

Return of Organization Exempt from Income Tax

2001

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

Department of the Treasury Internal Revenue Service

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

Open to Public Inspection

A For the 2001 calendar year, or tax year beginning 2001, and ending 20

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

Please use IRS label or print or type See specific instructions

LIFE SKILLS TRAINING AND EDUCATIONAL PROGRAMS, INC 3743 E CASSELLE AVE ORANGE, CA 92869

D Employer Identification Number 33-0720982
E Telephone number
F Accounting method Cash [] Accrual [X] Other (specify)

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

H and I are not applicable to Section 527 organizations
H (a) Is this a group return for affiliates? Yes [] No [X]
H (b) If yes enter number of affiliates
H (c) Are all affiliates included? Yes [] No []
H (d) Is this a separate return filed by an organization covered by a group ruling? Yes [] No [X]
I Enter 4 digit group GEN
M Check [X] if the organization is not required to attach Schedule B (Form 990, 990-EZ, or 990-PF)

G Web site N/A

J Organization type (check only one) [X] 501(c) 3 (insert no) [] 4947(a)(1) or [] 527

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

L Gross receipts Add lines 6b, 8b, 9b, and 10b to line 12 847,380

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (see instructions)

Table with 21 rows and 4 columns: Description, (A) Securities, (B) Other, Amount. Includes lines 1-21 for revenue, expenses, and net assets.

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

Do not include amounts reported on line 6b 8b 9b 10b or 16 of Part I		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22	Grants and allocations (att sch) (cash \$ _____ non cash \$ _____)	22			
23	Specific assistance to individuals (att sch)	23			
24	Benefits paid to or for members (att sch)	24			
25	Compensation of officers, directors, etc	25			
26	Other salaries and wages	26	132,109	132,109	
27	Pension plan contributions	27			
28	Other employee benefits	28			
29	Payroll taxes	29			
30	Professional fundraising fees	30			
31	Accounting fees	31	495	495	
32	Legal fees	32			
33	Supplies	33			
34	Telephone	34			
35	Postage and shipping	35			
36	Occupancy	36			
37	Equipment rental and maintenance	37			
38	Printing and publications	38			
39	Travel	39			
40	Conferences conventions, and meetings	40			
41	Interest	41			
42	Depreciation, depletion, etc (attach schedule)	42	1,375	1,375	
43	Other expenses not covered above (itemize)				
a	SEE STATEMENT 2	43a	725,465	725,370	95
b	-----	43b			
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	859,444	859,349	95

Joint Costs Check if you are following SOP 98 2
 Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? Yes No
 If 'Yes' enter (i) the aggregate amount of these joint costs \$ _____, (ii) the amount allocated to program services \$ _____, (iii) the amount allocated to management and general \$ _____, and (iv) the amount allocated to fundraising \$ _____

Part III Statement of Program Service Accomplishments

What is the organization's primary exempt purpose? <input type="checkbox"/>	Program Service Expenses (Required for 501(c)(3) and (4) organizations and 4947(a)(1) trusts but optional for others)
a ASSISTED LOW-INCOME PERSONS IN PURCHASING HOUSING PROVIDED SOCIAL PROGRAMS PROVIDING EDUCATIONAL AND LIFE SKILLS (Grants and allocations \$ _____)	859,349
b (Grants and allocations \$ _____)	
c (Grants and allocations \$ _____)	
d (Grants and allocations \$ _____)	
e Other program services (Grants and allocations \$ _____)	
f Total of Program Service Expenses (should equal line 44, column (B), program services)	859,349

Part IV Balance Sheets (See instructions)

Note		(A) Beginning of year		(B) End of year			
ASSETS	45	Cash – non-interest-bearing		34,096	45	3,755	
	46	Savings and temporary cash investments			46		
	47a	47a	Accounts receivable	134,280			
		47b	b Less allowance for doubtful accounts	124,250	47c	134,280	
	48a	48a	48a Pledges receivable				
		48b	b Less allowance for doubtful accounts		48c		
	49	49 Grants receivable			49		
	50	50 Receivables from officers, directors, trustees, and key employees (attach schedule)			50		
	51a	51a	51a Other notes & loans receivable (attach sch)				
		51b	b Less allowance for doubtful accounts		51c		
	52	52 Inventories for sale or use			52		
	53	53 Prepaid expenses and deferred charges			53		
	54	54 Investments – securities (attach schedule) ▶ <input type="checkbox"/> Cost <input type="checkbox"/> FMV			54		
	55a	55a	55a Investments – land, buildings, & equipment basis				
		55b	b Less accumulated depreciation (attach schedule)		55c		
56	56 Investments – other (attach schedule)			56			
57a	57a	57a Land, buildings, and equipment basis	9,622				
	57b	b Less accumulated depreciation (attach schedule) STATEMENT 3	1,375	57c	8,247		
58	58 Other assets (describe ▶ _____)			58			
59	59 Total assets (add lines 45 through 58) (must equal line 74)		158,346	59	146,282		
LIABILITIES	60	60 Accounts payable and accrued expenses			60		
	61	61 Grants payable			61		
	62	62 Deferred revenue			62		
	63	63 Loans from officers, directors, trustees, and key employees (attach schedule)			63		
	64a	64a Tax exempt bond liabilities (attach schedule)			64a		
		64b	b Mortgages and other notes payable (attach schedule)		64b		
	65	65 Other liabilities (describe ▶ _____)			65		
66	66 Total liabilities (add lines 60 through 65)		0	66	0		
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	67 Unrestricted		158,346	67	146,282	
	68	68 Temporarily restricted			68		
	69	69 Permanently restricted			69		
	Organizations that do not follow SFAS 117, check here ▶ <input type="checkbox"/> and complete lines 70 through 74						
	70	70 Capital stock, trust principal, or current funds			70		
	71	71 Paid-in or capital surplus, or land, building, and equipment fund			71		
	72	72 Retained earnings, endowment, accumulated income, or other funds			72		
73	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)		158,346	73	146,282		
74	74 Total liabilities and net assets/fund balances (add lines 66 and 73)		158,346	74	146,282		

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.

BAA

Part VI Other Information (See specific instructions)

Yes No

76	Did the organization engage in any activity not previously reported to the IRS? If 'Yes,' attach a detailed description of each activity	76		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	77		X
78a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	78a		X
b	If 'Yes,' has it filed a tax return on Form 990-T for this year?	78b	N/A	
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If 'Yes,' attach a statement	79		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?	80a		X
b	If 'Yes,' enter the name of the organization ▶ <u>N/A</u> and check whether it is <input type="checkbox"/> exempt or <input type="checkbox"/> nonexempt			
81a	Enter direct or indirect political expenditures See line 81 instructions	81a	0	
b	Did the organization file Form 1120-POL for this year?	81b		X
82a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	82a		X
b	If 'Yes,' you may indicate the value of these items here Do not include this amount as revenue in Part I or as an expense in Part II (See instructions in Part III)	82b	N/A	
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	83a	X	
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	83b	X	
84a	Did the organization solicit any contributions or gifts that were not tax deductible?	84a		X
b	If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	84b	N/A	
85	501(c)(4) (5), or (6) organizations a Were substantially all dues nondeductible by members?	85a	N/A	
b	Did the organization make only in house lobbying expenditures of \$2,000 or less? If Yes was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year	85b	N/A	
c	Dues, assessments, and similar amounts from members	85c	N/A	
d	Section 162(e) lobbying and political expenditures	85d	N/A	
e	Aggregate nondeductible amount of Section 6033(e)(1)(A) dues notices	85e	N/A	
f	Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f	N/A	
g	Does the organization elect to pay the Section 6033(e) tax on the amount on line 85f?	85g	N/A	
h	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?	85h	N/A	
86	501(c)(7) organizations Enter a Initiation fees and capital contributions included on line 12	86a	N/A	
b	Gross receipts, included on line 12, for public use of club facilities	86b	N/A	
87	501(c)(12) organizations Enter a Gross income from members or shareholders	87a	N/A	
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	87b	N/A	
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations Sections 301.7701-2 and 301.7701-3? If 'Yes' complete Part IX	88		X
89a	501(c)(3) organizations Enter Amount of tax imposed on the organization during the year under Section 4911 ▶ 0, Section 4912 ▶ 0, Section 4955 ▶ 0			
b	501(c)(3) and 501(c)(4) organizations Did the organization engage in any Section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If 'Yes,' attach a statement explaining each transaction.	89b		X
c	Enter Amount of tax imposed on the organization managers or disqualified persons during the year under Sections 4912, 4955, and 4958			0
d	Enter Amount of tax on line 89c above, reimbursed by the organization			0
90a	List the states with which a copy of this return is filed ▶ <u>NONE</u>			
b	Number of employees employed in the pay period that includes March 12 2001 (see instructions)	90b		0
91	The books are in care of ▶ <u>KEN ROBERTSON</u> Telephone number ▶ _____ Located at ▶ <u>SAME AS ABOVE</u> ZIP + 4 ▶ _____			
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the tax year	92	N/A	<input type="checkbox"/>

Part VII Analysis of Income-Producing Activities (See instructions)

Note Enter gross amounts unless otherwise indicated

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue					
a HOMEBUYER PROGRAM FEE					732,897
b RESOURCE CENTER FEES					55,170
c SOCIAL SERVICE REVENUE					27,560
d _____					
e _____					
f Medicare/Medicaid payments					
g Fees & contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings & temporary cash invmnts					
96 Dividends & interest from securities					
97 Net rental income or (loss) from real estate					
a debt financed property					
b not debt financed property					
98 Net rental income or (loss) from pers prop					
99 Other investment income			14	117	
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue					
a _____					
b _____					
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))				117	815,627
105 Total (add line 104 columns (B), (D), and (E))					815,744

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

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See instructions)

Line No	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes)
1	SEE STATEMENT 5

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See 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 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 any knowledge.

13/26/02
Date

Director

Schedule A
(Form 990 or 990-EZ)

Organization Exempt Under
Section 501(c)(3)

OMB No 1545 0047

(Except Private Foundation) and Section 501(e), 501(f), 501(k), 501(n), or Section 4947(a)(1)
Nonexempt Charitable Trust Supplementary Information – (See separate instructions)

2001

Supplementary Information – (see separate instructions)

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

Department of the Treasury
Internal Revenue Service

Name of the Organization **LIFE SKILLS TRAINING AND EDUCATIONAL PROGRAMS, INC** Employer Identification Number **33-0720982**

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See instructions List each one If there are none, enter 'None ')

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
NONE				

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

Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services
(See instructions List each one (whether individuals or firms) If there are none, enter 'None ')

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

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

Part III Statements About Activities (See instructions)

	Yes	No
1 During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If 'Yes,' enter the total expenses paid or incurred in connection with the lobbying activities ▶ \$ _____ N/A _____ (Must equal amounts on line 38, Part VI-A, or line 1 of Part VI-B) Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking 'Yes,' must complete Part VI-B and attach a statement giving a detailed description of the lobbying activities.		X
2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is 'Yes,' attach a detailed statement explaining the transactions.)		
a Sale, exchange, or leasing of property?		X
b Lending of money or other extension of credit?		X
c Furnishing of goods, services, or facilities?		X
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?		X
e Transfer of any part of its income or assets?		X
3 Does the organization make grants for scholarships, fellowships, student loans, etc.? (See Note below.)		X
4 Do you have a section 403(b) annuity plan for your employees?		X

Note Attach a statement to explain how the organization determines that individuals or organizations receiving grants or loans from it in furtherance of its charitable programs qualify to receive payments.

Part IV Reason for Non-Private Foundation Status (See instructions)

The organization is not a private foundation because it is (please check only **One** applicable box)

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

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

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

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

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

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

Calendar year (or fiscal year beginning in)	(a) 2000	(b) 1999	(c) 1998	(d) 1997	(e) Total
15 Gifts, grants, and contributions received (Do not include unusual grants. See line 28.)	26,342				26,342
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose	700,182				700,182
18 Gross income from interest, dividends, amounts received from payments on securities loans (Section 512(a)(5)), rents, royalties, and unrelated business taxable income (less Section 511 taxes) from businesses acquired by the organization after June 30, 1975	404				404
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge.					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets.					
23 Total of lines 15 through 22	726,928				726,928
24 Line 23 minus line 17	26,746				26,746
25 Enter 1% of line 23	7,269				
26 Organizations described on lines 10 or 11	a Enter 2% of amount in column (e), line 24				26a 535
b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 1997 through 2000 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts.					26b
c Total support for Section 509(a)(1) test. Enter line 24, column (e)					26c 26,746
d Add: Amounts from column (e) for lines 18 _____ 404 19 _____ 22 _____ 26b _____					26d 404
e Public support (line 26c minus line 26d total)					26e 26,342
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					26f 98.49%
27 Organizations described on line 12	N/A				
a For amounts included in lines 15, 16, and 17 that were received from a 'disqualified person,' prepare a list for your records to show the name of, and total amounts received in each year from, each 'disqualified person.' Do not file this list with your return. Enter the sum of such amounts for each year: (2000) _____ (1999) _____ (1998) _____ (1997) _____					
b For any amount included in line 17 that was received from each person (other than 'disqualified persons'), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year: (2000) _____ (1999) _____ (1998) _____ (1997) _____					
c Add: Amounts from column (e) for lines 15 _____ 16 _____ 17 _____ 20 _____ and line 27b total _____					27c _____ 27d _____
d Add: Line 27a total _____ and line 27b total _____					27e _____
e Public support (line 27c total minus line 27d total)					27e
f Total support for section 509(a)(2) test. Enter amount from 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 1997 through 2000, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.

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

N/A

		Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument or in a resolution of its governing body?		
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues and other written communications with the public dealing with student admissions, programs, and scholarships?		
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If 'Yes,' please describe, if 'No,' please explain (If you need more space, attach a separate statement) ----- ----- -----		
32 a	Does the organization maintain the following a Records indicating the racial composition of the student body, faculty, and administrative staff?		
32 b	b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?		
32 c	c Copies of all catalogues brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?		
32 d	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		
33 a	a Students' rights or privileges?		
33 b	b Admissions policies?		
33 c	c Employment of faculty or administrative staff?		
33 d	d Scholarships or other financial assistance?		
33 e	e Educational policies?		
33 f	f Use of facilities?		
33 g	g Athletic programs?		
33 h	h Other extracurricular activities? If you answered 'Yes' to any of the above please explain (If you need more space, attach a separate statement) ----- ----- -----		
34 a	Does the organization receive any financial aid or assistance from a governmental agency?		
34 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 instructions)
 (To be completed **Only** by an eligible organization that filed Form 5768)

N/A

Check **a** if the organization belongs to an affiliated group Check **b** if you checked 'a' and limited control' provisions apply

Limits on Lobbying Expenditures

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

		(a) Affiliated group totals	(b) To be completed for all electing organizations
36	Total lobbying expenditures to influence public opinion (grassroots lobbying)	36	
37	Total lobbying expenditures to influence a legislative body (direct lobbying)	37	
38	Total lobbying expenditures (add lines 36 and 37)	38	
39	Other exempt purpose expenditures	39	
40	Total exempt purpose expenditures (add lines 38 and 39)	40	
41	Lobbying nontaxable amount Enter the amount from the following table --		
	If the amount on line 40 is --		
	Not over \$500 000		
	Over \$500 000 but not over \$1 000,000		
	Over \$1 000,000 but not over \$1,500,000		
	Over \$1,500,000 but not over \$17,000,000		
	Over \$17 000 000		
	The lobbying nontaxable amount is --		
	20% of the amount on line 40		
	\$100,000 plus 15% of the excess over \$500,000		
	\$175,000 plus 10% of the excess over \$1,000,000	41	
	\$225,000 plus 5% of the excess over \$1,500,000		
	\$1 000 000		
42	Grassroots nontaxable amount (enter 25% of line 41)	42	
43	Subtract line 42 from line 36 Enter 0 if line 42 is more than line 36	43	
44	Subtract line 41 from line 38 Enter 0 if line 41 is more than line 38	44	

Caution If there is an amount on either line 43 or line 44, you must file Form 4720

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below
 See the instructions for lines 45 through 50)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4 -Year Averaging Period				
	(a) 2001	(b) 2000	(c) 1999	(d) 1998	(e) Total
45	Lobbying nontaxable amount				
46	Lobbying ceiling amount (150% of line 45(e))				
47	Total lobbying expenditures				
48	Grassroots non taxable amount				
49	Grassroots ceiling amount (150% of line 48(e))				
50	Grassroots lobbying expenditures				

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI A) (See instructions)

N/A

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of

- a Volunteers
- b Paid staff or management (include compensation in expenses reported on lines c through h)
- c Media advertisements
- d Mailings to members legislators, or the public
- e Publications, or published or broadcast statements
- f Grants to other organizations for lobbying purposes
- g Direct contact with legislators, their staffs, government officials, or a legislative body
- h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means
- i Total lobbying expenditures (add lines c through h)

Yes	No	Amount

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

STATEMENT 1
FORM 990, PART I, LINE 7
OTHER INVESTMENT INCOME

INTEREST INCOME		\$	117
	TOTAL	\$	<u>117</u>

STATEMENT 2
FORM 990, PART II, LINE 43
OTHER EXPENSES

	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT & GENERAL	(D) FUNDRAISING
COMPUTER SERVICES	5,330	5,330		
EDUCATION/TRAINING	18	18		
EDUCATIONAL EQUIP	237	237		
HOMEBUYER GIFT FUNDING	703,997	703,997		
LICENSES/PERMITS	145	75	70	
PROGRAM COSTS	12,684	12,684		
PROJECT & PROGRAM DEV	55	55		
REPAIRS	1,680	1,680		
SOC SERVICE ADMIN	341	341		
TAXES	25		25	
TRAVEL/ENTERTAINMENT	953	953		
TOTAL	<u>\$ 725,465</u>	<u>\$ 725,370</u>	<u>\$ 95</u>	<u>\$ 0</u>

STATEMENT 3
FORM 990, PART IV, LINE 57
LAND, BUILDINGS, AND EQUIPMENT

CATEGORY	BASIS	ACCUM DEPREC.	BOOK VALUE
MACHINERY AND EQUIPMENT	\$ 9,622	\$ 1,375	\$ 8,247
TOTAL	<u>\$ 9,622</u>	<u>\$ 1,375</u>	<u>\$ 8,247</u>

STATEMENT 4
FORM 990, PART V
LIST OF OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED	COMPEN- SATION	CONTRI- BUTION TO EBP & DC	EXPENSE ACCOUNT/ OTHER
KEN ROBERTSON 3743 E CASSELLE AVE ORANGE, CA	CHAIRMAN PART	\$ 0	\$ 0	\$ 0

FEDERAL STATEMENTS
LIFE SKILLS TRAINING AND EDUCATIONAL
PROGRAMS, INC.

STATEMENT 4 (CONTINUED)
FORM 990, PART V
LIST OF OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES

NAME AND ADDRESS	TITLE AND AVERAGE HOURS PER WEEK DEVOTED	COMPEN- SATION	CONTRI- BUTION TO EBP & DC	EXPENSE ACCOUNT/ OTHER
CRAIG GILLETT	PRESIDENT PART	\$ 0	\$ 0	\$ 0
GREGG ROGERS	TREASURER PART	0	0	0
DAVID FISHER	VICE PRESIDENT PART	0	0	0
PENNY LA RUE	SECRETARY PART	0	0	0
BECKY AVILA	DIRECTOR PART	0	0	0
MANUEL AVILA	DIRECTOR PART	0	0	0
DAWN OWENS	DIRECTOR PART	0	0	0
MICHAEL HOWARD	DIRECTOR PART	0	0	0
TOTAL		\$ 0	\$ 0	\$ 0

STATEMENT 5
FORM 990, PART VIII
RELATIONSHIP OF ACTIVITIES TO THE ACCOMPLISHMENT OF EXEMPT PURPOSES

LINE #	EXPLANATION OF ACTIVITIES
93(A)	HOMEBUYER PROGRAM REVENUE IS GENERATED BY FOSTERING SUPPORT FOR AND PROVIDING NEEDED AFFORDABLE HOUSING, HOME OWNERSHIP, AND CHARITABLE ASSISTANCE TO LOWER-INCOME PEOPLE IN THE COMMUNITIES THAT THE ORGANIZATION SERVES
93(B)	SOCIAL SERVICE PROGRAM REVENUE IS GENERATED BY CHARGING SOCIAL SERVICE FEES TO PROPERTY OWNERS OF LOW-INCOME MULTI-FAMILY HOUSING. THE SOCIAL SERVICE FEES ARE USED TO PAY FOR THE COSTS OF IMPLEMENTATION AND OPERATION OF RESOURCE CENTERS AND SOCIAL WORKERS THAT PROVIDE, AT NO COST TO THE LOW-INCOME PERSONS SERVED, EDUCATIONAL AND SOCIAL PROGRAMS DESIGNED TO STRENGTHEN THEIR FAMILIES WITH A FOCUS ON LIFE SKILLS TRAINING, EDUCATION,

STATEMENT 5 (CONTINUED)
FORM 990, PART VII
RELATIONSHIP OF ACTIVITIES TO THE ACCOMPLISHMENT OF EXEMPT PURPOSES

LINE # _____ EXPLANATION OF ACTIVITIES _____
AND SUPPORTIVE SERVICES DESIGNED TO MEET THE NEEDS OF CHILDREN AND ADULTS

93(C) SAME AS (B)

2001 FEDERAL BOOK DEPRECIATION SCHEDULE
LIFE SKILLS TRAINING AND EDUCATIONAL
PROGRAMS, INC.

NO.	DESCRIPTION	DATE ACQUIRED	DATE SOLD	COST/ BASIS	BUS PCT.	CUR 179 BONUS	PRIOR 179 DEC BAL DEPR	BASIS REDUCT.	SALVAGE VALUE	DEPR BASIS	PRIOR DEPR	METHOD	LIFE RATE	CURRENT DEPR
FORM 990/990 PF														
MACHINERY AND EQUIPMENT														
1	COMPUTERS	VARIOUS		9,622						9,622		200DB HY	7 14290	1,375
TOTAL MACHINERY AND EQUIPME						0	0	0	0	9,622	0			1,375
TOTAL DEPRECIATION						0	0	0	0	9,622	0			1,375
GRAND TOTAL DEPRECIATION						0	0	0	0	9,622	0			1,375