

**Return of Organization Exempt From Income Tax**

**2000**

**Open to Public Inspection**

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

Department of the Treasury  
Internal Revenue Service

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

**A For the 2000 calendar year, or tax year period beginning July 1, 2000, and ending June 30, 2001**

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

Please use IRS label or print or type. See Specific Instructions

**C Name of organization** PROJECT HOPE - The People-to-People Health Foundation Inc  
 Number and street (or P O box if mail is not delivered to street address) Room/suite  
 255 Carter Hall Lane  
 City or town, state or country, and ZIP code  
 MILLWOOD, VA 22646

**D Employer identification number**  
53; 0242962  
**E Telephone number**  
(540) 837-2100  
**F Check**  if application pending

**G Organization 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 990-EZ)

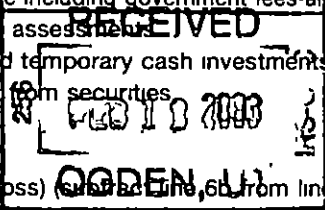
**J Accounting method**  Cash  Accrual  Other (specify) ▶

**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," attach a list. See inst.)  
**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)**

		Schedule 1		
Revenue	<b>1</b> Contributions, gifts, grants, and similar amounts received			
	<b>a</b> Direct public support	<b>1a</b>	91,303,163	
	<b>b</b> Indirect public support	<b>1b</b>	51,055	
	<b>c</b> Government contributions (grants)	<b>1c</b>	6,821,434	
	<b>d</b> Total (add lines 1a through 1c) (cash \$ 20,645,960 noncash \$ 77,529,692 )	<b>1d</b>		98,175,652
	<b>2</b> Program service revenue including government fees and contracts (from Part VII, line 93)	<b>2</b>		2,893,420
	<b>3</b> Membership dues and assessments	<b>3</b>		0
	<b>4</b> Interest on savings and temporary cash investments	<b>4</b>		244,210
	<b>5</b> Dividends and interest from securities	<b>5</b>		732,842
	<b>6a</b> Gross rents	<b>6a</b>	1,700	
	<b>b</b> Less rental expenses	<b>6b</b>		
	<b>c</b> Net rental income or (loss) (subtract line 6b from line 6a)	<b>6c</b>		1,700
<b>7</b> Other investment income (describe ▶)	<b>7</b>			
<b>8a</b> Gross amount from sales of assets other than inventory Schedule 2	(A) Securities		(B) Other	
	12,088,432	<b>8a</b>		
	11,989,866	<b>8b</b>		
	98,566	<b>8c</b>	0	
<b>d</b> Net gain or (loss) (combine line 8c, columns (A) and (B))	<b>8d</b>		98,566	
<b>9</b> Special events and activities (attach schedule)	<b>a</b> Gross revenue (not including \$ _____ of contributions reported on line 1a)	<b>9a</b>	0	
	<b>b</b> Less direct expenses other than fundraising expenses	<b>9b</b>	0	
	<b>c</b> Net income or (loss) from special events (subtract line 9b from line 9a)	<b>9c</b>		0
<b>10a</b> Gross sales of inventory, less returns and allowances	<b>10a</b>	0		
	<b>b</b> Less cost of goods sold	<b>10b</b>	0	
	<b>c</b> Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	<b>10c</b>		0
<b>11</b> Other revenue (from Part VII, line 103)	<b>11</b>		162,583	
<b>12</b> Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	<b>12</b>		102,308,973	
Expenses	<b>13</b> Program services (from line 44, column (B))	<b>13</b>		91,306,718
	<b>14</b> Management and general (from line 44, column (C))	<b>14</b>		3,077,521
	<b>15</b> Fundraising (from line 44, column (D))	<b>15</b>		3,959,979
	<b>16</b> Payments to affiliates (attach schedule)	<b>16</b>		0
	<b>17</b> Total expenses (add lines 16 and 44, column (A))	<b>17</b>		98,344,218
Net Assets	<b>18</b> Excess or (deficit) for the year (subtract line 17 from line 12)	<b>18</b>		3,964,755
	<b>19</b> Net assets or fund balances at beginning of year (from line 73, column (A))	<b>19</b>		42,059,243
	<b>20</b> Other changes in net assets or fund balances (attach explanation) Schedule 3	<b>20</b>		(2,572,304)
	<b>21</b> Net assets or fund balances at end of year (combine lines 18, 19, and 20)	<b>21</b>		43,451,694



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**Part II Statement of Functional Expenses**

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others (See 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 \$ _____ noncash \$ _____)				
23	Specific assistance to individuals (attach schedule)				
24	Benefits paid to or for members (attach schedule)				
25	Compensation of officers, directors, etc	1,208,679	411,311	625,968	171,400
26	Other salaries and wages	7,457,343	6,418,962	593,410	444,971
27	Pension plan contributions				
28	Other employee benefits	1,183,434	915,493	225,863	42,078
29	Payroll taxes	544,042	390,293	112,368	41,381
30	Professional fundraising fees	195,311			195,311
31	Accounting fees	158,157	9,008	149,149	
32	Legal fees	77,993	18,397	59,596	
33	Supplies	73,076,261	73,041,069	20,134	15,058
34	Telephone	509,128	399,290	72,154	37,684
35	Postage and shipping	1,622,194	611,529	6,629	1,004,036
36	Occupancy	1,760,633	1,251,630	374,120	134,883
37	Equipment rental and maintenance				
38	Printing and publications	1,552,208	636,562	30,321	885,325
39	Travel	3,046,754	2,844,359	147,573	54,822
40	Conferences, conventions, and meetings				
41	Interest				
42	Depreciation, depletion, etc (attach schedule)				
43	Other expenses (itemize) a Other Prof Fees	2,989,041	2,276,983	214,533	497,525
b	Books and Publications	848,169	840,394	3,065	4,710
c	Computer and Data Processing	1,680,859	848,617	417,411	414,831
d	Miscellaneous (See Schedule) Schedule 4	434,012	392,821	25,227	15,964
e					
44	Total functional expenses (add lines 22 through 43) Organizations completing columns (B)-(D), carry these totals to lines 13-15	98,344,218	91,306,718	3,077,521	3,959,979

**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? <input checked="" type="checkbox"/> Int'l and Domestic Health Education Programs	Program Service Expenses (Required for 501(c)(3) and (4) orgs and 4947(a)(1) trusts but optional for others)
a Health Education & Assistance Programs-Provide health education programs in foreign countries and the United States which contribute to the solutions of international health problems (See attached Schedule 5) (Grants and allocations \$ 582,841 )	86,036,162
b Health Policy Programs - Conducts health policy research in order to help policy-makers formulate cost effective health care policy Publishes the Health Affairs Journal which provides education to private organizations and the public concerning health care policy (See attached Sch 5) (Grants and allocations \$ 134,147 )	5,270,556
c	
(Grants and allocations \$ )	
d	
(Grants and allocations \$ )	
e Other program services (attach schedule) (Grants and allocations \$ )	
f Total of Program Service Expenses (should equal line 44, column (B), Program services)	91,306,718

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

Note		Where required, attached schedules and amounts within the description column should be for end-of-year amounts only		(A) Beginning of year		(B) End of year	
Assets	45	Cash—non-interest-bearing		3,090,353	45	5,114,679	
	46	Savings and temporary cash investments		2,687,453	46	1,444,379	
	47a	47a	2,630,221				
		b	Less allowance for doubtful accounts	47b	41,500	47c	2,588,721
	48a	48a	3,729,199				
		b	Less allowance for doubtful accounts	48b	245,700	48c	3,483,499
	49	Grants receivable		11,579,009	49	14,222,978	
	50	Receivables from officers, directors, trustees, and key employees (attach schedule)			50		
	51a	51a	Other notes and loans receivable (attach schedule)				
		b	Less allowance for doubtful accounts	51b		51c	0
	52	Inventories for sale or use		16,158,713	52	21,653,943	
	53	Prepaid expenses and deferred charges		265,202	53	176,156	
	54	Investments—securities (attach schedule) Sch. 6 ► <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV		10,351,118	54	10,465,187	
	55a	55a	Investments—land, buildings, and equipment basis				
		b	Less accumulated depreciation (attach schedule) Schedule 7	55b		55c	0
56	Investments—other (attach schedule)			56			
57a	57a	Land, buildings, and equipment basis	10,564,161				
	b	Less accumulated depreciation (attach schedule)	57b	6,169,554	57c	4,394,607	
58	Other assets (describe ► See Attached Schedule 8 )		120,324	58	93,203		
59	<b>Total assets</b> (add lines 45 through 58) (must equal line 74)		58,872,598	59	63,637,352		
Liabilities	60	Accounts payable and accrued expenses		3,568,256	60	3,641,660	
	61	Grants payable			61		
	62	Deferred revenue Schedule 9		13,094,566	62	16,185,032	
	63	Loans from officers, directors, trustees, and key employees (attach schedule)			63		
	64a	Tax-exempt bond liabilities (attach schedule)			64a		
		b	Mortgages and other notes payable (attach schedule)		64b		
	65	Other liabilities (describe ► ANNUITIES PAYABLE )		150,533	65	358,966	
66	<b>Total liabilities</b> (add lines 60 through 65)		16,813,355	66	20,185,658		
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here ► <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74						
	67	Unrestricted Schedule 10		12,894,028	67	13,100,565	
	68	Temporarily restricted		27,761,211	68	28,943,176	
	69	Permanently restricted		1,404,004	69	1,407,953	
	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	<b>Total net assets or fund balances</b> (add lines 67 through 69 OR lines 70 through 72, column (A) must equal line 19 and column (B) must equal line 21)		42,059,243	73	43,451,694	
74	<b>Total liabilities and net assets / fund balances</b> (add lines 66 and 73)		58,872,598	74	63,637,352		

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



Part VI Other Information (See 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	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		X
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 <b>Project HOPE New Jersey, Inc</b> and check whether it is <input checked="" 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	81a		
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 for reporting in Part III)	82b		673,784
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		
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?	85g	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?	85h	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	88		X
89a	501(c)(3) organizations Enter Amount of tax imposed on the organization during the year under section 4911 <input type="text"/> , section 4912 <input type="text"/> , section 4955 <input type="text"/>			
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	89b		X
c	Enter Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958			N/A
d	Enter Amount of tax on line 89c, above, reimbursed by the organization			N/A
90a	List the states with which a copy of this return is filed <input type="text"/> See Attached Schedule 12			
b	Number of employees employed in the pay period that includes March 12, 2000 (See inst)	90b		170
91	The books are in care of <input type="text"/> Deborah R. Iwig Telephone no <input type="text"/> (540) 837-2100 Located at <input type="text"/> 255 Carter Hall Lane, Millwood, VA ZIP code <input type="text"/> 22646			
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="text"/>	92		

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

	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	
Enter gross amounts unless otherwise indicated					
<b>93</b> Program service revenue					
<b>a</b> Subscription Revenue					978,575
<b>b</b> International Health Programs					1,914,845
<b>c</b>					
<b>d</b>					
<b>e</b>					
<b>f</b> Medicare/Medicaid payments					
<b>g</b> Fees and contracts from government agencies					
<b>94</b> Membership dues and assessments					
<b>95</b> Interest on savings and temporary cash investments			14	244,210	
<b>96</b> Dividends and interest from securities			14	732,842	
<b>97</b> Net rental income or (loss) from real estate					
<b>a</b> debt-financed property					
<b>b</b> not debt-financed property			16	1,700	
<b>98</b> Net rental income or (loss) from personal property					
<b>99</b> Other investment income			18	98,566	
<b>100</b> Gain or (loss) from sales of assets other than inventory					
<b>101</b> Net income or (loss) from special events					
<b>102</b> Gross profit or (loss) from sales of inventory					
<b>103</b> Other revenue					
<b>a</b> Mailing List Royalties			13	162,583	
<b>b</b>					
<b>c</b>					
<b>d</b>					
<b>e</b>					
<b>104</b> Subtotal (add columns (B), (D), and (E))		0		1,239,901	2,893,420
<b>105</b> Total (add line 104, columns (B), (D), and (E))					4,133,321

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)

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)
93a	Health Affairs Journal - provides education to private organizations and the public concerning health care policy
93b	Contract fees earned to provide health education programs in foreign countries which contribute to the solutions of international health problems (See Schedule 5)

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

(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 Specific Instructions on page 31)

(a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?  Yes  No

...tly or indirectly, on a personal benefit contract?  Yes  No  
(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

**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

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**

**Supplementary Information—(See separate instructions.)**

Name of the organization

**PROJECT HOPE - The People- to-People Health Foundation Inc.**

Employer identification number

**53-0242962**

**Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees**  
(See page 1 of the instructions List each one If there are none, enter "None ")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
Gail R. Wilensky 255 Carter Hall Lane, Millwood, VA 22646	Sr Fellow, Center for Health Affairs 40+ hrs	160,400	4,575	N/A
Curt D Mueller, Ph D 255 Carter Hall Lane, Millwood, VA 22646	Senior Research Director 40+ hrs	108,500	4,193	N/A
Timothy M Empkie, M D 255 Carter Hall Lane, Millwood, VA 22646	Regional Director Europe Prog 40+hrs	103,471	3,460	N/A
Fitzhugh Mullan 255 Carter Hall Lane, Millwood, VA 22646	Contributing Editor 40+ hrs	98,044	4,097	N/A
Julie A Schoenman, Ph D 255 Carter Hall Lane, Millwood, VA 22646	Senior Research Director 40+ hrs.	94,375	4,061	N/A
Total number of other employees paid over \$50,000 ▶	47			

**Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services**  
(See page 1 of the instructions List each one (whether individuals or firms) If there are none, enter "None ")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
Schedule 13 Moore Response Marketing 6116 Executive Blvd, Suite 415, Rockville, MD 20852	Printers, Fund Raising	964,098
IPC Communications Services Dept 77-9122, Chicago II 60678-9122	Mailing Service	236,637
Adams & Hussey 1401 I Street, NW, Suite 650, Washington, DC 20005	Fund-raising Counsel	222,300
Deloitte & Touche, LLP 1750 Tysons Blvd, McLean, VA 22102	Audit & Consulting	114,733
Carol Enters List Co 663 C. Main Street, Fairfax, VA 22031	Mailing List Service	137,432
Total number of others receiving over \$50,000 for professional services ▶	6	

**Part III Statements About Activities**

	Yes	No
<b>1</b> 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.		X
<b>2</b> 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:		
<b>a</b> Sale, exchange, or leasing of property? <b>Schedule 14</b>	X	
<b>b</b> Lending of money or other extension of credit?		X
<b>c</b> Furnishing of goods, services, or facilities? <b>Schedule 15</b>	X	
<b>d</b> Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? (See Schedule 11)	X	
<b>e</b> Transfer of any part of its income or assets? If the answer to any question is "Yes," attach a detailed statement explaining the transactions.		X
<b>3</b> Does the organization make grants for scholarships, fellowships, student loans, etc? <b>Schedule 16</b>	X	
<b>4a</b> Do you have a section 403(b) annuity plan for your employees?	X	
<b>b</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 page 2 of the instructions.)		

**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 fiscal year beginning in) ▶	(a) 1999	(b) 1998	(c) 1997	(d) 1996	(e) Total
<b>15</b> Gifts, grants, and contributions received (Do not include unusual grants See line 28)	99,104,280	90,656,902	83,439,955	106,255,523	379,456,660
<b>16</b> Membership fees received					0
<b>17</b> Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is not a business unrelated to the organization's charitable, etc., purpose	1,069,852	1,108,628	935,643	865,049	3,979,172
<b>18</b> 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	1,429,445	1,324,411	1,256,092	1,012,508	5,022,456
<b>19</b> Net income from unrelated business activities not included in line 18					0
<b>20</b> Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					0
<b>21</b> 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	472,561	781,388	790,911	1,116,841	3,161,701
<b>22</b> Other income Attach a schedule Do not include gain or (loss) from sale of capital assets					0
<b>23</b> Total of lines 15 through 22	102,076,138	93,871,329	86,422,601	109,249,921	391,619,989
<b>24</b> Line 23 minus line 17	101,006,286	92,762,701	85,486,958	108,384,872	387,640,817
<b>25</b> Enter 1% of line 23	1,020,761	938,713	864,226	1,092,499	
<b>26 Organizations described on lines 10 or 11:</b>					
<b>a</b> Enter 2% of amount in column (e), line 24 ▶					<b>26a</b> 7,752,816
<b>b</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 Sch. 17 ▶					<b>26b</b> 150,850,632
<b>c</b> Total support for section 509(a)(1) test Enter line 24, column (e) ▶					<b>26c</b> 387,640,817
<b>d</b> Add Amounts from column (e) for lines	18 5,022,456	19 0			
	22 0	26b 150,850,632			
<b>e</b> Public support (line 26c minus line 26d total) ▶					<b>26e</b> 231,767,729
<b>f</b> Public support percentage (line 26e (numerator) divided by line 26c (denominator)) ▶					<b>26f</b> 59.79%
<b>27 Organizations described on line 12:</b>					
<b>a</b> 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 "disqualified person." Enter the sum of such amounts for each year					
(1999)                      (1998)                      (1997)                      (1996)					
<b>b</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					
(1999)                      (1998)                      (1997)                      (1996)					
<b>c</b> Add Amounts from column (e) for lines	15 _____	16 _____			
	17 _____	20 _____	21 _____		
<b>d</b> Add Line 27a total _____ and line 27b total _____ ▶					<b>27c</b> _____
<b>e</b> Public support (line 27c total minus line 27d total) ▶					<b>27e</b> _____
<b>f</b> Total support for section 509(a)(2) test Enter amount on line 23, column (e) ▶					<b>27f</b> _____
<b>g</b> Public support percentage (line 27e (numerator) divided by line 27f (denominator)) ▶					<b>27g</b> _____%
<b>h</b> Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator)) ▶					<b>27h</b> _____%
<b>28 Unusual Grants:</b> 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 instructions)					

**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)

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

<b>Limits on Lobbying Expenditures</b>		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
(The term "expenditures" means amounts paid or incurred )			
36	Total lobbying expenditures to influence public opinion (grassroots lobbying)	36	
37	Total lobbying expenditures to influence a legislative body (direct lobbying)	37	
38	Total lobbying expenditures (add lines 36 and 37)	38	
39	Other exempt purpose expenditures	39	
40	Total exempt purpose expenditures (add lines 38 and 39)	40	
41	Lobbying nontaxable amount Enter the amount from the following table—		
	<b>If the amount on line 40 is—</b>		
	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		
	<b>The lobbying nontaxable amount is—</b>		
	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	0	
	\$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 on page 9 of the instructions )

	<b>Lobbying Expenditures During 4-Year Averaging Period</b>				
	(a) 2000	(b) 1999	(c) 1998	(d) 1997	(e) Total
45	Lobbying nontaxable amount				
46	Lobbying ceiling amount (150% of line 45(e))				
47	Total lobbying expenditures				
48	Grassroots nontaxable 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 page 9 of the instructions )

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
a		X	
b		X	
c		X	
d		X	
e		X	
f		X	
g		X	
h		X	
i			0

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



Project HOPE-The People-to-People Health Foundation, Inc  
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**SCHEDULE 2**

Line 8, Part I, Page 1, Form 990

Gain (Loss) on Sale of Publicly traded securities

Sales Price	\$12,088,432
Cost Basis	<u>11,989,866</u>
Gain	<u><u>\$98,566</u></u>

Project HOPE-The People-to-People Health Foundation, Inc  
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**SCHEDULE 3**

Line 20, Part I, Page 1, Form 990

Other changes in net assets or fund balances

Unrealized gains/(losses) on securities carried at market value	(\$486,764)
Loss on change in reporting entity	<u>(2,085,541)</u>
Total	<u><u>(\$2,572,305)</u></u>

Prior to it fiscal year 2001, Project HOPE presented combined financial statements which included foreign affiliates. Effective for fiscal year 2001, Project HOPE no longer combines the accounts of the international organizations because Project HOPE no longer controls these organizations, either through management controls or economic interest.

Project HOPE-The People-to-People Health Foundation, Inc

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For the Fiscal Year Ended June 30, 2001

**SCHEDULE 4**

Line 43(d), Part II, Page 2, Form 990

Other Expenses	(A) Total	(B) Program Services	(C) Mgmt & Genl	(D) Fund- raising
Licenses & Permits	\$15,624	\$6,926	\$8,698	\$0
Gain/Loss on Currency Exchange	54,761	46,840	7,921	0
Bank Charges/Credit Card Fees	60,962	47,145	2,827	10,990
Institutional Dues	70,055	64,664	1,102	4,289
Bad Debt	1,543	1,543	0	0
Support to Nat'l Org	50,657	50,657	0	0
Support to Project HOPE Japan	90,000	90,000	0	0
Other	90,410	85,046	4,679	685
	<u>\$434,012</u>	<u>\$392,821</u>	<u>\$25,227</u>	<u>\$15,964</u>

Project HOPE-The People-to-People Health Foundation, Inc  
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**SCHEDULE 5**  
**Part III, Page 2, Form 990**

**Expanded Description of Organizational Mission  
and International Health, Domestic Health, and Health Policy Programs**

Project HOPE is the principal activity of Project HOPE-The People-to-People Health Foundation, Inc, an independent, international non-profit health education organization founded in 1958. Identifiable to many by the S S HOPE - the world's first peacetime hospital ship, in service from 1960 to 1974 - Project HOPE has conducted programs in some 70 countries worldwide. Today, HOPE operates in 30 nations and is conducting over 60 programs in the Middle East, the Newly Independent States of the former Soviet Union, Africa, Asia, Latin America, Central and Southern Europe, and the United States.

The Foundation's guiding philosophy is that good health is essential for social and economic development, and ultimately for the dignity of every human being. Project HOPE strives to improve health standards throughout the world through partnership and education, teaching people to help themselves. The programs it has developed and implemented are designed to foster independence from outside assistance.

Project HOPE has capabilities in virtually all health science and health services disciplines, offering the advantage of a single organization with the resources to coordinate all aspects of multi-faceted programs. Its activities range from developing a system to train and utilize rural health promoters to the establishment of highly specialized, tertiary care postgraduate medical education programs. Activities include village health banks, maternal and child health and child survival, primary health care, medical, surgical, dental, nursing and allied health education, emergency medicine, economics and policy research, and sub-specialty programs in tuberculosis, cardiovascular surgery, pediatric surgery, critical and intensive care, neonatology, craniofacial surgery, burn treatment, rehabilitation, orthopedics, and laboratory medicine. Project HOPE is also recognized for its design and construction of health facilities and for providing short-term humanitarian assistance.

Project HOPE initiates programs at the specific request of the host country, and designs them to be responsive to local needs and priorities. In the planning and implementation of programs, it works closely with the appropriate local organizations, including Ministries of Health, universities, schools of health science, hospitals, health centers, health departments, and community programs in both rural and urban settings. Local counterparts work with Project HOPE to plan and implement activities to address critical health needs, so that programs can be sustained after the project is completed.

Project HOPE also provides objective analysis of health-related issues through its research and policy group, the Center for Health Affairs, and through its bi-monthly journal, Health Affairs. Working with policymakers in both the public and private sectors, these units are helping to identify and address problems of health care financing and access and other major concerns of the day.

Project HOPE-The People-to-People Health Foundation, Inc  
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**SCHEDULE 6**  
Line 54, Part IV, Page 3, Form 990

Investments	<u>June 30, 2000</u>	<u>June 30, 2001</u>
Certificates of Deposit	\$300,000	\$300,000
Treasury Notes	6,100,639	1,386,884
Treasury Bonds	372,600	176,497
Corporate Bonds	797,116	2,064,651
Marketable Securities	0	0
Equity	2,242,779	5,684,985
Mutual Funds (Deferred Gifts)	537,657	852,170
Investments - Other	327	0
	<u>\$10,351,118</u>	<u>\$10,465,187</u>

Project HOPE-The People-to-People Health Foundation, Inc  
 53-0242962  
 For the Fiscal Year Ended June 30, 2001

**SCHEDULE 7**

Line 57, Part IV, Page 3, Form 990

Description	June 30, 2000		June 30, 2001		Current Yr Depreciation
	Cost	Acc Depr	Cost	Acc Depr	
Land	578,289		578,289		
Furniture, Fixtures & Equipment Life - Various	4,902,356	4,206,086	5,006,842	4,364,702	158,616
Leasehold Improvements Life = 3 Years S L	73,549	63,374	73,549	67,521	4,147
Land Improvements Life = 20 Years S L	592,629	557,179	592,629	563,462	6,283
Buildings Life - 45 Years S L	4,308,354	1,115,707	4,312,852	1,173,869	58,162
	<u>10,455,177</u>	<u>5,942,346</u>	<u>10,564,161</u>	<u>6,169,554</u>	<u>227,208</u>

On Part II, Form 990, depreciation is included within the following items

- Supplies and related materials handling
- Occupancy, insurance and related charges
- Donated books, publications, and related materials handling
- Computer and data processing charges

Project HOPE-The People-to-People Health Foundation, Inc  
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**SCHEDULE 8**

Line 58, Part IV, Page 3, Form 990

Other Assets	<u>June 30, 2000</u>	<u>June 30, 2001</u>
Contributed Property held for Resale	\$18,000	\$18,000
Accrued Interest Receivable	99,162	75,203
Misc -Other	3,162	0
	<u>\$120,324</u>	<u>\$93,203</u>

Project HOPE-The People-to-People Health Foundation, Inc  
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**SCHEDULE 9**

Line 62, Part IV, Page 3, Form 990

Support and Revenue Designated for for Future Periods	<u>June 30, 2000</u>	<u>June 30, 2001</u>
United States Government Grants and Contracts	\$10,190,196	\$13,400,774
Individual and Corporate Support	2,388,385	2,225,311
Subscriptions to Health Affairs Magazine	<u>515,985</u>	<u>558,947</u>
	<u>\$13,094,566</u>	<u>\$16,185,032</u>

Project HOPE-The People-to-People Health Foundation, Inc  
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**SCHEDULE 10**

Line 67, Part IV, Page 3, Form 990

The Board of Directors has designated certain net assets to function as endowment to provide for the financial requirements from any unforeseen events that might threaten the continued viability of the Foundation. The Board-designated amount was \$8,000,000 and \$7,720,000 at June 30, 2001 and 2000, respectively which is classified as Net Assets - Unrestricted. Net appreciation from Board-designated endowment funds is recorded as unrestricted net assets.

PROJECT HOPE - The People-to-People Health Foundation, Inc  
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For the fiscal year ended June 30, 2001  
Schedule and Response to Part V, Schedule A, Form 990  
LIST OF OFFICERS, DIRECTORS, AND TRUSTEES  
SCHEDULE 11

NAME, ADDRESS, & TITLE	TIME DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCOUNT AND OTHER ALLOWANCES
<b>BOARD MEMBERS</b>				
Dr Michele Barzach International Consulting in Health Strategy 2, rue Cognacq-Jay 75007 Paris FRANCE	Note 1	None	None	None
Mr Arthur J Benvenuto Chairman and Chief Executive Officer Advanced Tissue Sciences, Inc 10933 North Torrey Pines Road La Jolla, CA 92037-1005	Note 1	None	None	None
Mr Arno Bohn Managing Director TnConsult Unternehmensberatung Kaiser-Joseph-Straße 243 79098 Freiburg im Breisgau GERMANY	Note 1	None	None	None
Jo Ivey Boufford, M D Dean The Robert F Wagner Graduate School of Public Service Office of the Dean 4 Washington Square North New York, NY 10003	Note 1	None	None	None
Mr C L Clemente Executive Vice President Pfizer Inc 235 East 42nd Street New York, NY 10017	Note 1	None	None	None
Mrs Edward N Cole Briarpatch Ranch County Road 179 West at Mandosa P O Box 1086 Lockhart, TX 78644	Note 1	None	None	None
Mr John W Galiardo 56 Crooked Tree Lane Princeton, NJ 08540	Note 1	None	None	None
Mr Bill Gradison Patton Boggs, LLP 2550 M Street, NW Washington, DC 20037	Note 1	None	None	None
Mr Maurice R Greenberg Chairman and Chief Executive Officer American International Group, Inc 70 Pine Street, 18th Floor New York, NY 10270	Note 1	None	None	None

PROJECT HOPE - The People-to-People Health Foundation, Inc  
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Schedule and Response to Part V, Schedule A, Form 990  
LIST OF OFFICERS, DIRECTORS, AND TRUSTEES  
SCHEDULE 11

NAME, ADDRESS, & TITLE	TIME DEVOTED TO	COMPENSATION	CONTRIBUTIONS TO	EXPENSE
	POSITION		EMPLOYEE BENEFIT	ACCOUNT AND
			PLANS	OTHER
				ALLOWANCES
Mr William L Henry 1229 Washington Street Pittsburgh, PA 15228	Note 1	None	None	None
Mr Ben L Holmes P O Box 6404 1226 Deer Run Ketchum, ID 83340	Note 1	None	None	None
Dr Franz B Humer Chief Executive Officer Roche Holding, Ltd CH-4070 Basel SWITZERLAND	Note 1	None	None	None
Mr Robert A Ingram Chief Executive Officer Glaxo Wellcome PLC Five Moore Drive Research Triangle Park, NC 27709	Note 1	None	None	None
Mr Richard Jay Kogan Chairman, President and Chief Executive Officer Schering-Plough Corporation One Giralda Farms Madison, NJ 07940-1000	Note 1	None	None	None
Mr Katsuto Koutani Chairman, Agilent Technologies Japan, Ltd Japan	Note 1	None	None	None
Mr Goran S Malm Senior Vice President and President, Asia Pacific Dell Computer Asia Pacific 180 Clemenceau Avenue #06-01 Haw Par Centre SINGAPORE	Note 1	None	None	None
Mr Dayton Ogden President SpencerStuart Worldwide 695 East Main Street Stamford, CT 06901	Note 1	None	None	None
Mr James E Preston Rock Hill Associates, LLC 9 Maple Street - P O Box 859 Kent, CT 06757	Note 1	None	None	None
Mrs Felicia Warburg Rogan President Oakencroft Vineyard and Winery Corp 1486 Oakencroft Lane Charlottesville, VA 22901	Note 1	None	None	None

PROJECT HOPE - The People-to-People Health Foundation, Inc  
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For the fiscal year ended June 30, 2001  
Schedule and Response to Part V, Schedule A, Form 990  
LIST OF OFFICERS, DIRECTORS, AND TRUSTEES  
SCHEDULE 11

<u>NAME, ADDRESS, &amp; TITLE</u>	<u>TIME DEVOTED TO POSITION</u>	<u>COMPENSATION</u>	<u>CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS</u>	<u>EXPENSE ACCOUNT AND OTHER ALLOWANCES</u>
Charles A Sanders, M D Europa Center 100 Europa Drive #170 Chapel Hill, NC 27514	Note 1	None	None	None
Dr J Friedrich Sauerlander Senior Vice President SGS Societe Generale de Surveillance Holding S A 8, rue des Alpes P O Box 2152 CH-1211 Geneva 1 SWITZERLAND	Note 1	None	None	None
Ms Karen E Welke Group Vice President Medical Markets Group 3M 3M Center, Building 220-14E-16 St Paul, MN 55144-1000	Note 1	None	None	None
Mr Bradley A J Wilson Riversdale Lodge Riversdale Bourne End Buckinghamshire SL8 5EB UNITED KINGDOM	Note 1	None	None	None
<b>Ementus Members</b>				
Jerry E Robertson, Ph D 10 Partridge Lane St Paul, MN 55127	Note 1	None	None	None
<b>OFFICERS</b>				
John P Howe, III, M D President and CEO Project HOPE-The People-to-People Health Foundation, Inc 255 Carter Hall Lane Millwood, VA 22646	Note 2,3	\$62,305	\$947	None
Leslie Mancuso, PhD, RN Chief Operating Officer Project HOPE-The People-to-People Health Foundation, Inc 255 Carter Hall Lane Millwood, VA 22646	Note 2	\$256,650	\$5,305	None
Marc L Berk, PhD Vice President, Health Policy Research Project HOPE-The People-to-People Health Foundation, Inc 255 Carter Hall Lane Millwood, VA 22646	Note 2	\$181,736	\$2,209	None
Jack Bode Vice President, Fundraising & Communications, USA Project HOPE-The People-to-People Health Foundation, Inc 255 Carter Hall Lane	Note 2	\$171,400	\$5,032	None

PROJECT HOPE - The People-to-People Health Foundation, Inc  
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 For the fiscal year ended June 30, 2001  
 Schedule and Response to Part V, Schedule A, Form 990  
 LIST OF OFFICERS, DIRECTORS, AND TRUSTEES  
 SCHEDULE 11

NAME, ADDRESS, & TITLE	TIME DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCOUNT AND OTHER ALLOWANCES
Millwood, VA 22646				
Deborah Carl Vice President, Human Resources and Administrative Support Services Project HOPE-The People-to-People Health Foundation, Inc 255 Carter Hall Lane Millwood, VA 22646	Note 2	\$135,713	\$4,761	None
John K Iglehart Vice President & Founding Editor, Health Affairs Journal Project HOPE-The People-to-People Health Foundation, Inc 255 Carter Hall Lane Millwood, VA 22646	Note 2	\$229,575	\$5,263	None
Thaddeus Jastrzebski Vice President and Chief Financial Officer Project HOPE-The People-to-People Health Foundation, Inc 255 Carter Hall Lane Millwood, VA 22646	Note 2	\$171,300	\$4,907	None
<b>TOTAL</b>		<b>\$1,208,679</b>	<b>\$28,424</b>	None

**NOTES**

- Note 1 These individuals serve as officers and/or members of the Board of Directors. No compensation is paid to any individual for serving as a member of the Board of Directors. In addition to attending the meetings of the Board of Directors, these individuals spend time related to certain fund raising activities of the Foundation.
- Note 2 These individuals are officers of Project HOPE, The People-to-People Health Foundation, Inc and are compensated for their services as full time employees of the Foundation.
- Note 3 This employee started employment during the fiscal year so the earnings only reflect a partial year.

Project HOPE-The People-to-People Health Foundation, Inc  
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For the Fiscal Year Ended June 30, 2001

**SCHEDULE 12**

Line 90, Part VI, Page 5, Form 990

A copy of the Form 990 and/ or similar information is filed with the following states.

Alabama	Mississippi
Alaska	Montana
Arizona	Nebraska
Arkansas	Nevada
California	New Hampshire
Colorado	New Jersey
Connecticut	New Mexico
Delaware	New York
District of Columbia	North Carolina
Florida	North Dakota
Georgia	Ohio
Hawaii	Oklahoma
Illinois	Oregon
Indiana	Pennsylvania
Kansas	Rhode Island
Kentucky	South Carolina
Louisiana	Tennessee
Maine	Texas
Maryland	Utah
Massachusetts	Virginia
Michigan	Washington
Missouri	West Virginia
Minnesota	Wisconsin

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**SCHEDULE 13**

**Part II. Schedule A. Form 990**

Compensation amounts represent amounts paid to the companies during the year. Portions of the payments may represent prior year expenses that had been accrued in the prior year.

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**SCHEDULE 14**

Line 2(a), Part III, Schedule A, Form 990

In the normal course of business, Project HOPE makes purchases from many corporations, some of which may employ one of the members of our Board of Directors. All such purchases are made in accordance with Project HOPE's normal procurement policies and practices which include specific requirements for competitive bidding. These purchases are not significant to either Project HOPE or the corporation involved.

Such purchases are made without the contemporaneous knowledge of the full Board or the Board member(s) involved. The Board member(s) involved were not present when the related purchasing decisions were made. Information regarding such purchases is summarized on an annual basis and reported to the Board of Directors. The Board of Directors are governed by a separate conflict of interest policy.

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**SCHEDULE 15**

Line 2(c), Part III, Schedule A, Form 990

<u>Vendor</u>	<u>Work Description</u>	<u>Relationship to Project HOPE</u>	<u>Amount</u>
Spencer-Stuart	Executive Search Services	President is member of Hope's Board of Directors	\$23,635

During the year ended June 30, 2001 Spencer-Stuart Worldwide, an executive search service firm, provided services to Project HOPE in connection with its search for one senior executive position. The Chairman of Spencer-Stuart is a member of Project Hope's Board of Directors. In retaining Spencer-Stuart Worldwide, Project HOPE evaluated bids from 3 nationwide executive search firms and determined that Spencer-Stuart Worldwide was the most appropriate firm to provide these services based upon cost, experience, and reputation of the firm. The Chairman of Spencer-Stuart did not participate in the decision to retain Spencer-Stuart Worldwide.

Note

On an irregular basis, it is necessary for the Foundation to provide housing facilities to certain employees, some of whom may be key employees. Such housing is provided for the convenience of the Foundation at The Project HOPE Health Sciences Education Center when it is necessary for the employees to be at the Center at irregular hours.

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**SCHEDULE 16**

**Line 3, Part III, Schedule A, Form 990**

In deciding which organizations receive assistance from Project HOPE, requests from foreign governmental units and/or health institutions are individually evaluated. Major considerations include our perception of the commitment of the requesting entity and the entity's ability to carry on the respective programs which we are helping to establish.

In deciding which individuals receive assistance from us, we evaluate scholarship or fellowship recipients in conjunction with his or her Ministry of Health or Education. Our major considerations are the individual's past contributions to health care, as well as the individual's potential for future contributions.