

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)

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 **JUL 1, 2001** and ending **JUN 30, 2002**

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	C Name of organization Challenger Center for Space Science Education	D Employer identification number 76-0192067	
	Number and street (or P O box if mail is not delivered to street address) 1250 North Pitt Street	Room/suite 	E Telephone number 703-683-9740
	City or town, state or country, and ZIP + 4 Alexandria, VA 22314	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)

Hand 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

I Enter 4-digit GEN ▶

G Web site ▶ **www.challenger.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

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 ▶ **5,413,572.**

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	1,106,861.	
	b	Indirect public support	1b		
	c	Government contributions (grants)	1c	2,043,288.	
	d	Total (add lines 1a through 1c) (cash \$ <u>3,062,717.</u> noncash \$ <u>87,432.</u>)	1d		3,150,149.
	2	Program service revenue including government fees and contracts (from Part VII, line 93)	2		2,239,560.
	3	Membership dues and assessments	3		
	4	Interest on savings and temporary cash investments	4		
	5	Dividends and interest from securities	5		
	6a	Gross rents See Statement 1	6a	4,976.	
	b	Less rental expenses	6b		
	c	Net rental income or (loss) (subtract line 6b from line 6a)	6c		4,976.
7	Other investment income (describe ▶ Interest Income)	7		2,031.	
8a	Gross amount from sale of assets other than inventory	(A) Securities	(B) Other		
	Less cost or other basis and sales expenses	8a			
	Gain or (loss) (attach schedule)	8b			
	Net gain or (loss) (combine line 8c, columns (A) and (B))	8c			
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 VIII, line 103)	11		16,856.	
12	Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12		5,413,572.	
Expenses	13	Program services (from line 44, column (B))	13	4,573,977.	
	14	Management and general (from line 44, column (C))	14	407,489.	
	15	Fundraising (from line 44, column (D))	15	193,326.	
	16	Payments to affiliates (attach schedule)	16		
	17	Total expenses (add lines 16 and 44, column (A))	17		5,174,792.
Net Assets	18	Excess or (deficit) for the year (subtract line 17 from line 12)	18	238,780.	
	19	Net assets or fund balances at beginning of year (from line 73, column (A))	19	15,150,799.	
	20	Other changes in net assets or fund balances (attach explanation)	20		See Statement 2 <180,498.>
	21	Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21		15,209,081.

RECEIVED
FEB 25 2003
OPEN

SCANNED MAR 17 2003

**Challenger Center for Space Science
Education**

Form 990 (2001)

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 \$ _____	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	387,991.	347,707.	22,815.
26	Other salaries and wages	26	1,586,002.	1,421,335.	93,260.
27	Pension plan contributions	27	12,829.	11,497.	754.
28	Other employee benefits	28	202,206.	181,212.	11,890.
29	Payroll taxes	29	145,246.	130,166.	8,541.
30	Professional fundraising fees	30	22,001.		22,001.
31	Accounting fees	31			
32	Legal fees	32			
33	Supplies	33	65,116.	64,469.	404.
34	Telephone	34	72,756.	19,040.	52,941.
35	Postage and shipping	35	53,090.	35,897.	12,131.
36	Occupancy	36	219,440.		219,440.
37	Equipment rental and maintenance	37	34,530.	2,857.	31,673.
38	Printing and publications	38	49,098.	41,674.	1,099.
39	Travel	39	207,530.	183,465.	19,959.
40	Conferences, conventions, and meetings	40			
41	Interest	41	258,859.		258,859.
42	Depreciation, depletion, etc (attach schedule)	42	264,681.	89,029.	175,652.
43	Other expenses not covered above (itemize)				
	a _____	43a			
	b _____	43b			
	c _____	43c			
	d _____	43d			
	e See Statement 3	43e	1,593,417.	2,045,629.	<501,929.>
44	Total functional expenses (add lines 22 through 43) Organizations completing columns (B)-(D) carry these totals to lines 13-15	44	5,174,792.	4,573,977.	407,489.
					193,326.

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 \$ 94,843., (ii) the amount allocated to Program services \$ 47,422.,
 (iii) the amount allocated to Management and general \$ _____, and (iv) the amount allocated to Fundraising \$ 47,421.

Part III Statement of Program Service Accomplishments

What is the organization's primary exempt purpose? ▶	Program Service Expenses (Required for 501(c)(3) and (4) orgs and 4947(a)(1) trusts but optional for others)
To promote space science education	
a Public awareness: Raised the public's awareness of the critical role space science plays in the life of our nation.	
(Grants and allocations \$ _____)	221,676.
b Education: Operated facilities and programs necessary to help students develop scientific problem-solving skills and overcome illiteracy in the fields of science & technology	
(Grants and allocations \$ _____)	4,352,301.
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)	4,573,977.

**Challenger Center for Space Science
Education**

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	
	46 Savings and temporary cash investments	180,629.	46	349,457.
	47 a Accounts receivable	47a 171,216.		
	b Less allowance for doubtful accounts	47b 30,000.	47c	141,216.
	48 a Pledges receivable	48a 278,260.		
	b Less allowance for doubtful accounts	48b	48c	278,260.
	49 Grants receivable	286,913.	49	198,742.
	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	324,394.	52	94,985.
	53 Prepaid expenses and deferred charges	43,698.	53	102,047.
	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 5,398,463.			
b Less accumulated depreciation Stmt 4	57b 1,037,812.	57c	4,360,651.	
58 Other assets (describe ▶ See Statement 5)	15,923,342.	58	15,955,410.	
59 Total assets (add lines 45 through 58) (must equal line 74)	21,229,408.	59	21,480,768.	
Liabilities	60 Accounts payable and accrued expenses	1,392,374.	60	1,701,241.
	61 Grants payable		61	
	62 Deferred revenue	779,453.	62	721,639.
	63 Loans from officers, directors, trustees, and key employees Stmt 6	150,000.	63	175,000.
	64 a Tax-exempt bond liabilities		64a	
	b Mortgages and other notes payable Stmt 7 Stmt 8	3,256,782.	64b	3,223,807.
65 Other liabilities (describe ▶ Line of Credit)	500,000.	65	450,000.	
66 Total liabilities (add lines 60 through 65)	6,078,609.	66	6,271,687.	
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	<825,579.>	67	<1,065,000.>
	68 Temporarily restricted	58,025.	68	323,660.
	69 Permanently restricted	15,918,353.	69	15,950,421.
	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)	15,150,799.	73	15,209,081.
	74 Total liabilities and net assets / fund balances (add lines 66 and 73)	21,229,408.	74	21,480,768.

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.

**Challenger Center for Space Science
Education**

Form 990 (2001)

76-0192067

Page 5

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? If "Yes," attach a conformed copy of the changes	77	X
78 a	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
80 a	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.		
81 a	Enter direct or indirect political expenditures. See line 81 instructions	81a	0.
b	Did the organization file Form 1120-POL for this year?	81b	X
82 a	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	52,100.
83 a	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	N/A
84 a	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 in 85f?	85g	N/A
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount in 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85h	N/A
86	501(c)(7) organizations Enter a Initiation fees and capital contributions included on line 12	86a	N/A
b	Gross receipts, included on line 12, for public use of club facilities	86b	N/A
87	501(c)(12) organizations Enter a Gross income from members or shareholders	87a	N/A
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	87b	N/A
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX	88	X
89 a	501(c)(3) organizations Enter Amount of tax imposed on the organization during the year under section 4911 <input type="checkbox"/> 0., section 4912 <input type="checkbox"/> 0., section 4955 <input type="checkbox"/> 0.		
b	501(c)(3) and 501(c)(4) organizations Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction	89b	X
c	Enter Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958		0.
d	Enter Amount of tax on line 89c, above, reimbursed by the organization		0.
90 a	List the states with which a copy of this return is filed <input type="checkbox"/> See Statement 11 A		
b	Number of employees employed in the pay period that includes March 12, 2001	90b	42

91 The books are in care of Challenger Center Telephone no 703-683-9740

Located at 1250 N. Pitt Street, Alexandria, VA ZIP + 4 22314

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 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 Learning Centers					2,044,382.
b Educational programs					195,178.
c					
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					
97 Net rental income or (loss) from real estate					
a debt-financed property					
b not debt-financed property			30	4,976.	
98 Net rental income or (loss) from personal property					
99 Other investment income			14	2,031.	
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 Speaker Income					9,416.
b Affinity Program			15	498.	
c Misc. - Other			01	6,942.	
d					
e					
104 Subtotal (add columns (B), (D), and (E))		0.		14,447.	2,248,976.
105 Total (add line 104, columns (B), (D), and (E))					2,263,423.

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)
▼	See Statement 12

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

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

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

1/30/03
Date

LYNN HERON
EXEC VP - OPERATIONS
Type or print name and title

Date

Check if self-

Preparer's SSN or PTIN

SCHEDULE A
(Form 990 or 990-EZ)

Organization Exempt Under Section 501(c)(3)

OMB No 1545-0047

(Except Private Foundation) and Section 501(e), 501(f), 501(k),
501(n), or Section 4947(a)(1) Nonexempt Charitable Trust

2001

Department of the Treasury
Internal Revenue Service

Supplementary Information-(See separate instructions.)

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

Name of the organization **Challenger Center for Space Science Education** Employer identification number **76 0192067**

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
<u>Matthew Bobrowski</u> ----- Alexandria, VA	Astrophysics 40	77,498.	697.	
<u>Alan Landever</u> ----- Alexandria, VA	Director 40	72,499.	367.	
<u>Tim Livengood</u> ----- Alexandria, VA	Astrophysics 40	67,080.	604.	
<u>Sandy Bishop</u> ----- Alexandria, VA	Mngr. Accting 40	62,129.	559.	
<u>Martin Schwartz</u> ----- Alexandria, VA	Regional Dir. 40	60,000.	497.	
Total number of other employees paid over \$50,000 ▶	2			

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
<u>None</u> -----		

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

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

- 1 During the year, has the organization attempted to influence national, state, or local legislation...
2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors...
3 Does the organization make grants for scholarships, fellowships, student loans, etc?
4 Do you have a section 403(b) annuity plan for your employees?

Table with 3 columns: Question number, Yes, No. Contains 'X' marks for questions 1, 2a, 2b, 2c, 2d, 2e, 3, and 4.

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
6 A school
7 A hospital or a cooperative hospital service organization
8 A Federal, state, or local government or governmental unit
9 A medical research organization operated in conjunction with a hospital
10 An organization operated for the benefit of a college or university owned or operated by a governmental unit
11a An organization that normally receives a substantial part of its support from a governmental unit or from the general public
11b A community trust
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...
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)

Provide the following information about the supported organizations (See page 5 of the instructions)

Table with 2 columns: (a) Name(s) of supported organization(s), (b) Line number from above. Contains 4 empty rows.

- 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.)	2,526,601.	2,193,090.	2,028,123.	1,998,134.	8,745,948.
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	2,066,995.	5,468,657.	4,043,453.	1,897,862.	13,476,967.
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	12,095.	22,410.	32,378.	35,384.	102,267.
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	59,044.	109,325.	See Statement 13 19,019.	23,802.	211,190.
23 Total of lines 15 through 22	4,664,735.	7,793,482.	6,122,973.	3,955,182.	22,536,372.
24 Line 23 minus line 17	2,597,740.	2,324,825.	2,079,520.	2,057,320.	9,059,405.
25 Enter 1% of line 23	46,647.	77,935.	61,230.	39,552.	
26 Organizations described on lines 10 or 11. a Enter 2% of amount in column (e), line 24					26a 181,188.
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 639,462.
c Total support for section 509(a)(1) test: Enter line 24, column (e)					26c 9,059,405.
d Add: Amounts from column (e) for lines 18 102,267. 19 22 211,190. 26b 639,462.					26d 952,919.
e Public support (line 26c minus line 26d total)					26e 8,106,486.
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					26f 89.4814%
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

Challenger Center for Space Science

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/> <hr/> <hr/>			
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.)		
<hr/> <hr/> <hr/>			
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.)		
<hr/> <hr/> <hr/>			
34 a	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		

Challenger Center for Space Science

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 -			
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	41	
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) 2001	(b) 2000	(c) 1999	(d) 1998	(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 (For reporting only by organizations that did not complete Part VI-A) (See page 12 of the instructions) N/A

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

Form 990	Rental Income	Statement	1
Kind and Location of Property	Activity Number	Gross Rental Income	
Parking Spaces - 1250 N. Pitt St	1	4,976.	
Total to Form 990, Part I, line 6a		4,976.	

Form 990	Other Changes in Net Assets or Fund Balances	Statement	2
Description		Amount	
Change in fair market value of beneficial interest in the trust fund		32,068.	
One time write-off of inventory		<212,566.>	
Total to Form 990, Part I, line 20		<180,498.>	

Form 990	Other Expenses				Statement	3
Description	(A)	(B)	(C)	(D)		
	Total	Program Services	Management and General	Fundraising		
Professional Fees	338,934.	196,164.	142,770.	0.		
Promotion	41,829.	34,380.	5,785.	1,664.		
Design/Production	78,433.	78,433.				
Subawards	21,546.	21,546.				
Meals & Entertainment	26,029.	22,221.	1,840.	1,968.		
Office Expense	50,540.	11,136.	37,637.	1,767.		
Insurance	32,696.	3,510.	29,186.			
Repairs & maintenance	68,995.	10,094.	57,173.	1,728.		
Bad debt	23,442.	23,442.	0.	0.		
Other miscellaneous	143,258.	70,013.	71,460.	1,785.		
Simulator equipment	767,715.	767,715.	0.	0.		
Allocation of overhead	0.	806,975.	<847,780.>	40,805.		
Total to Fm 990, ln 43	1,593,417.	2,045,629.	<501,929.>	49,717.		

Form 990 Depreciation of Assets Not Held for Investment Statement 4

Cost:

Description	Beg. Year	Additions	Disposals	Other	End Year
Furniture & Fixtures	\$ 254,451	\$ 4,880			\$ 259,331
CLC GW-Alex	363,022	302			363,324
Building & Improvements	2,810,613	2,038			2,812,651
Land	1,010,000	-			1,010,000
Equipment	598,423	354,734			953,157
Total	\$5,036,509	\$ 361,954	\$ -		\$ 5,398,463

Accumulated Depreciation:

Description	Beg. Year	Additions	Disposals	Other	End Year
Furniture & Fixtures	\$ 138,040	\$ 39,209			\$ 177,249
CLC GW-Alex	51,364	36,666			88,030
Building & Improvements	187,186	101,499			288,685
Equipment	396,525	87,307		16	483,848
Total	\$ 773,115	\$ 264,681	\$ -	\$ 16	\$ 1,037,812
	\$4,263,394				\$ 4,360,651

Form 990 Other Assets Statement 5

Description	Amount
Deposits	4,989.
Beneficial interest in Trust Fund	15,950,421.
Total to Form 990, Part IV, line 58, Column B	15,955,410.

Form 990 Loans Payable to Officer's, Director's, Etc. Statement 6

<u>Lender's Name and Title</u>	<u>Original Loan Amount</u>
Dr. June Scobee Rodgers	100,000.

<u>Date of Note</u>	<u>Maturity Date</u>	<u>Terms of Repayment</u>	<u>Interest Rate</u>
03/05/01	03/05/03	Pmt in full on maturity date	4.75%

<u>Security Provided by Borrower</u>	<u>Purpose of Loan</u>
	Operating needs

<u>Description of Consideration</u>	<u>FMV of Consideration</u>	<u>Balance Due</u>
	0.	125,000.

<u>Lender's Name and Title</u>	<u>Original Loan Amount</u>
Laurence J. Adams	50,000.

<u>Date of Note</u>	<u>Maturity Date</u>	<u>Terms of Repayment</u>	<u>Interest Rate</u>
05/15/01	05/15/03	Pmt in full on maturity date	4.75%

<u>Security Provided by Borrower</u>	<u>Purpose of Loan</u>
	Operating needs

<u>Description of Consideration</u>	<u>FMV of Consideration</u>	<u>Balance Due</u>
	0.	50,000.

Total to Form 990, Part IV, line 63, Column B		175,000.
---	--	----------

Form 990	Mortgages Payable	Statement 7
<u>Description</u>		<u>Balance Due</u>
Various bondholders		3,176,782.
Total included on Form 990, Part IV, line 64b, Column B		3,176,782.

Form 990	Other Notes and Loans Payable	Statement	8
----------	-------------------------------	-----------	---

<u>Lender's Name</u>	<u>Terms of Repayment</u>
Design & Production	\$15675 per year plus simple interest

<u>Date of Note</u>	<u>Maturity Date</u>	<u>Original Loan Amount</u>	<u>Interest Rate</u>
08/01/01	06/30/05	78,375.	8.00%

<u>Security Provided by Borrower</u>	<u>Purpose of Loan</u>
EdVenture Lab Assets	Design & Fabrication of Edventure Lab Prototype

Relationship of Lender

<u>Description of Consideration</u>	<u>FMV of Consideration</u>	<u>Balance Due</u>
	0.	47,025.
Total included on Form 990, Part IV, line 64, Column B		47,025.

Form 990	Other Revenue Not Included on Form 990	Statement	9
----------	--	-----------	---

<u>Description</u>	<u>Amount</u>
Change in fair value of trust fund	32,068.
Total to Form 990, Part IV-A	32,068.

Form 990	Other Expenses Not Included on Form 990	Statement	10
----------	---	-----------	----

<u>Description</u>	<u>Amount</u>
Write-down of inventory value	212,566.
Total to Form 990, Part IV-B	212,566.

Form 990

Part V - List of Officers, Directors,
Trustees and Key Employees

Statement 11

Name and Address	Title and Avrg Hrs/Wk	Compen- sation	Employee Ben Plan Contrib	Expense Account
Mr. Vance Ablott Note 1	President 50	124,917.	564.	0.
Ms. Lynn Heron Note 1	Exec.VP Oper. 50	100,076.	968.	0.
Dr. Joseph P. Allen Note 1	Chairman 5	0.	0.	0.
Mr. Charles Walker Note 1	Secretary 5	0.	0.	0.
Dr. Wanda M. Austin Note 1	Board member 2	0.	0.	0.
Mr. Charles S. Resnik, M.D. Note 1	Vice Chairman 2	0.	0.	0.
Dr. Frederick M. Bernthal Note 1	Board member 2	0.	0.	0.
Dr. Edward B. Fort Note 1	Board member 2	0.	0.	0.
Dr. Paul Koehler Note 1	Board member 2	0.	0.	0.
Ms. Marcia G. Jarvis Note 1	Board member 2	0.	0.	0.
Mr. Dennis R. Boxx Note 1	Board member 2	0.	0.	0.

The Honorable Steven J. McAuliffe Note 1	Board member 2	0.	0.	0.
Ms. Cheryl M. McNair Note 1	Board member 2	0.	0.	0.
Ms. Lorna L. Onizuka Note 1	Board member 2	0.	0.	0.
Dr. June Scobee Rodgers Note 1	Treasurer 5	0.	0.	0.
Dr. Alan B. Salisbury Note 1	Board member 2	0.	0.	0.
Mr. H. Russell Griffith Note 1	Board member 2	0.	0.	0.
Mr. E.G. Kendrick, Jr. Note 1	Board member 2	0.	0.	0.
Mr. Ricardo Morado Note 1	Board member 2	0.	0.	0.
Ms. Marcia Smith Note 1	Board member 2	0.	0.	0.
Ms. Deborah J. de la Reguera Note 1	Board member 2	0.	0.	0.
Mr. Jeff Goldstein Note 1	VP - SSR 40	87,998.	826.	0.
Mr. Howard Wahlberg Note 1	VP - Mktng 40	75,000.	675.	0.
Note 1 - All officers and board members can be reached through Challenger Center		0.	0.	0.
Totals Included on Form 990, Part V		<u>387,991.</u>	<u>3,033.</u>	<u>0.</u>

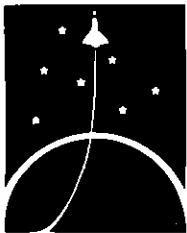
Form 990

Part VI - Other Information

Statement 11A

States with which a copy of this return is filed:

Alabama	Iowa	Missouri	Pennsylvania
Alaska	Kansas	New Hampshire	Rhode Island
Arizona	Kentucky	New Jersey	South Carolina
Arkansas	Louisiana	New Mexico	Tennessee
California	Maine	New York	Utah
Connecticut	Maryland	North Carolina	Vermont
Georgia	Massachusetts	North Dakota	Virginia
Hawaii	Michigan	Ohio	Washington
Florida	Minnesota	Oklahoma	West Virginia
Illinois	Mississippi	Oregon	Wisconsin



Challenger
C E N T E R

To Whom it May Concern

Due to extenuating circumstances, the due date of February 18, 2003 was not met. The Federal Government in the DC Metropolitan area was closed and roads were impassable for most people. Our offices as well as most offices in the area were closed. No-one was able to get into the office to mail the return or the extension. If you should have any questions, please call me at 703-683-9740. I hope that you will be understanding and not impose fines due to the inclement weather.

Sincerely,

Sandra Bishop
Accounting Manager