

Return of Organization Exempt From Income Tax

2002

Department of the Treasury
Internal Revenue Service

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

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

Open to Public Inspection

A For the 2002 calendar year, or tax year period beginning and ending

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	Please use IRS label or print or type. See Specific Instructions.	C Name of organization REEF ENVIRONMENTAL EDUCATION FOUNDATION		D Employer identification number 65-0270064
		Number and street (or P.O. box if mail is not delivered to street address) Room/suite P.O. BOX 246		E Telephone number 305-852-0030
		City or town, state or country, and ZIP + 4 KEY LARGO, FL 33037-0246		F Accounting method <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> 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)

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

G Web site **WWW.REEF.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.

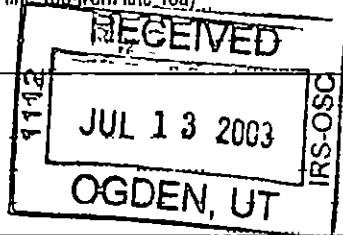
I Enter 4-digit GEN

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

L Gross receipts. Add lines 6b, 8b, 9b, and 10b to line 12 **560,605.**

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	292,254.		
	b	Indirect public support	1b			
	c	Government contributions (grants)	1c			
	d	Total (add lines 1a through 1c) (cash \$ 292,254. noncash \$)	1d		292,254.	
	2	Program service revenue including government fees and contracts (from Part VII, line 93)	2		201,345.	
	3	Membership dues and assessments	3			
	4	Interest on savings and temporary cash investments	4		654.	
	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				
	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			
	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	60,933.		
	b	Less cost of goods sold	10b	40,210.		
	c	Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	10c		20,723.	
Expenses	11	Other revenue (from Part VII, line 103)	11		5,419.	
	12	Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12		520,395.	
	13	Program services (from line 44, column (B))	13		358,500.	
	14	Management and general (from line 44, column (C))	14		106,724.	
	15	Fundraising (from line 44, column (D))	15		48,954.	
	16	Payments to affiliates (attach schedule)	16			
	17	Total expenses (add lines 16 and 44, column (A))	17		514,178.	
	18	Excess or (deficit) for the year (subtract line 17 from line 12)	18		6,217.	
	19	Net assets or fund balances at beginning of year (from line 73, column (A))	19		158,785.	
	20	Other changes in net assets or fund balances (attach explanation)	20		0.	
	21	Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21		165,002.	



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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 Page 2

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 \$ _____	22			
23 Specific assistance to individuals (attach schedule)	23			
24 Benefits paid to or for members (attach schedule)	24			
25 Compensation of officers, directors, etc	25 44,769.	30,461.	7,154.	7,154.
26 Other salaries and wages	26 148,257.	129,376.	18,881.	
27 Pension plan contributions	27			
28 Other employee benefits	28 6,257.	4,264.	1,627.	366.
29 Payroll taxes	29 14,767.	12,228.	1,992.	547.
30 Professional fundraising fees	30			
31 Accounting fees	31 8,044.		8,044.	
32 Legal fees	32			
33 Supplies	33 22,048.	10,327.	10,773.	948.
34 Telephone	34 10,257.	1,793.	8,464.	
35 Postage and shipping	35 29,502.	17,051.	2,730.	9,721.
36 Occupancy	36 4,765.	1,421.	3,344.	
37 Equipment rental and maintenance	37			
38 Printing and publications	38 43,543.	10,369.	4,773.	28,401.
39 Travel	39 39,781.	35,197.	4,550.	34.
40 Conferences, conventions, and meetings	40			
41 Interest	41 11,200.		11,200.	
42 Depreciation, depletion, etc (attach schedule)	42 5,649.	2,035.	3,614.	
43 Other expenses not covered above (itemize)				
a _____	43a			
b _____	43b			
c _____	43c			
d _____	43d			
e SEE STATEMENT 2	43e	125,339.	103,978.	19,578.
44 Total functional expenses (add lines 22 through 43). Organizations completing columns (B)-(D), carry these totals to lines 13-15	44	514,178.	358,500.	106,724.

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? TO EDUCATE & FACILITATE PRESERVATION OF UNDERWATER REEFS	Program Service Expenses
<small>All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)</small>	(Required for 501(c)(3) and (4) orgs and 4947(a)(1) trusts but optional for others)
a CONDUCT UNDERWATER SURVEYS TO COLLECT DATA ON FISH & REEF CONDITIONS; PROMOTE ENVIRONMENTAL PROTECTION & AWARENESS THRU NEWSLETTER DISTRIBUTION, PUBLIC ACTIVITIES & PRODUCT SALES (Grants and allocations \$ _____)	358,500.
b _____ (Grants and allocations \$ _____)	
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)	358,500.

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	26,368.	45	23,691.
	46 Savings and temporary cash investments		46	
	47 a Accounts receivable	47a 48,579.		
	b Less allowance for doubtful accounts	47b	48,130.	47c 48,579.
	48 a Pledges receivable	48a		
	b Less allowance for doubtful accounts	48b		48c
	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		6,774.	52 17,719.
	53 Prepaid expenses and deferred charges			53
	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 273,984.			
b Less accumulated depreciation STMT 3	57b 14,215.	260,192.	57c 259,769.	
58 Other assets (describe <input type="checkbox"/> SEE STATEMENT 4)		7,200.	58 6,943.	
59 Total assets (add lines 45 through 58) (must equal line 74)		348,664.	59 356,701.	
Liabilities	60 Accounts payable and accrued expenses	29,879.	60	31,699.
	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 STMT 5		160,000.	64b 160,000.
	65 Other liabilities (describe <input type="checkbox"/>)			65
66 Total liabilities (add lines 60 through 65)		189,879.	66 191,699.	
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	157,585.	67	150,002.
	68 Temporarily restricted	1,200.	68	15,000.
	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)		158,785.	73 165,002.
	74 Total liabilities and net assets / fund balances (add lines 66 and 73)		348,664.	74 356,701.

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 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? 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
78b If "Yes," has it filed a tax return on Form 990-T for this year? N/A 78b
79 Was there a liquidation, dissolution, termination, or substantial contraction during the year? 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
81a Enter direct or indirect political expenditures See line 81 instructions 81a 0.
81b 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
82b 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
83a Did the organization comply with the public inspection requirements for returns and exemption applications? 83a X
83b 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
84b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? N/A 84b
85a 501(c)(4), (5), or (6) organizations Were substantially all dues nondeductible by members? N/A 85a
85b Did the organization make only in house lobbying expenditures of \$2,000 or less? N/A 85b
85c Dues, assessments, and similar amounts from members 85c N/A
85d Section 162(e) lobbying and political expenditures 85d N/A
85e Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices 85e N/A
85f Taxable amount of lobbying and political expenditures (line 85d less 85e) 85f N/A
85g Does the organization elect to pay the section 6033(e) tax on the amount on line 85f? N/A 85g
85h 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? N/A 85h
86a 501(c)(7) organizations Enter a Initiation fees and capital contributions included on line 12 86a N/A
86b Gross receipts, included on line 12, for public use of club facilities 86b N/A
87a 501(c)(12) organizations Enter a Gross income from members or shareholders 87a N/A
87b 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? 88 X
89a 501(c)(3) organizations Enter Amount of tax imposed on the organization during the year under section 4911 0., section 4912 0., section 4955 0.
89b 501(c)(3) and 501(c)(4) organizations Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? 89b X
90a List the states with which a copy of this return is filed FLORIDA
90b Number of employees employed in the pay period that includes March 12, 2002 90b 5
91 The books are in care of JOHN K. AKINS Telephone no 305-852-0030
Located at 98300 OVERSEAS HIGHWAY, KEY LARGO, FL ZIP +4 33037
92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041- Check here and enter the amount of tax-exempt interest received or accrued during the tax year 92 N/A

Part VII Analysis of Income-Producing Activities (See page 31 of the instructions)

	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 PROGRAM & PROJECT FEES					22,509.
b					
c					
d					
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					178,836.
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments			14	654.	
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					20,723.
103 Other revenue					
a MISCELLANEOUS					5,419.
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))		0.		654.	227,487.
105 Total (add line 104, columns (B), (D), and (E))					228,141.

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 page 32 of the instructions)

Line No	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes)
93A	ACTIVITIES UNDERTAKEN BY DIVERS TO COLLECT DATA DISSEMINATED TO PUBLIC
93G	ACTIVITIES UNDERTAKEN BY DIVERS TO COLLECT DATA DISSEMINATED TO GOV'T
102	SALES OF PRODUCTS TO PROMOTE ENVIRONMENTAL AWARENESS & PROTECTION
103A	COVER ADMINISTRATIVE COSTS

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See page 32 of the instructions)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
N/A	%			
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See page 33 of the instructions)

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

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

Under penalties of perjury, I declare that I have prepared this return, including accompanying schedules and statements, and to the best of my knowledge and belief it is true and correct. Information of which preparer has any knowledge

[Signature] James P. Valle Parre, Treasurer
Type or print name and title

Date: 1/1/03
Check if self-prepared:
Preparer's SSN or PTIN: [Redacted]

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

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.)

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

OMB No 1545-0047

2002

Name of the organization

REEF ENVIRONMENTAL EDUCATION FOUNDATION

Employer identification number

65 0270064

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
NONE -----				

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

Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services

(See 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
NONE -----		

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

<p>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)</p> <p>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</p>	1		X
<p>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)</p>			
<p>a Sale, exchange, or leasing of property?</p>	2a		X
<p>b Lending of money or other extension of credit?</p>	2b		X
<p>c Furnishing of goods, services, or facilities?</p>	2c		X
<p>d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? SEE PART V, FORM 990</p>	2d	X	
<p>e Transfer of any part of its income or assets?</p>	2e		X
<p>3 Does the organization make grants for scholarships, fellowships, student loans, etc ? (See Note below)</p>	3		X
<p>4 Do you have a section 403(b) annuity plan for your employees?</p>	4		X
<p>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</p>			

Part IV Reason for Non-Private Foundation Status (See pages 3 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)
 - 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) 2001	(b) 2000	(c) 1999	(d) 1998	(e) Total
15 Gifts, grants, and contributions received (Do not include unusual grants. See line 28)	436,361.	211,324.	226,779.	173,655.	1,048,119.
16 Membership fees received		1,821.	1,500.	1,900.	5,221.
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	195,118.	87,382.	27,522.	12,209.	322,231.
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	202.	236.	211.	246.	895.
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge.					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets	1,689.	868.	SEE STATEMENT 6		2,557.
23 Total of lines 15 through 22	633,370.	301,631.	256,012.	188,010.	1,379,023.
24 Line 23 minus line 17	438,252.	214,249.	228,490.	175,801.	1,056,792.
25 Enter 1% of line 23	6,334.	3,016.	2,560.	1,880.	
26 Organizations described on lines 10 or 11	a Enter 2% of amount in column (e), line 24				26a 21,136.
	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 1998 through 2001 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the sum of all these excess amounts				26b 216,592.
	c Total support for section 509(a)(1) test: Enter line 24, column (e)				26c 1,056,792.
	d Add: Amounts from column (e) for lines 18 <u>895.</u> 19 _____ 22 <u>2,557.</u> 26b <u>216,592.</u>				26d 220,044.
	e Public support (line 26c minus line 26d total)				26e 836,748.
	f Public support percentage (line 26e (numerator) divided by line 26c (denominator))				26f 79.1781%
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
	(2001)	(2000)	(1999)	(1998)	
	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
	(2001)	(2000)	(1999)	(1998)	
	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 1998 through 2001, 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)

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.)		

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	

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	

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	

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 9 of the instructions) N/A

(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 (The term "expenditures" means amounts paid or incurred)	(a) Affiliated group totals	(b) To be completed for ALL electing organizations												
	N/A													
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 -														
<table style="width: 100%; border: none;"> <tr> <td style="width: 50%;">If the amount on line 40 is -</td> <td style="width: 50%;">The lobbying nontaxable amount is -</td> </tr> <tr> <td>Not over \$500 000</td> <td>20% of the amount on line 40</td> </tr> <tr> <td>Over \$500 000 but not over \$1 000 000</td> <td>\$100 000 plus 15% of the excess over \$500 000</td> </tr> <tr> <td>Over \$1 000 000 but not over \$1 500 000</td> <td>\$175 000 plus 10% of the excess over \$1 000 000</td> </tr> <tr> <td>Over \$1 500 000 but not over \$17 000 000</td> <td>\$225 000 plus 5% of the excess over \$1 500 000</td> </tr> <tr> <td>Over \$17 000 000</td> <td>\$1 000 000</td> </tr> </table>	If the amount on line 40 is -	The lobbying nontaxable amount is -	Not over \$500 000	20% of the amount on line 40	Over \$500 000 but not over \$1 000 000	\$100 000 plus 15% of the excess over \$500 000	Over \$1 000 000 but not over \$1 500 000	\$175 000 plus 10% of the excess over \$1 000 000	Over \$1 500 000 but not over \$17 000 000	\$225 000 plus 5% of the excess over \$1 500 000	Over \$17 000 000	\$1 000 000	41	
If the amount on line 40 is -	The lobbying nontaxable amount is -													
Not over \$500 000	20% of the amount on line 40													
Over \$500 000 but not over \$1 000 000	\$100 000 plus 15% of the excess over \$500 000													
Over \$1 000 000 but not over \$1 500 000	\$175 000 plus 10% of the excess over \$1 000 000													
Over \$1 500 000 but not over \$17 000 000	\$225 000 plus 5% of the excess over \$1 500 000													
Over \$17 000 000	\$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 11 of the instructions.)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				N/A
	(a) 2002	(b) 2001	(c) 2000	(d) 1999	(e) Total
45 Lobbying nontaxable amount					0.
46 Lobbying ceiling amount (150% of line 45(e))					0.
47 Total lobbying expenditures					0.
48 Grassroots nontaxable amount					0.
49 Grassroots ceiling amount (150% of line 48(e))					0.
50 Grassroots lobbying expenditures					0.

Part VI-B Lobbying Activity by Nonelecting Public Charities N/A

(For reporting only by organizations that did not complete Part VI-A) (See page 11 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	Yes	No	Amount
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)			0.

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

REEF ENVIRONMENTAL EDUCATION FOUNDATION

65-0270064

12/31/2002

Part V – List of Officers, Directors, & Trustees

	<u>Title</u>	<u>Compensation</u>	<u>Benefit Plan</u>	<u>Expense</u>
	<u>Time Devoted</u>		<u>Contributions</u>	<u>Allowances</u>
Paul Humann 4980 SW 61 st Ave. Davie, FL 33314	President Part-Time	-0-	-0-	-0-
Ned DeLoach 1861 Cornell Road Jacksonville, FL 32207	V P & Treasurer Part-Time	-0-	-0-	-0-
Jim Dalle Pазze Herdeg, Du Pont and Dalle Pазze Suite 500 1201 Orange Street Wilmington, DE 19801	Secretary Part-Time	-0-	-0-	-0-
Carol E Lorenz 1812 Ram's Way Hillsborough, NC 27278	Trustee Part-Time	-0-	-0-	-0-
Dennis H Liberson 12020 Hamden Court Oakton, VA 22124	Trustee Part-Time	-0-	-0-	-0-

FORM 990

INCOME AND COST OF GOODS SOLD
INCLUDED ON PART I, LINE 10

STATEMENT 1

INCOME		
1. GROSS RECEIPTS	60,933	
2. RETURNS AND ALLOWANCES		
3. LINE 1 LESS LINE 2		60,933
4. COST OF GOODS SOLD (LINE 13)	40,210	
5. GROSS PROFIT (LINE 3 LESS LINE 4)		20,723
<hr/>		
COST OF GOODS SOLD		
6. INVENTORY AT BEGINNING OF YEAR	6,774	
7. MERCHANDISE PURCHASED		
8. COST OF LABOR	51,155	
9. MATERIALS AND SUPPLIES		
10. OTHER COSTS		
11. ADD LINES 6 THROUGH 10		57,929
12. INVENTORY AT END OF YEAR	17,719	
13. COST OF GOODS SOLD (LINE 11 LESS LINE 12).		40,210

FORM 990	OTHER EXPENSES			STATEMENT 2
DESCRIPTION	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT AND GENERAL	(D) FUNDRAISING
BANK FEES	10,753.	3,507.	7,201.	45.
CONSULTING	3,201.	1,463.		1,738.
DATA MANAGEMENT	6,055.	6,055.		
DUES & SUBSCRIPTIONS	1,897.	1,747.	150.	
INSURANCE	4,071.	409.	3,662.	
LICENSES & PERMITS	136.		136.	
MEALS/ENTERTAINMENT	3,924.	3,626.	298.	
PHOTOGRAPHY	1,243.	415.	828.	
PROGRAM/REGISTRATION FEES	2,239.	2,039.	200.	
REAL ESTATE TAXES	2,381.		2,381.	
RENTAL & LEASE EXPENSE	9,034.	7,650.	1,384.	
REPAIRS & MAINTENANCE	1,052.	265.	787.	
STAFF TRAINING & DEVELOPMENT	255.	255.		
STIPEND	2,500.	2,500.		
DIVE SUPPLIES & GEAR	455.	423.	32.	
DIVING	69,772.	69,643.	129.	
INTERNET	1,383.	470.	913.	
MISCELLANEOUS	148.	98.	50.	
SPECIAL EVENTS	3,186.	3,186.		
WEBSITE	1,654.	227.	1,427.	
TOTAL TO FM 990, LN 43	125,339.	103,978.	19,578.	1,783.

FORM 990	DEPRECIATION OF ASSETS NOT HELD FOR INVESTMENT			STATEMENT 3
DESCRIPTION	COST OR OTHER BASIS	ACCUMULATED DEPRECIATION	BOOK VALUE	
LAND	110,250.	0.	110,250.	
BUILDING	144,551.	4,517.	140,034.	
EQUIPMENT	19,183.	9,698.	9,485.	
TOTAL TO FORM 990, PART IV, LN 57	273,984.	14,215.	259,769.	

FORM 990	OTHER ASSETS	STATEMENT	4
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DESCRIPTION	AMOUNT
DEPOSITS	4,700.
PREPAID EXPENSE	2,243.
TOTAL TO FORM 990, PART IV, LINE 58, COLUMN B	6,943.

FORM 990	MORTGAGES PAYABLE	STATEMENT	5
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DESCRIPTION	BALANCE DUE
KEN DEAVER	20,000.
CHRISTOPHER L. OSTROM	20,000.
EDWARD L. DELOACH	20,000.
PAUL H. HUMANN	20,000.
M. DAVID PRESTON	20,000.
DEL BUSINESS ENTITY PROFIT SHARING PLAN	20,000.
EDWIN C. STEINER	20,000.
SUSAN D. ISGAR	20,000.
TOTAL INCLUDED ON FORM 990, PART IV, LINE 64B, COLUMN B	160,000.

SCHEDULE A	OTHER INCOME	STATEMENT	6
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DESCRIPTION	2001 AMOUNT	2000 AMOUNT	1999 AMOUNT	1998 AMOUNT
MISCELLANEOUS	1,689.	868.	0.	0.
TOTAL TO SCHEDULE A, LINE 22	1,689.	868.	0.	0.

Application for Extension of Time To File an Exempt Organization Return

► 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

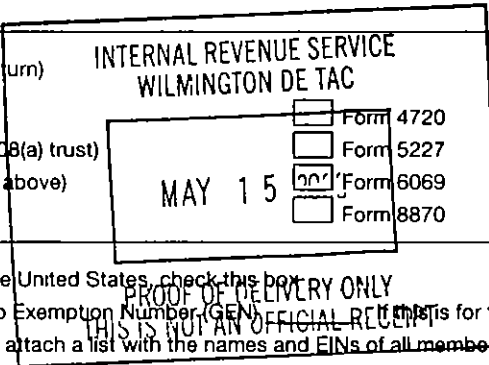
Part I Automatic 3-Month Extension of Time - Only submit original (no copies needed)

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 REEF ENVIRONMENTAL EDUCATION FOUNDATION	Employer identification number 65-0270064
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 P.O. BOX 246	
	City, town or post office, state, and ZIP code For a foreign address, see instructions KEY LARGO, FL 33037-0246	

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 checked="" 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 AUGUST 15, 2003 to file the exempt organization return for the organization named above. The extension is for the organization's return for calendar year 2002 or tax year beginning _____, and ending _____

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 \$ N/A

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 ► J. S. Mayu Title ► CMA Date ► 5/14/03

LHA For Paperwork Reduction Act Notice, see instruction