

Return of Organization Exempt From Income Tax

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

2001

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 period beginning **OCT 1, 2001** and ending **SEP 30, 2002**

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

C Name of organization: **KIDS HOPE USA**
 Number and street (or P O box if mail is not delivered to street address): **P.O. BOX 2517**
 Room/suite: _____
 City or town state or country, and ZIP + 4: **HOLLAND, MI 49422-2517**

D Employer identification number: **38-3624308**

E Telephone number: **(866) 546-3580**

F Accounting method: Cash Accrual
 Other (specify) ▶ _____

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

H and **I** are not applicable to section 527 organizations

H(a) Is this a group return for affiliates? Yes No
H(b) If "Yes," enter number of affiliates ▶ _____

H(c) Are all affiliates included? **N/A** Yes No
 (If "No," attach a list)

G Web site ▶ **WWW.KIDSHOPEUSA.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.

H(d) Is this a separate return filed by an organization covered by a group ruling? Yes No

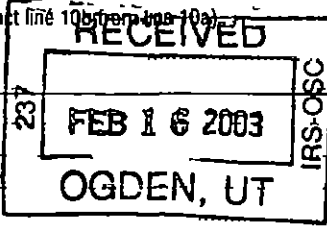
I Enter 4-digit GEN ▶ _____

L Gross receipts. Add lines 6b, 8b, 9b, and 10b to line 12 ▶ **1,196,780.**

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

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances

Revenue	1	Contributions, gifts, grants, and similar amounts received				
	a	Direct public support	1a	990,012.		
	b	Indirect public support	1b			
	c	Government contributions (grants)	1c			
	d	Total (add lines 1a through 1c) (cash \$ <u>990,012.</u> noncash \$ _____)	1d		990,012.	
	2	Program service revenue including government fees and contracts (from Part VII, line 93)	2			
	3	Membership dues and assessments	3		200,180.	
	4	Interest on savings and temporary cash investments	4		6,588.	
	5	Dividends and interest from securities	5			
	6a	Gross rents	6a			
	b	Less rental expenses	6b			
	c	Net rental income or (loss) (subtract line 6b from line 6a)	6c			
7	Other investment income (describe ▶ _____)	7				
Expenses	8a	Gross amount from sale of assets other than inventory	(A) Securities	(B) Other		
	b	Less cost or other basis and sales expenses	8a			
	c	Gain or (loss) (attach schedule)	8b			
	d	Net gain or (loss) (combine line 8c, columns (A) and (B))	8c			
	8d	Net gain or (loss) (combine line 8c, columns (A) and (B))	8d			
	9	Special events and activities (attach schedule)				
	a	Gross revenue (not including \$ _____ of contributions reported on line 1a)	9a			
	b	Less direct expenses other than fundraising expenses	9b			
	c	Net income or (loss) from special events (subtract line 9b from line 9a)	9c			
	10a	Gross sales of inventory, less returns and allowances	10a			
b	Less cost of goods sold	10b				
c	Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	10c				
11	Other revenue (from Part VII, line 103)	11				
12	Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12		1,196,780.		
Net Assets	13	Program services (from line 44, column (B))	13	301,298.		
	14	Management and general (from line 44, column (C))	14	152,854.		
	15	Fundraising (from line 44, column (D))	15	19,898.		
	16	Payments to affiliates (attach schedule)	16			
	17	Total expenses (add lines 16 and 44, column (A))	17	474,050.		
18	Excess or (deficit) for the year (subtract line 17 from line 12)	18	722,730.			
19	Net assets or fund balances at beginning of year (from line 73, column (A))	19	0.			
20	Other changes in net assets or fund balances (attach explanation) SEE STATEMENT 2	20	3,454.			
21	Net assets or fund balances at end of year (combine lines 18, 19 and 20)	21	726,184.			



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

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22	Grants and allocations (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	149,785.	117,471.	32,314.	0.
26	Other salaries and wages	72,563.	59,366.	13,197.	
27	Pension plan contributions	4,761.	3,535.	1,031.	195.
28	Other employee benefits	5,457.	4,278.	1,179.	
29	Payroll taxes	11,350.	7,597.	3,381.	372.
30	Professional fundraising fees				
31	Accounting fees	1,838.		1,838.	
32	Legal fees	4,178.		4,178.	
33	Supplies	628.	628.		
34	Telephone	3,200.	956.	2,244.	
35	Postage and shipping	5,545.	1,632.	3,913.	
36	Occupancy	18,872.		18,872.	
37	Equipment rental and maintenance	1,102.		1,102.	
38	Printing and publications	36,713.	29,593.		7,120.
39	Travel	3,838.	3,315.	499.	24.
40	Conferences, conventions, and meetings				
41	Interest				
42	Depreciation, depletion, etc (attach schedule)	11,950.		11,950.	
43	Other expenses not covered above (itemize)				
a					
b					
c					
d					
e	SEE STATEMENT 3	142,270.	72,927.	57,156.	12,187.
44	Total functional expenses (add lines 22 through 43) Organizations completing columns (B)-(D), carry these totals to lines 13-15	474,050.	301,298.	152,854.	19,898.

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

Part III Statement of Program Service Accomplishments

What is the organization's primary exempt purpose? SEE STATEMENT 4	Program Service Expenses (Required for 501(c)(3) and (4) orgs, and 4947(a)(1) trusts but optional for others)
a CHURCH RECRUITMENT - ADDED 38 NEW CHURCHES TO THE KIDS HOPE USA PROGRAM GROUP. (Grants and allocations \$ _____)	160,337.
b DIRECTOR AND VOLUNTEER TRAINING SERVICES - TRAINED DIRECTORS AND VOLUNTEERS TO BE MENTORS TO APPROXIMATELY 684 NEW CHILDREN. (Grants and allocations \$ _____)	105,551.
c SUSTAINING OF CHURCH PROGRAMS - SUPPORTED 214 CHURCHES SERVING 3,800 CHILDREN IN THE KIDS HOPE USA PROGRAM. (Grants and allocations \$ _____)	33,585.
d EVALUATION - DEVELOPED EVALUATION TOOLS TO BE IMPLEMENTED IN 2003. (Grants and allocations \$ _____)	1,825.
e Other program services (attach schedule) (Grants and allocations \$ _____)	
f Total of Program Service Expenses (should equal line 44 column (B), Program services)	301,298.

Part IV Balance Sheets

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		45 331,113.	
	46 Savings and temporary cash investments		46	
	47 a Accounts receivable	47a 49,870.		
	b Less allowance for doubtful accounts	47b	47c 49,870.	
	48 a Pledges receivable	48a 300,500.		
	b Less allowance for doubtful accounts	48b	48c 300,500.	
	49 Grants receivable		49	
	50 Receivables from officers, directors, trustees, and key employees		50	
	51 a Other notes and loans receivable	51a		
	b Less allowance for doubtful accounts	51b	51c	
	52 Inventories for sale or use		52 3,911.	
	53 Prepaid expenses and deferred charges		53 2,680.	
	54 Investments - securities <input type="checkbox"/> Cost <input type="checkbox"/> FMV		54	
	55 a Investments - land, buildings, and equipment basis	55a		
	b Less accumulated depreciation	55b	55c	
56 Investments - other		56		
57 a Land, buildings, and equipment basis	57a 67,380.			
b Less accumulated depreciation STMT 5	57b 11,950.	57c 55,430.		
58 Other assets (describe <input type="checkbox"/>)		58		
59 Total assets (add lines 45 through 58) (must equal line 74)	0.	59 743,504.		
Liabilities	60 Accounts payable and accrued expenses		60 6,368.	
	61 Grants payable		61	
	62 Deferred revenue		62	
	63 Loans from officers, directors, trustees and key employees		63	
	64 a Tax-exempt bond liabilities		64a	
	b Mortgages and other notes payable		64b	
	65 Other liabilities (describe <input type="checkbox"/> SEE STATEMENT 6)		65 10,952.	
66 Total liabilities (add lines 60 through 65)	0.	66 17,320.		
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	0.	67 696,989.	
	68 Temporarily restricted	0.	68 29,195.	
	69 Permanently restricted		69	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74			
	70 Capital stock, trust principal, or current funds		70	
	71 Paid-in or capital surplus, or land, building, and equipment fund		71	
	72 Retained earnings, endowment, accumulated income, or other funds		72	
	73 Total net assets or fund balances (add lines 67 through 69 OR lines 70 through 72, column (A) must equal line 19, column (B) must equal line 21)	0.	73 726,184.	
	74 Total liabilities and net assets / fund balances (add lines 66 and 73)	0.	74 743,504.	

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

	Unrelated business income		Excluded by section 512 513 or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclu- sion code	(D) Amount	
Note Enter gross amounts unless otherwise indicated					
93 Program service revenue					
a					
b					
c					
d					
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					200,180.
95 Interest on savings and temporary cash investments			14	6,588.	
96 Dividends and interest from securities					
97 Net rental income or (loss) from real estate					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue					
a					
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))		0.		6,588.	200,180.
105 Total (add line 104, columns (B), (D), and (E))					206,768.

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)
94	THE ORGANIZATION CHARGES A ONE TIME FEE TO CHURCH PARTICIPANTS IN THE PROGRAMS. THESE FEES ARE USED TO SUPPORT THE PROGRAMS.

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
N/A	%			
	%			
	%			
	%			

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

accompanying schedules and statements, and to the best of my knowledge and belief it is true, information of which preparer has any knowledge.

2/07/03 Jeanette Butt DeJong, President

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 ► \$ _____ \$ _____ (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		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) SEE STATEMENT 7		
a	Sale, exchange, or leasing of property?		X
b	Lending of money or other extension of credit?		X
c	Furnishing of goods, services, or facilities?		X
d	Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?	X	
e	Transfer of any part of its income or assets?		X
3	Does the organization make grants for scholarships, fellowships, student loans, etc ? (See Note below)		X
4	Do you have a section 403(b) annuity plan for your employees?		X
Note: Attach a statement to explain how the organization determines that individuals or organizations receiving grants or loans from it in furtherance of its charitable programs "qualify" to receive payments			

Part IV Reason for Non-Private Foundation Status (See 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)(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 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.)					
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose					
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					
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization a benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge.					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets.					
23 Total of lines 15 through 22	0.	0.	0.	0.	0.
24 Line 23 minus line 17					
25 Enter 1% of line 23					

26 Organizations described on lines 10 or 11	a Enter 2% of amount in column (e), line 24	▶	26a	
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	0.
c Total support for section 509(a)(1) test. Enter line 24, column (e).		▶	26c	
d Add: Amounts from column (e) for lines 18 _____ 19 _____ 22 _____ 26b _____		▶	26d	
e Public support (line 26c minus line 26d total)		▶	26e	
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))		▶	26f	%
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: N/A			
	(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: N/A				
	(2000) (1999) (1998) (1997)			
c Add: Amounts from column (e) for lines 15 _____ 16 _____ 17 _____ 20 _____ 21 _____		▶	27c	N/A
d Add: Line 27a total _____ and line 27b total _____		▶	27d	N/A
e Public support (line 27c total minus line 27d total)		▶	27e	N/A
f Total support for section 509(a)(2) test. Enter amount on line 23, column (e):	▶ 27f	N/A		
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))		▶	27g	N/A %
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))		▶	27h	N/A %

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.

NONE

Part V Private School Questionnaire (See page 7 of the instructions)

N/A

(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)		
<hr/>			
32	Does the organization maintain the following		
a	Records indicating the racial composition of the student body, faculty, and administrative staff?	32a	
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	32b	
c	Copies of all catalogues brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32c	
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)	32d	
<hr/>			
33	Does the organization discriminate by race in any way with respect to		
a	Students' rights or privileges?	33a	
b	Admissions policies?	33b	
c	Employment of faculty or administrative staff?	33c	
d	Scholarships or other financial assistance?	33d	
e	Educational policies?	33e	
f	Use of facilities?	33f	
g	Athletic programs?	33g	
h	Other extracurricular activities? If you answered "Yes" to any of the above, please explain (If you need more space, attach a separate statement)	33h	
<hr/>			
34 a	Does the organization receive any financial aid or assistance from a governmental agency?	34a	
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	34b	
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	35	

4562

Form (Rev March 2002) Department of the Treasury Internal Revenue Service

Depreciation and Amortization (Including Information on Listed Property) 990

See separate instructions Attach to your tax return.

OMB No 1545-0172

2001

Attachment Sequence No 67

Name(s) shown on return

Business or activity to which this form relates

Identifying number

KIDS HOPE USA

FORM 990 PAGE 2

38-3624308

Part I Election To Expense Certain Tangible Property Under Section 179 Note If you have any listed property, complete Part V before you complete Part I

Table with 5 columns: Line number, Description, (a) Description of property, (b) Cost (business use only), (c) Elected cost. Includes lines 1-13 for Section 179 election.

Note Do not use Part II or Part III below for listed property. Instead, use Part V

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property)

Table with 2 columns: Line number, Description. Includes lines 14-16 for Special Depreciation Allowance.

Part III MACRS Depreciation (Do not include listed property) (See instructions)

Section A

Table with 2 columns: Line number, Description. Includes lines 17-18 for MACRS deductions.

Section B - Assets Placed in Service During 2001 Tax Year Using the General Depreciation System

Table with 7 columns: (a) Classification of property, (b) Month and year placed in service, (c) Basis for depreciation, (d) Recovery period, (e) Convention, (f) Method, (g) Depreciation deduction. Includes rows 19a-i for various property types.

Section C - Assets Placed in Service During 2001 Tax Year Using the Alternative Depreciation System

Table with 5 columns: Line number, Class life, (b) Month and year placed in service, (d) Recovery period, (f) Method. Includes rows 20a-c for class life options.

Part IV Summary (See instructions)

Table with 2 columns: Line number, Description. Includes lines 21-23 for summary of depreciation.

Part V Listed Property (Include automobiles, certain other vehicles, cellular telephones, certain computers, and property used for entertainment, recreation, or amusement)

Note For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete only 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable

Section A - Depreciation and Other Information (Caution See instructions for limits for passenger automobiles)

24a Do you have evidence to support the business/investment use claimed? Yes No **24b** If "Yes," is the evidence written? Yes No

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost
25 Special depreciation allowance for listed property acquired after September 10, 2001, and used more than 50% in a qualified business use							25	
26 Property used more than 50% in a qualified business use								
		%						
		%						
		%						
27 Property used 50% or less in a qualified business use								
		%				S/L -		
		%				S/L -		
		%				S/L -		
28 Add amounts in column (h), lines 25 through 27 Enter here and on line 21, page 1							28	
29 Add amounts in column (i), line 26 Enter here and on line 7, page 1								29

Section B - Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person
If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles

	(a) Vehicle		(b) Vehicle		(c) Vehicle		(d) Vehicle		(e) Vehicle		(f) Vehicle	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
30 Total business/investment miles driven during the year (do not include commuting miles)												
31 Total commuting miles driven during the year												
32 Total other personal (noncommuting) miles driven												
33 Total miles driven during the year Add lines 30 through 32												
34 Was the vehicle available for personal use during off-duty hours?												
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

Section C - Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use? Note If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles		

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2001 tax year					
43 Amortization of costs that began before your 2001 tax year					43
44 Total Add amounts in column (f) See instructions for where to report					44

Asset No	Description	Date Acquired	Method	Life	Line No	Unadjusted Cost Or Basis	Bus % Excl	Reduction In Basis - ITC, 179, Salvage	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Amount Of Depreciation
1	MANAGEMENT AND GENERAL MS OFFICE XP PRO & SOFTWARE	123101SL		3.00	16	1,057.			1,057.			264.
2	RAISERS EDGE SOFTWARE P3 SERVER & MISC.	123101SL		3.00	16	13,390.			13,390.			3,347.
3	HARDWARE	121701SL		3.00	16	13,293.			13,293.			3,323.
4	INSPIRON 8100 P3 COMPUTER	121701SL		3.00	16	3,012.			3,012.			753.
5	DELL INSPIRON 4100 P3 COMPUTER	121701SL		3.00	16	1,754.			1,754.			439.
6	DELL INSPIRON 4100 P3 COMPUTER	121701SL		3.00	16	1,954.			1,954.			489.
7	DELL INSPIRON 4100 P3 COMPUTER	121701SL		3.00	16	1,800.			1,800.			450.
8	INSTALLATION OF COMPUTER	011602SL		3.00	16	370.			370.			82.
9	DELL INSPIRON 4000 P3	600010501SL		3.00	16	2,415.			2,415.			604.
10	ACEROPEN INTEL CELERON 30	102298SL		3.00	16	1,233.			1,233.			308.
11	HP 5100CXI SCANNER	062998SL		3.00	16	327.			327.			82.
12	F&F FROM LAVENE BUS.	043002SL		7.00	16	23,046.			23,046.			1,372.
13	PHONE SYSTEM INSTALLATION OF PHONE	121301SL		7.00	16	3,129.			3,129.			373.
14	SYSTEM	121801SL		7.00	16	600.			600.			64.
	* 990 PAGE 2 TOTAL					67,380.		0.	67,380.		0.	11,950.
	MANAGEMENT AND GENERAL * GRAND TOTAL 990 PAGE 2 DEPR					67,380.		0.	67,380.		0.	11,950.

FOOTNOTES

STATEMENT 1

THE ORGANIZATION LEASES ITS EMPLOYEES. THE NET COST HAS BEEN PRESENTED AS IF THE ORGANIZATION WAS THE EMPLOYER. ANY ADDITIONAL COST OF THIS SERVICE IS PRESENTED AS EMPLOYEE LEASING.

FORM 990	OTHER CHANGES IN NET ASSETS OR FUND BALANCES	STATEMENT	2
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DESCRIPTION	AMOUNT
PROMOTIONAL INVENTORY TRANSFERRED FROM INTERNATIONAL AID	3,454.
TOTAL TO FORM 990, PART I, LINE 20	3,454.

FORM 990	OTHER EXPENSES	STATEMENT	3
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DESCRIPTION	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT AND GENERAL	(D) FUNDRAISING
EMPLOYEE LEASING EXPENSE	49,725.	11,165.	27,736.	10,824.
MISCELLANEOUS	5,117.	1,338.	2,416.	1,363.
EMPLOYEE TRAINING	6,156.	2,169.	3,987.	
CONSULTING	8,493.	8,493.		
WEB PAGE DESIGN AND DEVELOPMENT	26,797.	26,797.		
COMPUTERS	3,211.		3,211.	
OFFICE UTILITIES	16,389.		16,389.	
TRAINING SERVICES	1,540.		1,540.	
FACILITIES	23,595.	22,965.	630.	
	1,247.		1,247.	
TOTAL TO FM 990, LN 43	142,270.	72,927.	57,156.	12,187.

FORM 990	STATEMENT OF ORGANIZATION'S PRIMARY EXEMPT PURPOSE PART III	STATEMENT	4
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EXPLANATION

TO TEACH CHURCHES TO RECRUIT, SCREEN, TRAIN, MATCH AND SUPERVISE THEIR OWN MEMBERS FOR MENTORING RELATIONSHIPS WITH AT-RISK PUBLIC ELEMENTARY SCHOOL CHILDREN.

FORM 990 DEPRECIATION OF ASSETS NOT HELD FOR INVESTMENT STATEMENT 5

DESCRIPTION	COST OR OTHER BASIS	ACCUMULATED DEPRECIATION	BOOK VALUE
MS OFFICE XP PRO & SOFTWARE	1,057.	264.	793.
RAISERS EDGE SOFTWARE	13,390.	3,347.	10,043.
P3 SERVER & MISC. HARDWARE	13,293.	3,323.	9,970.
INSPIRON 8100 P3 COMPUTER	3,012.	753.	2,259.
DELL INSPIRON 4100 P3 COMPUTER	1,754.	439.	1,315.
DELL INSPIRON 4100 P3 COMPUTER	1,954.	489.	1,465.
DELL INSPIRON 4100 P3 COMPUTER	1,800.	450.	1,350.
INSTALLATION OF COMPUTER	370.	82.	288.
DELL INSPIRON 4000 P3 600	2,415.	604.	1,811.
ACEROPEN INTEL CELERON 30	1,233.	308.	925.
HP 5100CXI SCANNER	327.	82.	245.
F&F FROM LAVENE BUS.	23,046.	1,372.	21,674.
PHONE SYSTEM	3,129.	373.	2,756.
INSTALLATION OF PHONE SYSTEM	600.	64.	536.
TOTAL TO FORM 990, PART IV, LN 57	67,380.	11,950.	55,430.

FORM 990 OTHER LIABILITIES STATEMENT 6

DESCRIPTION	AMOUNT
ACCRUED PAYROLL	7,847.
ACCRUED VACATION	3,105.
TOTAL TO FORM 990, PART IV, LINE 65, COLUMN B	10,952.

SCHEDULE A STATEMENT REGARDING ACTIVITIES WITH SUBSTANTIAL CONTRIBUTORS, TRUSTEES, DIRECTORS, CREATORS, KEY EMPLOYEES, ETC,. PART III, LINE 2 STATEMENT 7

SEE PART V.