

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)

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

A For the 2001 calendar year, or tax year beginning **July 1, 2001**, and ending **June 30, 2002**

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

C Name of organization **AMERICAN RESPIRATORY ALLIANCE OF WESTERN PENNSYLVANIA**
 Number and street (or P O box if mail is not delivered to street address) Room/suite
201 SMITH DRIVE SUITE E
 City or town, state or country, and ZIP + 4
CRANBERRY TOWNSHIP, PA 16066

D Employer identification number
25 0965587

E Telephone number
(724) 772-1750

F Accounting method: Cash Accrual
 Other (specify) ▶

H and **I** are not applicable to section 527 organizations
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 instructions.)
H(d) Is this a separate return filed by an organization covered by a group ruling? Yes No

I Enter 4-digit GEN ▶

M Check if the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF)

G Web site ▶ **www.healthylungs.org**

J Organization type (check only one) ▶ 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 ▶

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

Revenue	1 Contributions, gifts, grants, and similar amounts received				
	a Direct public support	1a	447,464		
	b Indirect public support	1b	3,395		
	c Government contributions (grants)	1c			
	d Total (add lines 1a through 1c) (cash \$ 450,859 noncash \$ 0)	1d			450,859
	2 Program service revenue including government fees and contracts (from Part VII, line 93)	2			56,484
	3 Membership dues and assessments	3			
	4 Interest on savings and temporary cash investments	4			
	5 Dividends and interest from securities	5			578,423
	6a Gross rents	6a	111,155		
	b Less rental expenses	6b	70,098		
	c Net rental income or (loss) (subtract line 6b from line 6a)	6c			41,057
7 Other investment income (describe ▶)	7				
8a Gross amount from sales of assets other than inventory	(A) Securities		(B) Other		
	18,063,593	8a			
	18,714,699	8b			
	(651,106)	8c	0		
d Net gain or (loss) (combine line 8c, columns (A) and (B))	8d			(651,106)	
9 Special events and activities (attach schedule)					
a Gross revenue (not including \$ _____ of contributions reported on line 1a)	9a	89,727			
b Less direct expenses other than fundraising expenses	9b	68,512			
c Net income or (loss) from special events (subtract line 9b from line 9a)	9c			21,215	
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			0
11 Other revenue (from Part VII, line 103)	11			0	
12 Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12			496,932	
Expenses	13 Program services (from line 44, column (B))	13			1,661,115
	14 Management and general (from line 44, column (C))	14			129,119
	15 Fundraising (from line 44, column (D))	15			169,524
	16 Payments to affiliates (attach schedule)	16			
	17 Total expenses (add lines 13, 14, 15, and 16)	17			1,959,758
18 Excess or (deficit) for the year (subtract line 17 from line 12)	18			(1,462,826)	
Net Assets	19 Net assets or fund balances at beginning of year (from line 73, column (A))	19			22,062,786
	20 Other changes in net assets or fund balances (attach explanation)	20			(2,007,421)
	21 Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21			18,592,539

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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 21)

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 \$ <u>243,394</u> noncash \$ <u>0</u>)	22 243,394	243,394		
23	Specific assistance to individuals (attach schedule)	23 9,040	9,040		
24	Benefits paid to or for members (attach schedule)	24 0	0		
25	Compensation of officers, directors, etc	25 64,299	59,027	3,536	1,736
26	Other salaries and wages	26 489,691	449,639	11,483	28,569
27	Pension plan contributions	27 23,726	21,780	1,305	641
28	Other employee benefits	28 50,831	38,601	1,485	10,745
29	Payroll taxes	29 52,401	47,750	1,469	3,182
30	Professional fundraising fees	30 0	0	0	0
31	Accounting fees	31 17,500	0	17,500	0
32	Legal fees	32 59,962	0	59,962	0
33	Supplies	33 30,826	28,204	1,173	1,449
34	Telephone	34 31,751	26,286	1,242	4,223
35	Postage and shipping	35 264,604	166,826	10,974	86,804
36	Occupancy	36 33,050	26,913	1,411	4,726
37	Equipment rental and maintenance	37 39,991	34,014	2,676	3,301
38	Printing and publications	38 57,322	52,581	1,471	3,270
39	Travel	39 15,835	13,372	956	1,507
40	Conferences, conventions, and meetings	40 8,782	6,520	1,104	1,158
41	Interest	41 145	13	132	0
42	Depreciation, depletion, etc (attach schedule)	42 49,697	40,752	3,975	4,970
43	Other expenses (itemize) a INSURANCE	43a 19,597	17,408	804	1,385
	b MANAGEMENT AND PROFESSIONAL FEES	43b 191,810	191,810	0	0
	c SPECIAL PROGRAMS	43c 16,675	16,675	0	0
	d MARKETING	43d 186,160	169,891	4,452	11,817
	e OTHER	43e 2,669	619	2,009	41
44	Total functional expenses (add lines 22 through 43) Organizations completing columns (B)-(D), carry these totals to lines 13-15	44 1,959,758	1,661,115	129,119	169,524

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 (See Specific Instructions on page 24)

What is the organization's primary exempt purpose? PROMOTE LUNG HEALTH	Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts, but optional for others)
a INFECTIOUS LUNG DISEASE - INCLUDES PROGRAMS FOR MEDICAL PROFESSIONALS & THE GENERAL PUBLIC ON TUBERCULOSIS, INFLUENZA, PNEUMONIA & OTHER INFECTIOUS DISEASES (Grants and allocations \$ _____)	195,603
b HEALTH & TOBACCO - EDUCATES CHILDREN & ADULTS ON THE HEALTH EFFECTS OF SMOKING AND SECOND HAND SMOKE AND OFFERS A WIDE VARIETY OF SMOKING CESSATION PROGRAMS (Grants and allocations \$ _____)	318,043
c LUNG DISEASE ("LD") (CHILDREN & ADULTS) - EDUCATES BOTH ADULTS & CHILDREN WHO SUFFER FROM LD INCLUDES CAMPS FOR CHILDREN W/ASTHMA AND A SUPPORT GROUP FOR ADULTS WITH LD AWARDS GRANTS TO PHYSICIANS & OTHER HEALTH PROFESSIONALS FOR RESEARCH AND TRAINING IN LD (Grants and allocations \$ 243,394)	1,068,744
d COMMUNITY AFFAIRS - CONDUCTS PROGRAMS FOR SCHOOLS, COMMUNITY GROUPS, ORGANIZATIONS, AND WORKPLACES ON LUNG HEALTH DEVELOPS INNOVATIVE PROGRAMS TO RESPOND TO LOCAL LUNG HEALTH NEEDS (Grants and allocations \$ _____)	78,725
e Other program services (attach schedule) (Grants and allocations \$ _____)	
f Total of Program Service Expenses (should equal line 44, column (B), Program services)	1,661,115

Part IV Balance Sheets (See Specific Instructions on page 24.)

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		275	45	275
	46	Savings and temporary cash investments		51,870	46	110,850
	47a	47a	9,280			
		47b	0	0	47c	9,280
		b Less allowance for doubtful accounts				
	48a	48a				
		48b		0	48c	0
		b Less allowance for doubtful accounts				
	49	Grants receivable			49	
	50	Receivables from officers, directors, trustees, and key employees (attach schedule)			50	
	51a	51a Other notes and loans receivable (attach schedule)				
		51b		0	51c	0
		b Less allowance for doubtful accounts				
	52	Inventories for sale or use			52	
	53	Prepaid expenses and deferred charges		14,875	53	18,933
54	54 Investments—securities (attach schedule) <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV		20,966,411	54	17,590,407	
55a	55a Investments—land, buildings, and equipment basis					
	55b		0	55c	0	
	b Less accumulated depreciation (attach schedule)					
56	Investments—other (attach schedule)			56		
57a	57a	2,034,203				
	57b	986,617	1,126,779	57c	1,047,586	
	b Less accumulated depreciation (attach schedule)					
58	58 Other assets (describe <input type="checkbox"/> LOAN RECEIVABLE - AFFILIATE)		85,000	58	0	
59	59 Total assets (add lines 45 through 58) (must equal line 74)		22,245,210	59	18,777,331	
Liabilities	60	60 Accounts payable and accrued expenses		142,001	60	93,194
	61	61 Grants payable			61	
	62	62 Deferred revenue		22,107	62	78,000
	63	63 Loans from officers, directors, trustees, and key employees (attach schedule)			63	
	64a	64a Tax-exempt bond liabilities (attach schedule)			64a	
		64b		18,316	64b	13,598
		b Mortgages and other notes payable (attach schedule)				
65	65 Other liabilities (describe <input type="checkbox"/>)			65		
66	66 Total liabilities (add lines 60 through 65)		182,424	66	184,792	
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		13,008,740	67	10,874,265
	68	68 Temporarily restricted		1,946,812	68	611,040
	69	69 Permanently restricted		7,107,234	69	7,107,234
	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, column (B) must equal line 21)		22,062,786	73	18,592,539
	74	74 Total liabilities and net assets / fund balances (add lines 66 and 73)		22,245,210	74	18,777,331

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 26)

Part IV-B Reconciliation of Expenses per Audited Financial Statements with Expenses per Return

a	Total revenue, gains, and other support per audited financial statements ▶	a	(1,373,426)
b	Amounts included on line a but not on line 12, Form 990		
(1)	Net unrealized gains on investments \$ (2,007,421)		
(2)	Donated services and use of facilities \$ 137,063		
(3)	Recoveries of prior year grants \$		
(4)	Other (specify)		
	\$		
	Add amounts on lines (1) through (4) ▶	b	(1,870,358)
c	Line a minus line b ▶	c	496,932
d	Amounts included on line 12, Form 990 but not on line a:		
(1)	Investment expenses not included on line 6b, Form 990 \$		
(2)	Other (specify)		
	\$		
	Add amounts on lines (1) and (2) ▶	d	0
e	Total revenue per line 12, Form 990 (line c plus line d)	e	496,932

a	Total expenses and losses per audited financial statements ▶	a	2,096,821
b	Amounts included on line a but not on line 17, Form 990		
(1)	Donated services and use of facilities \$ 137,063		
(2)	Prior year adjustments reported on line 20, Form 990 \$		
(3)	Losses reported on line 20, Form 990 \$		
(4)	Other (specify)		
	\$		
	Add amounts on lines (1) through (4) ▶	b	137,063
c	Line a minus line b ▶	c	1,959,758
d	Amounts included on line 17, Form 990 but not on line a:		
(1)	Investment expenses not included on line 6b, Form 990 \$		
(2)	Other (specify)		
	\$		
	Add amounts on lines (1) and (2) ▶	d	0
e	Total expenses per line 17, Form 990 (line c plus line d)	e	1,959,758

Part V List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated, see Specific Instructions on page 26)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (If not paid, enter -0-)	(D) Contributions to employee benefit plans & deferred compensation	(E) Expense account and other allowances
CHRISTINE WEAVER 295 HOODRIDGE DRIVE, PITTSBURGH, PA 15234	EXE DIRECTOR 40 HOURS/WEEK	64,299	13,896	2,416
ALL OTHER DIRECTORS SEE SCHEDULE 5				

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 27

Part VI Other Information (See Specific Instructions on page 27.)

		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 <input type="checkbox"/> 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	
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	137,063
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) orgs 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) orgs 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 <u>0</u> , section 4912 <u>0</u> , section 4955 <u>0</u>		
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		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>PENNSYLVANIA</u>		
b	Number of employees employed in the pay period that includes March 12, 2001 (See instructions)	90b	13
91	The books are in care of <u>TAMI ROCK</u> Telephone no <u>(724) 772-1750</u> Located at <u>201 SMITH DR, SUITE E, CRANBERRY TWP, PA 16066</u> ZIP + 4 <u>16066</u>		
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 <u>92</u>		

Part VII Analysis of Income-Producing Activities (See Specific Instructions on page 32.)

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 SMOKING CESSATION PROGRAM FEES					6,686
b FLU CAMPAIGN					19,854
c OTHER INCOME					29,944
d _____					
e _____					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments					
96 Dividends and interest from securities			14	578,423	
97 Net rental income or (loss) from real estate					
a debt-financed property					
b not debt-financed property			16	41,057	
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory			18	(651,106)	
101 Net income or (loss) from special events			01	21,215	
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))		0		(10,411)	56,484
105 Total (add line 104, columns (B), (D), and (E))					46,073

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 32.)

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)
93 a-b	PROMOTES LUNG HEALTH THROUGH SMOKING CESSATION PROGRAMS AND BY PROVIDING EDUCATIONAL INFORMATION TO THE GENERAL PUBLIC

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See Specific Instructions on page 33.)

(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
	%			
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See Specific Instructions on page 33.)

- (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 (other than officer) is based on all information of which preparer has any knowledge

Date 1/31/03

Director

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

2001

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 AMERICAN RESPIRATORY ALLIANCE OF WESTERN PENNSYLVANIA	Employer identification number 25 0965587
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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
REGINA SIMS 246 FT PALMER EST RD, LIGONIER, PA 15658	DIR-FIELD SERVICES 40 HOURS/WEEK	47,099	6,315	0
Total number of other employees paid over \$50,000 ▶	0			

Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services
(See page 2 of the instructions. List each one (whether individuals or firms) if there are none, enter "None")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
FORECAST DIRECT MARKETING GROUP 37 TERMINAL WAY, PITTSBURGH, PA 15219	MAILINGS	249,212
LEWIS, ECKERT, ROBB & CO ONE PLYMOUTH MEETING, STE 425, PLYMOUTH MEETING, PA 19482	LOBBYING	79,000
WPXI P O BOX 640132, PITTSBURGH, PA 15264-0132	RADIO AND TV SPOTS	122,500
Total number of others receiving over \$50,000 for professional services ▶	0	

Part III Statements About Activities (See page 2 of the instructions.)

	Yes	No
1 During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ▶ \$ <u>79,000</u> (Must equal amounts on line 38, Part VI-A, or line I 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	1	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?	2a	X
b Lending of money or other extension of credit?	2b	X
c Furnishing of goods, services, or facilities?	2c	X
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?	2d	X
e Transfer of any part of its income or assets?	2e	X
3 Does the organization make grants for scholarships, fellowships, student loans, etc? (See Note below)	3	X
4 Do you have a section 403(b) annuity plan for your employees?	4	X
Note: Attach a statement to explain how the organization determines that individuals or organizations receiving grants or loans from it in furtherance of its charitable programs "qualify" to receive payments		

Part IV Reason for Non-Private Foundation Status (See pages 3 through 6 of the instructions)

The organization is not a private foundation because it is (Please check only ONE applicable box)

- 5 A church, convention of churches, or association of churches Section 170(b)(1)(A)(i)
- 6 A school Section 170(b)(1)(A)(ii) (Also complete Part V)
- 7 A hospital or a cooperative hospital service organization Section 170(b)(1)(A)(iii)
- 8 A Federal, state, or local government or governmental unit Section 170(b)(1)(A)(v)
- 9 A medical research organization operated in conjunction with a hospital Section 170(b)(1)(A)(iii) Enter the hospital's name, city, and state ▶
- 10 An organization operated for the benefit of a college or university owned or operated by a governmental unit Section 170(b)(1)(A)(iv) (Also complete the Support Schedule in Part IV-A)
- 11a 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)(v) (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 6 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) 2000	(b) 1999	(c) 1998	(d) 1997	(e) Total
15 Gifts, grants, and contributions received (Do not include unusual grants See line 28)	328,315	303,931	643,598	762,927	2,038,771
16 Membership fees received					0
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	49,028	64,260	57,942	51,870	223,198
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	724,445	713,703	733,616	736,743	2,908,507
19 Net income from unrelated business activities not included in line 18					0
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					0
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					0
22 Other income Attach a schedule Do not include gain or (loss) from sale of capital assets					0
23 Total of lines 15 through 22	1,101,788	1,081,894	1,435,156	1,551,640	5,170,476
24 Line 23 minus line 17	1,052,760	1,017,634	1,377,214	1,499,670	4,947,278
25 Enter 1% of line 23	11,018	10,819	14,352	15,516	
26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24 ▶					26a 98,946
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 123,678
c Total support for section 509(a)(1) test Enter line 24, column (e) ▶					26c 4,947,278
d Add Amounts from column (e) for lines 18 <u>2,908,507</u> 19 <u>0</u>					26d 3,032,185
22 <u>0</u> 26b <u>123,678</u>					
e Public support (line 26c minus line 26d total) ▶					26e 1,915,093
f Public support percentage (line 26e (numerator) divided by line 26c (denominator)) ▶					26f 38.71%
27 Organizations described on line 12: a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person" 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 _____					27c _____
17 _____ 20 _____ 21 _____					
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 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 page 7 of the instructions.)
(To be completed ONLY by schools that checked the box on line 6 in Part IV)

	Yes	No
29 Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?		
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 9 of the instructions.)
(To be completed **ONLY** by an eligible organization that filed Form 5768)

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

Limits on Lobbying Expenditures		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
(The term "expenditures" means amounts paid or incurred)			
36	Total lobbying expenditures to influence public opinion (grassroots lobbying)	36	0
37	Total lobbying expenditures to influence a legislative body (direct lobbying)	37	79,000
38	Total lobbying expenditures (add lines 36 and 37)	38	79,000
39	Other exempt purpose expenditures	39	1,880,758
40	Total exempt purpose expenditures (add lines 38 and 39)	40	1,959,758
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		
	\$225,000 plus 5% of the excess over \$1,500,000		
	\$1,000,000		
41		41	0
42	Grassroots nontaxable amount (enter 25% of line 41)		61,997
43	Subtract line 42 from line 36 Enter -0- if line 42 is more than line 36		0
44	Subtract line 41 from line 38 Enter -0- if line 41 is more than line 38		0

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

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below
See the instructions for lines 45 through 50 on page 11 of the instructions)

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	247,988	242,767	256,775		747,530
46					1,121,295
47	79,000	90,000	60,000		229,000
48	61,997	60,692	64,194		186,883
49					280,325
50	0				0

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See page 12 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

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

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Part I, Line 8 - Securities

	<u>Proceeds</u>	<u>Cost</u>	<u>Gain/(Loss)</u>
Sale of Marketable Securities	<u>\$ 18,063,593</u>	<u>\$ 18,714,699</u>	<u>\$ (651,106)</u>

Part I, Line 9 - Special Events & Activities (Net)

	<u>Proceeds</u>	<u>Expenses</u>	<u>Net Revenue</u>
Golf Outing	\$ 20,460	\$ 10,621	\$ 9,839
Asthma Walk	4,493	2,135	2,358
Beat the Pro	62,481	55,000	7,481
Other Events	2,293	756	1,537
	<u>\$ 89,727</u>	<u>\$ 68,512</u>	<u>\$ 21,215</u>

Part I, Line 20 - Changes in Fund Balance

Unrealized losses on investments	<u>\$ (2,007,421)</u>
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Part II, Line 22 - Grants & Allocations

American Respiratory Alliance of NW PA 352 W 8th Street Erie, PA 16052-1498	Program	\$	230,100
Allegheny General Hospital Pulmonary Teaching Fund 320 E North Avenue Pittsburgh, PA 15212-4772	Scholarships	\$	2,000
Asthma Scholarships	Scholarships	\$	10,000
Other Grants		\$	<u>1,294</u>
		\$	<u><u>243,394</u></u>

Part II, Line 23 - Specific Assistance to Individuals

Emergency funds were used to pay for prescriptions for lung disease patients. Funds were also used to provide transportation (via taxi or public transportation) for tuberculosis patients for medical treatment.

\$ 9,040

Part IV, Line 54 - Investments

US Gov't Securities	\$ 2,872,180
Mortgage Backed Securities	199,656
Corporate Bonds	2,840,086
Corporate Equity	9,555,126
Cash Equivalents	<u>2,123,359</u>
	<u>\$ 17,590,407</u>

Part IV, Line 64(b) - Mortgages and Other Notes Payable

Ford Credit	<u>\$ 13,598</u>
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In May 2000, the Alliance obtained a \$23,766 note payable from Ford Credit. The term of the note is five years at 0.9% interest with principal payments ranging between \$4,600 and \$4,800.

Part II, Line 42 - Depreciation

Part IV, Line 57 - Land, Buildings, Equipment

	<u>Land</u>	<u>Building & Improvements</u>	<u>Furniture & Fixtures</u>	<u>Automobiles</u>	<u>Accumulated Depreciation</u>	<u>Book Value</u>
Balance at 6/30/02	\$ 30,000	\$ 1,677,793	\$ 229,195	\$ 78,686	\$ (888,895)	\$ 1,126,779
Net Additions		14,757	3,772			18,529
Net Disposals						0
Current Depreciation					(97,722)	(97,722)
Balance at 6/30/01	<u>\$ 30,000</u>	<u>\$ 1,692,550</u>	<u>\$ 232,967</u>	<u>\$ 78,686</u>	<u>\$ (986,617)</u>	<u>\$ 1,047,586</u>

Depreciation of \$48,025 was allocated to rental expense and included on line 6b Remaining depreciation expense is \$49,697

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Part V - Officers, Directors, Trustees and Key Employees

(A)	(B)	(C)	(D)	(E)
Stephen C Hansen 3 Gateway Center - 9 West Pittsburgh, PA 15222	President 1 - 2 Hours/Week	None	None	None
F Brooks Robinson 425 Sixth Avenue - Ste 500 Pittsburgh, PA 15219	1st Vice President 1 - 2 Hours/Week	None	None	None
Judith L Charlton 108 Cardiff Drive Aliquippa, PA 15001	Vice President 1 - 2 Hours/Week	None	None	None
Warfield Garson, M D 2960 Bethel Church Road Bethel Park, PA 15102-1678	Vice President 1 - 2 Hours/Week	None	None	None
Donna J Pike R R T Indiana Hospital - P O Box 788 Indiana, PA 15701	Vice President 1 - 2 Hours/Week	None	None	None
Ernest O Punchard RD #1, Box 387 Rural Valley, PA 16249	Vice President 1 - 2 Hours/Week	None	None	None
John P Rupp 200 Osborne Street Turtle Creek, PA 15145	Vice President 1 - 2 Hours/Week	None	None	None
Mark Bookman, Esq P O Box 2009 Pittsburgh, PA 15230	Secretary 1 - 2 Hours/Week	None	None	None
George B Miller 1171 Murray Hill Avenue Pittsburgh, PA 15217	Treasurer 1 - 2 Hours/Week	None	None	None
Vickee Altman R N 222 Dernck Avenue Uniontown, PA 15401	Director 1 - 2 Hours/Week	None	None	None
Victor D Bell 197 Christy Road Eighty Four, PA 15330	Director 1 - 2 Hours/Week	None	None	None
Georgene Brander R N M H R 5124 Polo Field Drive Gibsonia, PA 15044	Director 1 - 2 Hours/Week	None	None	None

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Part V - Officers, Directors, Trustees and Key Employees

(A)	(B)	(C)	(D)	(E)
Donald G Brown 2610 Fifth Avenue Pittsburgh, PA 15213	Director 1 - 2 Hours/Week	None	None	None
Bruce A Bush M D F A C P Indiana Hospital - P O Box 788 Indiana, PA 15701	Director 1 - 2 Hours/Week	None	None	None
R Kevin Carugati M D 926 8th Avenue Beaver Falls, PA 15010	Director 1 - 2 Hours/Week	None	None	None
J Mabon Childs 3100 USX Tower Pittsburgh, PA 15219	Director 1 - 2 Hours/Week	None	None	None
Kenneth Empfield R R T 201 Smith Drive, Suite E Cranberry Twp, PA 16066	Director 1 - 2 Hours/Week	None	None	None
Dorothy F Griffin R N RD 1 - Box 112 Vanderbilt, PA 15486	Director 1 - 2 Hours/Week	None	None	None
Samuel I Hammerman M D 562 Shearer Greensburg, PA 15601	Director 1 - 2 Hours/Week	None	None	None
Thomas J Hilliard Jr 402 610 Smithfield Street Pittsburgh, PA 15222	Director 1 - 2 Hours/Week	None	None	None
Charles M Koliner M D 403 Locust Avenue Washington, PA 15301	Director 1 - 2 Hours/Week	None	None	None
Ronald A Landay M D 180 Fort Couch Road Pittsburgh, PA 15241	Director 1 - 2 Hours/Week	None	None	None
Harry D Milnes 3320 Fifth Avenue - College Hill Beaver Falls, PA 15009	Director 1 - 2 Hours/Week	None	None	None
Kathryn L Nestor 220 Commerce Street Beaver, PA 15009	Director 1 - 2 Hours/Week	None	None	None

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Part V - Officers, Directors, Trustees and Key Employees

(A)	(B)	(C)	(D)	(E)
Daniel O'Leary 201 Smith Drive, Suite E Cranberry Twp, PA 16066	Director 1 - 2 Hours/Week	None	None	None
Robert M Rogers M D 440 Scarfe Hall Pittsburgh, PA 15261	Director 1 - 2 Hours/Week	None	None	None
Mrs Henry H Armstrong RR 1 P O Box 259 Stahlstown, PA 15687	Emeritus 1 - 2 Hours/Week	None	None	None
Joseph Van Buskirk, Esq P O Box 577 Ligonier, PA 15658	Ementus 1 - 2 Hours/Week	None	None	None
C Holmes Wolfe Jr , Esq 220 North Bellefield Avenue Pittsburgh, PA 15213	Emeritus 1 - 2 Hours/Week	None	None	None

Part III - Statement About Activities

- 1 - Lobbying expense was directed toward obtaining part of the tobacco settlement proceeds to fund the organization's tobacco awareness programs. No amounts were spent on behalf of a candidate for office.

- 2c - Legal services were provided during the year by Reed Smith Shaw & McClay LLP. Mark Bookman, Esq. who is a member of the Board of Directors is affiliated with this law firm. The legal services were provided at the law firm's standard rates for such services.

- 2d - Refer to Part V, Form 990.

- 3 - Scholarships are awarded to high school seniors with asthma based on scholastic achievement, community service, student activities and a written essay. The ARA of Western Pennsylvania does not discriminate on the basis of race, sex, national origin, age or any other factor when granting scholarships.

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 8736 to request an extension of time to file Form 1065, 1066, or 1041

Type or print	Name of Exempt Organization AMERICAN RESPIRATORY ALLIANCE OF W PA	Employer Identification number 25 : 0965587
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 201 SMITH DRIVE SUITE E	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions CRANBERRY TOWNSHIP, PA 16068	

- 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 17** , 2003 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** , 2001 , and ending **JUNE 30** , 2002

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

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions. \$ _____

b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit. \$ _____

c **Balance Due**. Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions. \$ _____

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature ▶ DELOITTE & TOUCHE LLP
Christy Larson Title ▶ CPA Date ▶ 11-7-02

For Paperwork Reduction Act Notice, see instruction MGA Form **8868** (12-2000)