

mail

OMB No 1545-0047
2000
Open to Public Inspection

Return of Organization Exempt From Income Tax
Under section 501(c) of the Internal Revenue Code (except black lung benefit trust or private foundation), section 527, or section 4947(a)(1) nonexempt charitable trust
The organization may have to use a copy of this return to satisfy state reporting requirements

Department of the Treasury
Internal Revenue Service

A For the 2000 calendar year, or tax year period beginning 7/01/00, and ending 6/30/01

B Check if applicable:
 Change of address
 Change of name
 Initial return
 Final return
 Amended return

C Name of organization: DELAWARE COUNTY LITERACY COUNCIL
 Number and street (or P O box if mail is not delivered to street address): 2217 PROVIDENCE AVENUE
 City or town state or country and ZIP code: CHESTER PA 19013

D Employer ID number: 23-7423599
E Telephone number: 610-876-4811
F Check if application pending

G Org type (check only one) 501(c) (3) (insert no) 527 or 4947(a)(1)
 Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990EZ)

J Accounting method Cash Accrual Other (specify)

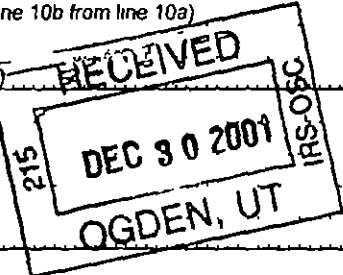
K Check here if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS, but if the organization received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return.

Note H and I are not applicable to section 527 orgs.
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" att. a list. See instr.)
H(d) Is this a separate return filed by an organization covered by a group ruling? Yes No
I Enter 4-digit group exemption no. (GEN):
L Check this box if the organization is not required to attach Schedule B (Form 990 or 990-EZ)

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See Specific Instructions on page 16)

SCANNED JAN 08 02

1	Contributions, gifts, grants, and similar amounts received			
a	Direct public support	1a	108,798	
b	Indirect public support	1b	67,718	
c	Government contributions (grants)	1c	334,411	
d	Total (add lines 1a through 1c) (cash \$ <u>510,927</u> noncash \$ _____)	1d		510,927
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		704
5	Dividends and interest from securities	5		
6a	Gross rents	6a	10,110	
b	Less rental expenses	6b		
c	Net rental income or (loss) (subtract line 6b from line 6a)	6c		10,110
7	Other investment income (describe _____)	7		
8a	Gross amount from sales of assets other than inventory	(A) Securities		(B) Other
b	Less cost or other basis and sales expenses	8a		
c	Gain or (loss) (attach schedule)	8b		
d	Net gain or (loss) (combine line 8c columns (A) and (B))	8c		
8d		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		3,400
12	Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c and 11)	12		525,141
13	Program services (from line 44 column (B))	13		344,598
14	Management and general (from line 44, column (C))	14		125,836
15	Fundraising (from line 44, column (D))	15		
16	Payments to affiliates (attach schedule)	16		
17	Total expenses (add lines 16 and 44, column (A))	17		470,434
A	Excess or (deficit) for the year (subtract line 17 from line 12)	18		54,707
Ns	Net assets or fund balances at beginning of year (from line 73, column (A))	19		80,207
ts	Other changes in net assets or fund balances (attach explanation)	20		
s	Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21		134,914



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 Specific Instructions on page 20.)

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22 Grants and allocations (attach schedule) (cash \$ _____ non-cash \$ _____)	22			
23 Specific assistance to individuals	23			
24 Benefits paid to or for members	24			
25 Compensation of officers, directors, etc	25 35,024	28,720	6,304	
26 Other salaries and wages	26 218,813	179,693	39,120	
27 Pension plan contributions	27			
28 Other employee benefits	28 21,144	17,338	3,806	
29 Payroll taxes	29 22,377	18,349	4,028	
30 Professional fundraising fees	30			
31 Accounting fees	31 7,984		7,984	
32 Legal fees	32			
33 Supplies	33 13,983	13,983		
34 Telephone	34 9,882	8,103	1,779	
35 Postage and shipping	35 4,237	3,474	763	
36 Occupancy	36			
37 Equipment rental and maintenance	37 6,757		6,757	
38 Printing and publications	38			
39 Travel	39			
40 Conferences, conventions, and meetings	40 7,135	7,135		
41 Interest	41 8,520		8,520	
42 Depreciation depletion, etc (att sch)	42 10,144		10,144	
43 Other expenses (itemize) a	43a			
b SEE STATEMENT 1	43b 104,434	67,803	36,631	
c	43c			
d	43d			
e	43e			
44 Total functional expenses (add lines 22 - 43) Organizations completing columns (B)-(D), carry these totals to lines 13-15	44 470,434	344,598	125,836	0

Reporting of Joint Costs Did you report in column (B) (Program services) any joint costs from a combined educational campaign and fundraising solicitation? Yes No

If "Yes," enter (i) the aggregate amount of these joint costs \$ _____ (ii) the amount allocated to Program services \$ _____ (iii) the amount allocated to Management and general \$ _____ and (iv) the amount allocated to Fundraising \$ _____

Part III Statement of Program Service Accomplishments (See Specific Instructions on page 23)

What is the organization's primary exempt purpose?	Program Service Expenses (Required for 501(c)(3) and (4) orgs and 4947(a)(1) trusts but optional for others.)
<p>ADULT READING INSTRUCTION</p> <p>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.)</p> <p>a PROVIDE READING & WRITING INSTRUCTION TO ADULTS READING AT A LOWEL LEVEL OR LEARNING HOW TO READ</p> <p style="text-align: right;">(Grants and allocations \$ _____)</p>	344,598
<p>b DONATED FACILITIES USED AS CLASSROOMS TO PROVIDE THE STUDENTS A PLACE FOR READING INSTRUCTION - \$23,400</p> <p style="text-align: right;">(Grants and allocations \$ _____)</p>	
<p>c DONATED VOLUNTEER INSTRUCTION HOURS FOR TEACHING ADULTS TO READ - \$227,600</p> <p style="text-align: right;">(Grants and allocations \$ _____)</p>	
<p>d DONATED VOLUNTEER BOARD OF DIRECTORS BUSINESS HOURS - \$8,800</p> <p style="text-align: right;">(Grants and allocations \$ _____)</p>	
<p>e Other program services (attach schedule)</p> <p style="text-align: right;">(Grants and allocations \$ _____)</p>	
<p>Total of Program Service Expenses (should equal line 44, column (B), Program services)</p>	344,598

Part IV Balance Sheets (See Specific Instructions on page 23)

Nota. 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
45	Cash-non-interest-bearing	17,325	45	
46	Savings and temporary cash investments	119	46	32,202
47a	Accounts receivable	53,244		
b	Less allowance for doubtful accounts		47c	53,244
48a	Pledges receivable			
b	Less allowance for doubtful accounts		48c	
49	Grants receivable		49	
50	Receivables from officers, directors, trustees, and key employees (attach schedule)		50	
51a	Other notes and loans receivable (attach schedule)			
b	Less allowance for doubtful accounts		51c	
52	Inventories for sale or use		52	
53	Prepaid expenses and deferred charges	2,537	53	8,758
54	Investments-securities <input type="checkbox"/> Cost <input type="checkbox"/> FMV		54	
55a	Investments-land, buildings, and equipment basis			
b	Less accumulated depreciation (attach schedule)		55c	
56	Investments-other (attach schedule)		56	
57a	Land, buildings, and equipment basis	213,870		
b	Less accumulated depreciation (attach schedule)	38,096	57c	175,774
58	Other assets (describe _____)		58	
59	Total assets (add lines 45 through 58) (must equal line 74)	233,207	59	269,978
60	Accounts payable and accrued expenses	73,101	60	53,562
61	Grants payable		61	
62	Deferred revenue		62	
63	Loans from officers, directors, trustees, and key employees (attach schedule) SEE WORKSHEET	736	63	6,536
64a	Tax-exempt bond liabilities (attach schedule)		64a	
b	Mortgages and other notes payable (attach schedule) SEE WORKSHEET	79,163	64b	74,966
65	Other liabilities (describe _____)		65	
66	Total liabilities (add lines 60 through 65)	153,000	66	135,064
Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74				
67	Unrestricted	80,207	67	84,813
68	Temporarily restricted		68	50,101
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 and column (B) must equal line 21)	80,207	73	134,914
74	Total liabilities and net assets / fund balances (add lines 66 and 73)	233,207	74	269,978

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

Part IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return (See Specific Instructions, page 25)	Part IV-B Reconciliation of Expenses per Audited Financial Statements with Expenses per Return
<p>a Total revenue, gains, and other support per audited financial statements ▶ a 525,141</p> <p>b Amounts included on line a but not on line 12, Form 990</p> <p>(1) Net unrealized gains on investments \$</p> <p>(2) Donated services and use of facilities \$</p> <p>(3) Recoveries of prior year grants \$</p> <p>(4) Other (specify)</p> <p>\$</p> <p>Add amounts on lines (1) through (4) ▶ b</p> <p>c Line a minus line b ▶ c 525,141</p> <p>d Amounts included on line 12, Form 990 but not on line a</p> <p>(1) Investment expenses not included on line 6b, Form 990 \$</p> <p>(2) Other (specify)</p> <p>\$</p> <p>Add amounts on lines (1) and (2) ▶ d</p> <p>e Total revenue per line 12, Form 990 (line c plus line d) ▶ e 525,141</p>	<p>a Total expenses and losses per audited financial statements ▶ a 470,434</p> <p>b Amounts included on line a but not on line 17, Form 990</p> <p>(1) Donated services and use of facilities \$</p> <p>(2) Prior year adjustments reported on line 20, Form 990 \$</p> <p>(3) Losses reported on line 20 Form 990 \$</p> <p>(4) Other (specify)</p> <p>\$</p> <p>Add amounts on lines (1) through (4) ▶ b</p> <p>c Line a minus line b ▶ c 470,434</p> <p>d Amounts included on line 17, Form 990 but not on line a</p> <p>(1) Investment expenses not included on line 6b, Form 990 \$</p> <p>(2) Other (specify)</p> <p>\$</p> <p>Add amounts on lines (1) and (2) ▶ d</p> <p>e Total expenses per line 17, Form 990 (line c plus line d) ▶ e 470,434</p>

Part V List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated, see Specific Instructions on page 25)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (If not paid, enter -0-)	(D) Contrib to employee benefit plans & deferred compensation	(E) Expense account and other allowances
CONNELL O'BRIEN DREXEL HILL, PA	PRESIDENT 2	0	0	0
DAVE BELANGER MEDIA, PA	VICE PRES. 2	0	0	0
CYNTHIA PERCHALSKI SPRINGFIELD, PA	SECRETARY 1	0	0	0
DAVID BELANGER MEDIA, PA	TREASURER 1	0	0	0
PATRICIA R. GAUL WEST CHESTER, PA	EXEC. DIR. 35	35,024	1,860	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 Specific Instructions on page 26

Part VI Other Information (See Specific Instructions on page 26)		N/A	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 inc of \$1 000 or more during the year covered by this return?			X
b	If "Yes," has it filed a tax return on Form 990-T for this year?	N/A		
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
b	If "Yes," enter the name of the organization <input type="checkbox"/> and check whether it is <input type="checkbox"/> exempt OR <input type="checkbox"/> nonexempt			
81a	Enter the amount of political expenditures, direct or indirect as described in the instructions for line 81			
b	Did the organization file Form 1120-POL for this year?	N/A		
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	
b	If "Yes," you may indicate the value of these items here Do not include this amount as revenue in Part I or as an expense in Part II (See instructions for reporting in Part III)			
		82b	259,800	
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?		X	
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?		X	
84a	Did the organization solicit any contributions or gifts that were not tax deductible?			X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	N/A		
85	501(c)(4), (5), or (6) organizations a Were substantially all dues nondeductible by members?	N/A		
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year	N/A		
c	Dues, assessments, and similar amounts from members	85c		
d	Section 162(e) lobbying and political expenditures	85d		
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85e		
f	Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f		
g	Does the organization elect to pay the section 6033(e) tax on the amount in 85f?	N/A		
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount in 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	N/A		
86	501(c)(7) orgs Enter a Initiation fees and capital contributions included on line 12	86a		
b	Gross receipts, included on line 12, for public use of club facilities	86b		
87	501(c)(12) orgs Enter a Gross income from members or shareholders	87a		
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	87b		
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX			X
89a	501(c)(3) organizations Enter Amount of tax imposed on the organization during the year under section 4911 <input type="checkbox"/> 0, section 4912 <input type="checkbox"/> 0, section 4955 <input type="checkbox"/> 0			
b	501(c)(3) and 501(c)(4) orgs Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes" attach a statement explaining each transaction			X
c	Enter Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958			0
d	Enter Amount of tax on line 89c, above, reimbursed by the organization			0
90a	List the states with which a copy of this return is filed <input type="checkbox"/> PA			
b	Number of employees employed in the pay period that includes March 12 2000 (See instructions)	90b		18
91	The books are in care of <input type="checkbox"/> PATRICIA R. GAUL Located at <input type="checkbox"/> 2217 PROVIDENCE AVENUE, CHESTER, PA Telephone no <input type="checkbox"/> 610-876-4811 ZIP code <input type="checkbox"/> 19013			
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041- Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the tax year <input type="checkbox"/> 92			

Part VII Analysis of Income-Producing Activities (See Specific Instructions on page 30)

Table with 5 main columns: (A) Business code, (B) Amount, (C) Exclusion code, (D) Amount, (E) Related or exempt function income. Rows include 93 Program service revenue, 94 Membership dues and assessments, 95 Interest on savings and temporary cash investments, 96 Dividends and interest from securities, 97 Net rental income or (loss) from real estate, 98 Net rental income or (loss) from personal property, 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, 104 Subtotal, 105 Total.

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

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See Specific Instructions on page 31)

Table with 2 columns: 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). Row 1: N/A

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See Specific Instructions on page 31)

Table with 5 columns: (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. Row 1: N/A

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See Specific Instructions on pg 31)

- (a) Did the organization, during the year, receive any funds directly or indirectly, to pay premiums on a personal benefit contract?
(b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?

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

including accompanying schedules and statements, and to the best of my knowledge (other than officer) is based on all information of which preparer has any knowledge

12-19-01 Patricia R Gau

Date Type or print name and title

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.)

OMB No 1545-0047

2000

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

Employer identification number

DELAWARE COUNTY LITERACY COUNCIL

23-7423599

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 ben plans & deferred compensation	(e) Expense account and other allowances
NONE				

Total number of other employees paid over

\$50,000 ▶

Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services
(See page 1 of the instr 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 ▶

Part III Statements About Activities

		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 \$ _____ 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.	1	X
2	During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any of its 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:		
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 exp. if more than \$1,000)?	2d	X
e	Transfer of any part of its income or assets? If the answer to any question is "Yes," attach a detailed statement explaining the transactions.	2e	X
3	Does the organization make grants for scholarships, fellowships, student loans, etc.?	3	X
4a	Do you have a section 403(b) annuity plan for your employees?	4a	X
b	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. (See pg. 2 of the instr.)		

SEE STMT 2

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

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

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

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

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

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

Calendar year (or FY beginning in)	(a) 1999	(b) 1998	(c) 1997	(d) 1996	(e) Total
15 Gifts, grants, & contrib received (Do not incl unusual grants See line 28)	455,564	443,828	278,511	427,120	1,605,023
16 Membership fees received					
17 Gross receipts from admissions merchandise sold or services performed or furnishing of facilities in any activity that is not a busin unrelated to the organization's charitable, etc, purpose				15	15
18 Gross inc from int, dividends, amounts received from pymt on securities loans (section 512(a)(5)), rents, royalties, & unrelated busin taxable inc (less sec 511 taxes) from businesses acquired by the organization after June 30 1975	7,597	1,511	1,807	654	11,569
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization's ben & either paid to it or expended on its behalf					
21 The value of services or facil furnished to the org by a governmental unit without charge Do not incl the value of serv or facilities generally furnished to the public without charge					
22 Other income Attach a schedule Do not include gain or (loss) from sale of cap assets					
23 Total of lines 15 through 22	463,161	445,339	280,318	427,789	1,616,607
24 Line 23 minus line 17	463,161	445,339	280,318	427,774	1,616,592
25 Enter 1% of line 23	4,632	4,453	2,803	4,278	
26 Organizations described on lines 10 or 11	a Enter 2% of amount in column (e), line 24				▶ 26a 32,332
	b Attach a list (which is not open to public inspection) showing the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 1996 through 1999 exceeded the amount shown in line 26a Enter the sum of all these excess amounts				▶ 26b
	c Total support for section 509(a)(1) test Enter line 24, column (e)				▶ 26c 1,616,592
	d Add Amounts from column (e) for lines 18 <u>11,569</u> 19 _____ 22 _____ 26b _____				▶ 26d 11,569
	e Public support (line 26c minus line 26d total)				▶ 26e 1,605,023
	f Public support percentage (line 26e (numerator) divided by line 26c (denominator))				▶ 26f 99.2844%
27 Organizations described on line 12	a For amounts included in lines 15, 16 and 17 that were received from a "disqualified person," attach a list (which is not open to public inspection) to show the name of, and total amounts received in each year from, each year from, each "disqualified person" Enter the sum of such amounts for each year				N/A
	(1999)	(1998)	(1997)	(1996)	
	b For any amount included in line 17 that was received from a nondisqualified person attach a list 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) 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				N/A
	(1999)	(1998)	(1997)	(1996)	
	c Add Amounts from column (e) for lines 15 _____ 16 _____ 17 _____ 20 _____ 21 _____ and line 27b total				▶ 27c
	d Add Line 27a total _____ and line 27b total _____				▶ 27d
	e Public support (line 27c total minus line 27d total)				▶ 27e
	f Total support for section 509(a)(2) test Enter amount on line 23, column (e)				▶ 27f
	g Public support percentage (line 27e (numerator) divided by line 27f (denominator))				▶ 27g %
	h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))				▶ 27h %
28 Unusual Grants For an organization described in line 10, 11, or 12 that received any unusual grants during 1996 through 1999 attach a list (which is not open to public inspection) for each year showing the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant Do not include these grants in line 15 (See page 5 of the instr)					

Part V Private School Questionnaire (See page 5 of the instructions)
(To be completed ONLY by schools that checked the box on line 6 in Part IV)

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

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 7 of the instructions)

(To be completed ONLY by an eligible organization that filed Form 5768) N/A

Check here a if the organization belongs to an affiliated group
Check here b if you checked "a" above and "limited control" provisions apply

Limits on Lobbying Expenditures

(The term "expenditures" means amounts paid or incurred)

Table with columns (a) Affiliated group totals and (b) To be completed for ALL electing organizations. Rows include Total lobbying expenditures to influence public opinion, Total lobbying expenditures to influence a legislative body, Total lobbying expenditures (add lines 36 and 37), Other exempt purpose expenditures, Total exempt purpose expenditures, Lobbying nontaxable amount, and various sub-categories for nontaxable amounts.

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 9 of the instructions

Lobbying Expenditures During 4-Year Averaging Period

Table with columns (a) 2000, (b) 1999, (c) 1998, (d) 1997, and (e) Total. Rows include Lobbying nontaxable amount, Lobbying ceiling amount (150% of line 45(e)), Total lobbying expenditures, Grassroots nontaxable amount, Grassroots ceiling amount (150% of line 48(e)), and Grassroots lobbying expenditures.

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See page 9 of the instr)

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)

Table with columns Yes, No, and Amount for each activity listed in the previous block.

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

Part VII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations (See page 9 of the instructions)

51 Did the reporting 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

Table with 3 columns: Question, Yes, No. Rows include 51a(i), a(ii), b(i), b(ii), b(iii), b(iv), b(v), b(vi), and c.

- (i) Cash
(ii) Other assets
b Other transactions
(i) Sales or exchanges of assets with a noncharitable exempt organization
(ii) Purchases of assets from a noncharitable exempt organization
(iii) Rental of facilities, equipment, or other assets
(iv) Reimbursement arrangements
(v) Loans or loan guarantees
(vi) 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. If the organization received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.

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

52a 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 No (with checked box for No)

b If "Yes," complete the following schedule

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

Form 990	Loans from Officers, Directors, Trustees, and Key Employees or Other Disqualified Persons	2000
For calendar year 2000, or tax year beginning 7/01/00, and ending		6/30/01

Name DELAWARE COUNTY LITERACY COUNCIL	Employer Identification Number 23-7423599
---	---

FORM 990, PART IV, LINE 63 - ADDITIONAL INFORMATION

Name of lender	Title
(1) PAT GAUL	EXECUTIVE DIRECTOR
(2) PAT GAUL	EXECUTIVE DIRECTOR
(3) MARTHY FINSTERBUSCH	BOARD MEMBER
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	

Original amount borrowed	Date of loan	Maturity date	Repayment terms	Interest rate
(1)			N/A	
(2)	4,000		N/A	
(3)	11,000		N/A	
(4)				
(5)				
(6)				
(7)				
(8)				
(9)				
(10)				

Security provided by borrower	Purpose of loan
(1) N/A	REIMBURSEMENT EXPENSES
(2) N/A	PAYMENT OF OPERATING EXPENSES
(3) N/A	PAYMENT OF OPERATING EXPENSES
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	

Consideration furnished by lender	Balance due at beginning of year	Balance due at end of year
(1) N/A	736	736
(2) N/A		4,000
(3) N/A		1,800
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Totals	736	6,536

Mortgages and Other Notes Payable

Form 990

2000

For calendar year 2000, or tax year beginning 7/01/00, and ending 6/30/01

Name DELAWARE COUNTY LITERACY COUNCIL Employer Identification Number 23-7423599

FORM 990, PART IV, LINE 64B - ADDITIONAL INFORMATION

Name of lender	Relationship to disqualified person
(1) FIRST KEYSTONE FEDERAL SAVINGS BANK	N/A
(2) FIRST KEYSTONE FEDERAL SAVINGS BANK	N/A
(3) FIRST KEYSTONE FEDERAL SAVINGS BANK	N/A
(4) FIRST KEYSTONE FEDERAL SAVINGS	N/A
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	

Original amount borrowed	Date of loan	Maturity date	Repayment terms	Interest rate
(1) 20,000			ON DEMAND	10.500
(2) 65,000	9/01/94	9/01/04	\$771.57 MONTHLY PAYMENT	7.500
(3) 20,000			ON DEMAND	10.500
(4) 75,000	6/30/01	6/30/16	\$725.43 MONTHLY PAYMENT	8.200
(5)				
(6)				
(7)				
(8)				
(9)				
(10)				

Security provided by borrower	Purpose of loan
(1) UNSECURED	OPERATING EXPENSES
(2) OFFICE BUILDING	OFFICE BUILDING
(3) OFFICE BUILDING	OPERATING EXPENSES
(4) OFFICE BUILDING	DEBT CONSOLIDATION
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	

Consideration furnished by lender	Balance due at beginning of year	Balance due at end of year
(1)	25,000	
(2)	34,163	
(3)	20,000	
(4)		74,966
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Totals	79,163	74,966

Statement 1 - Form 990, Part II, Line 43 - Other Functional Expenses

Description	Total Expenses	Program Service	Mgt & General	Fund- Raising
	\$	\$	\$	\$
INDIRECT EXPENSE				
BANK CHARGES	738		738	
BOOKS & INSTRUCTIONAL MATERIAL	14,931	14,931		
BUILDING MAINTENANCE	14,475		14,475	
INSURANCE	8,621		8,621	
LICENSES	100	100		
MEMBERSHIPS	3,830	3,830		
PAYROLL SERVICE	1,725	1,414	311	
PENALTIES	2,068		2,068	
RENT	3,366	3,366		
SPECIAL ASSISTANCE	2,646	2,646		
SPECIAL EVENT	649	649		
STAFF RECOGNITION	776		776	
SUBCONTRACTING/INSTRUCTOR	38,542	38,542		
TRANSPORTATION	2,325	2,325		
UTILITIES	9,642		9,642	
TOTAL	<u>\$ 104,434</u>	<u>\$ 67,803</u>	<u>\$ 36,631</u>	<u>\$ 0</u>

Statement 2 - Schedule A, Part III, Question 2d - Payment of Compensation

SEE PAGE 4, PART V

Application for Extension of Time To File an Exempt Organization Return

OMB No 1545-1709

▶ 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 8738 to request an extension of time to file Form 1065, 1066, or 1041

Type or print	Name of Exempt Organization DELAWARE COUNTY LITERACY COUNCIL	Employer identification number 23-7423599
File by the due date for filing your return See instructions.	Number, street, and room or suite no. If a P.O. box, see instructions 2217 PROVIDENCE AVENUE	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions CHESTER, PA 19013	

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, 2002 to file the exempt organization return for the organization named above. The extension is for the organization's return for
 ▶ calendar year 20____ or
 ▶ tax year beginning July 1, 2000, and ending June 30, 2001

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 \$ 0.

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 \$ 0.

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 ▶ *Peter R. Bony* Title ▶ CPA Date ▶ 11/25/01

For Paperwork Reduction Act Notice, see instruction

Form 8868 (12-2000)