation		
9		X
Is the organization claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2005 or the taxable year beginning in 2005 (see instructions for Part XIV)? If "Yes," complete Part XIV		
10		X
Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names and addresses		
11	X	
Did the organization comply with the public inspection requirements for its annual returns and exemption application? Web site address ▶ <u>N/A</u>		
12	The books are in care of ▶ <u>PAULA CULLEN</u> Telephone no. ▶ <u>(312) 641-6888</u> Located at ▶ <u>161 N CLARK ST., STE 3100, CHICAGO, IL</u> ZIP+4 ▶ <u>60601</u>	
13	Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the year ▶ <u>N/A</u>	

Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

Table with columns for question text, Yes/No checkboxes, and a grid for Yes/No answers. Includes questions 1a through 6a regarding disqualifying activities, taxes on undistributed income, and charitable purposes.

Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors

1 List all officers, directors, trustees, foundation managers and their compensation.

(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, other allowances
PAULA BRAMSEN CULLEN 161 N CLARK ST., STE 3100 CHICAGO, IL 60601	PRESIDENT/DIRECTOR 1.00	0.	0.	0.
DANIEL CULLEN 161 N CLARK ST., STE 3100 CHICAGO, IL 60601	SECRETARY/TREASURER/DIRECTOR 1.00	0.	0.	0.
MARY C MUEHLSTEIN 161 N CLARK ST., STE 3100 CHICAGO, IL 60601	DIRECTOR 1.00	0.	0.	0.

2 Compensation of five highest-paid employees (other than those included on line 1). If 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, other allowances
NONE				

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

3 Five highest-paid independent contractors for professional services. If none, enter "NONE."

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		

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

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 N/A	
2	
3	
4	

Part IX-B Summary of Program-Related Investments

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.	Amount
1 N/A	
2	
All other program-related investments. See instructions.	
3	
Total. Add lines 1 through 3	0.

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see instructions.)

1 Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a Average monthly fair market value of securities	1a	2,063,451.
b Average of monthly cash balances	1b	165,873.
c Fair market value of all other assets	1c	
d Total (add lines 1a, b, and c)	1d	2,229,324.
e Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.
2 Acquisition indebtedness applicable to line 1 assets	2	0.
3 Subtract line 2 from line 1d	3	2,229,324.
4 Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	33,440.
5 Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	2,195,884.
6 Minimum investment return. Enter 5% of line 5	6	109,794.

Part XI Distributable Amount (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here and do not complete this part.)

1 Minimum investment return from Part X, line 6	1	109,794.
2a Tax on investment income for 2005 from Part VI, line 5	2a	2,582.
2b Income tax for 2005. (This does not include the tax from Part VI.)	2b	
2c Add lines 2a and 2b	2c	2,582.
3 Distributable amount before adjustments. Subtract line 2c from line 1	3	107,212.
4 Recoveries of amounts treated as qualifying distributions	4	0.
5 Add lines 3 and 4	5	107,212.
6 Deduction from distributable amount (see instructions)	6	0.
7 Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	107,212.

Part XII Qualifying Distributions (see instructions)

1 Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a Expenses, contributions, gifts, etc. - total from Part I, column (d), line 26	1a	70,410.
b Program-related investments - total from Part IX-B	1b	0.
2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3 Amounts set aside for specific charitable projects that satisfy the:		
a Suitability test (prior IRS approval required)	3a	
b Cash distribution test (attach the required schedule)	3b	
4 Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	70,410.
5 Organizations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b	5	0.
6 Adjusted qualifying distributions. Subtract line 5 from line 4	6	70,410.

Note: The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

Part XIII Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 2004	(c) 2004	(d) 2005
1 Distributable amount for 2005 from Part XI, line 7				107,212.
2 Undistributed income, if any, as of the end of 2004				
a Enter amount for 2004 only			70,096.	
b Total for prior years:		0.		
3 Excess distributions carryover, if any, to 2005:				
a From 2000				
b From 2001				
c From 2002				
d From 2003				
e From 2004				
f Total of lines 3a through e	0.			
4 Qualifying distributions for 2005 from Part XII, line 4: ▶ \$ <u>70,410.</u>				
a Applied to 2004, but not more than line 2a			70,096.	
b Applied to undistributed income of prior years (Election required - see instructions)		0.		
c Treated as distributions out of corpus (Election required - see instructions)	0.			
d Applied to 2005 distributable amount				314.
e Remaining amount distributed out of corpus	0.			
5 Excess distributions carryover applied to 2005 (If an amount appears in column (d), the same amount must be shown in column (a))	0.			0.
6 Enter the net total of each column as indicated below:				
a Corpus Add lines 3f, 4c, and 4e Subtract line 5	0.			
b Prior years' undistributed income. Subtract line 4b from line 2b		0.		
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		0.		
d Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
e Undistributed income for 2004. Subtract line 4a from line 2a. Taxable amount - see instr.			0.	
f Undistributed income for 2005. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2006				106,898.
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(E) or 4942(g)(3)	0.			
8 Excess distributions carryover from 2000 not applied on line 5 or line 7	0.			
9 Excess distributions carryover to 2006 Subtract lines 7 and 8 from line 6a	0.			
10 Analysis of line 9:				
a Excess from 2001				
b Excess from 2002				
c Excess from 2003				
d Excess from 2004				
e Excess from 2005				

Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9)

N/A

- 1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2005, enter the date of the ruling ▶
- b Check box to indicate whether the organization is a private operating foundation described in section 4942(j)(3) or 4942(j)(5)

	Tax year				(e) Total
	(a) 2005	(b) 2004	(c) 2003	(d) 2002	
2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon:					
a "Assets" alternative test - enter:					
(1) Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test - enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test - enter:					
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the organization had \$5,000 or more in assets at any time during the year-see page 26 of the instructions.)

1 Information Regarding Foundation Managers:

- a List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000). (See section 507(d)(2).)

NONE

- b List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.

NONE

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:

Check here if the organization only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the organization makes gifts, grants, etc. (see instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

- a The name, address, and telephone number of the person to whom applications should be addressed:

N/A

- b The form in which applications should be submitted and information and materials they should include:

N/A

- c Any submission deadlines:

N/A

- d Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors:

N/A

Part XV **Supplementary Information** (continued)

3 Grants and Contributions Paid During the Year or Approved for Future Payment

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a Paid during the year				
Total				70,385.
b Approved for future payment				
NONE				
Total				0.

Part XVI-A Analysis of Income-Producing Activities

Table with 5 main columns: (a) Business code, (b) Amount, (c) Exclusion code, (d) Amount, (e) Related or exempt function income. Rows include: 1 Program service revenue (a-f), 2 Membership dues and assessments, 3 Interest on savings and temporary cash investments (14, 4,415), 4 Dividends and interest from securities (14, 98,881), 5 Net rental income or (loss) from real estate (a-b), 6 Net rental income or (loss) from personal property, 7 Other investment income, 8 Gain or (loss) from sales of assets other than inventory (18, 25,788), 9 Net income or (loss) from special events, 10 Gross profit or (loss) from sales of inventory, 11 Other revenue (a-e), 12 Subtotal (0, 129,084, 0), 13 Total (13, 129,084).

Part XVI-B Relationship of Activities to the Accomplishment of Exempt Purposes

Table with 2 columns: Line No., Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).

Part XVII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

- 1 Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?
a Transfers from the reporting organization to a noncharitable exempt organization of:
(1) Cash
(2) Other assets
b Other transactions:
(1) Sales of assets to a noncharitable exempt organization
(2) Purchases of assets from a noncharitable exempt organization
(3) Rental of facilities, equipment, or other assets
(4) Reimbursement arrangements
(5) Loans or loan guarantees
(6) Performance of services or membership or fundraising solicitations
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees
d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting organization.

Table with 4 columns: (a) Line no, (b) Amount involved, (c) Name of noncharitable exempt organization, (d) Description of transfers, transactions, and sharing arrangements. Row 1 contains 'N/A'.

2a Is the organization directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? [] Yes [X] No

Table with 3 columns: (a) Name of organization, (b) Type of organization, (c) Description of relationship. Row 1 contains 'N/A'.

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 taxpayer or fiduciary) is based on all information provided.

Signature section containing: Signature of officer or trustee (Paula B. Cullen), Preparer's signature (John CPA), Firm's name (MERCADIEN, P.C.), and address (P.O. BOX 7648, PRINCETON, NJ 08543-7648).

FORM 990-PF INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS STATEMENT 1

SOURCE	AMOUNT
NEUBERGER & BERMAN	149.
VANGUARD MONEY MARKET	4,266.
TOTAL TO FORM 990-PF, PART I, LINE 3, COLUMN A	4,415.

FORM 990-PF DIVIDENDS AND INTEREST FROM SECURITIES STATEMENT 2

SOURCE	GROSS AMOUNT	CAPITAL GAINS DIVIDENDS	COLUMN (A) AMOUNT
BANK OF AMERICA	50.	0.	50.
NEUBERGER & BERMAN FOCUS FUND	77,031.	0.	77,031.
NEUBERGER & BERMAN GUARDIAN FUND	2,381.	0.	2,381.
VANGUARD 500 INDEX FUND	4,551.	0.	4,551.
VANGUARD EURO IDX I	1,547.	0.	1,547.
VANGUARD EXTENDED MARKET INDEX	2,102.	0.	2,102.
VANGUARD GRO IDX ADM	1,663.	0.	1,663.
VANGUARD INDEX GROWTH	1,314.	0.	1,314.
VANGUARD PAC IDX I	523.	0.	523.
VANGUARD SC IDX ADM	1,115.	0.	1,115.
VANGUARD WINDSOR II AD	6,604.	0.	6,604.
VANGUARD WINDSOR II AD	9,496.	9,496.	0.
TOTAL TO FM 990-PF, PART I, LN 4	108,377.	9,496.	98,881.

FORM 990-PF TAXES STATEMENT 3

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
INTERNAL REVENUE SERVICE -990T	27,000.	0.		0.
OREGON DEPARTMENT OF REVENUE	10.	0.		0.
INDIANA DEPARTMENT OF REVENUE	5.	0.		0.
CA FRANCHISE TAX BOARD	32.	0.		0.
TO FORM 990-PF, PG 1, LN 18	27,047.	0.		0.

FORM 990-PF OTHER EXPENSES STATEMENT 4

DESCRIPTION	(A) EXPENSES PER BOOKS	(B) NET INVEST- MENT INCOME	(C) ADJUSTED NET INCOME	(D) CHARITABLE PURPOSES
IL SECRETARY OF STATE FILING FEES	10.	0.		10.
IL CHARITABLE REGISTRATION BANK CHARGES	115.	0.		15.
	7.	0.		0.
TOTAL TO FORM 990-PF, PG 1, LN 23	132.	0.		25.

FORM 990-PF CORPORATE STOCK STATEMENT 5

DESCRIPTION	BOOK VALUE	FAIR MARKET VALUE
NEUBERGER FOCUS FD	495,294.	549,383.
NEUBERGER GUARDIAN FD	395,622.	360,443.
VANGUARD 500 INDEX FD	123,188.	252,055.
VANGUARD WINDSOR II FD	287,995.	339,009.
VANGUARD EXTENDED INDEX FD	165,631.	195,229.
VANGUARD GROWTH INDEX FD	280,415.	348,972.
VANGUARD EUROPEAN INDEX	60,000.	61,215.
VANGUARD PACIFIC INDEX	30,000.	37,099.
VANGUARD SMALL-CAP INDEX	100,000.	101,929.
TOTAL TO FORM 990-PF, PART II, LINE 10B	1,938,145.	2,245,334.

FORM 990-PF GRANTS AND CONTRIBUTIONS STATEMENT 6
PAID DURING THE YEAR

RECIPIENT NAME AND ADDRESS	RECIPIENT STATUS	PURPOSE OF GRANT	RECIPIENT RELATIONSHIP	AMOUNT
MONTESSORI CHILDREN'S HOUSE OF THE WEST COAST 25 LAKE STREET, SAN FRANCISCO, CA 94118	501(C)	FUNDING FOR TEACHERS TO TRAVEL TO CONFERENCE	N/A	260.
PRINCETON HISTORICAL SOCIETY - BAINBRIDGE HOUSE 158 NASSAU STREET, PRINCETON, NJ 08542-7006	501(C)	GENERAL FUND	N/A	500.
SAVE ANIMAL RESCUE LEAGUE 900 HERRONTOWN ROAD, PRINCETON, NJ 08540	501(C)	GENERAL FUND	N/A	200.
PRINCETON FIRST AID SQUAD 237 NORTH HARRISON STREET, PRINCETON, NJ 08540-0529	501(C)	GENERAL FUND	N/A	1,000.
MERCATUS CENTER, GEORGE MASON UNIVERSITY 3301 NORTH FAIRFAX DR., STE 450, ARLINGTON, VA 22201-4433	501(C)	GENERAL FUND	N/A	1,000.
CATO INSTITUTE 1000 MASSACHUSETTS AVE., N.W., WASHINGTON, DC 20001	501(C)	LIBERTY UNDER LAW INITIATIVE (YEAR 1 OF 3 YEAR PROGRAM)	N/A	64,425.
INSTITUTE FOR JUSTICE 1717 PENNSYLVANIA AVE., N.W. STE 200 WASHINGTON, DC 20006	501(C)	GENERAL FUND	N/A	1,000.

THE OPPORTUNITY FOUNDATION

36-3835681

THE HERITAGE FOUNDATION 501(C) GENERAL FUND N/A 1,000.
214 MASSACHUSETTS AVE., NE,
WASHINGTON, DC 20002-4999

MILTON AND ROSE D. FRIEDMAN 501(C) GENERAL FUND N/A 1,000.
FOUNDATION
ONE AMERICAN SQUARE, STE
1750, INDIANAPOLIS, IN
46282

TOTAL TO FORM 990-PF, PART XV, LINE 3A

70,385.