

Form **990**

# 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)

OMB No 1545-0047

# 2002

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 2002 calendar year, or tax year period beginning **JUL 1, 2002** and ending **JUN 30, 2003**

|  |   |  |  |  |
|--|---|--|--|--|
| <b>B</b> Check if applicable<br><input type="checkbox"/> Address change<br><input type="checkbox"/> Name change<br><input type="checkbox"/> Initial return<br><input type="checkbox"/> Final return<br><input type="checkbox"/> Amended return<br><input type="checkbox"/> Application pending | Please use IRS label or print or type See Specific Instructions | <b>C</b> Name of organization<br><b>ISLAND INSTITUTE</b>   |  | <b>D</b> Employer identification number<br><b>22-2786731</b>   |
|  |   | Number and street (or P O box if mail is not delivered to street address) Room/suite<br><b>386 MAIN STREET, PO BOX 648</b> |  | <b>E</b> Telephone number<br><b>207-594-9209</b>   |
|  |   | City or town, state or country, and ZIP + 4<br><b>ROCKLAND, ME 04841</b>   |  | <b>F</b> Accounting method <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual<br><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

I Enter 4-digit GEN ▶

**G** Web site: ▶ **WWW.ISLANDINSTITUTE.ORG**

**J** Organization type (check only one) ▶  501(c)(3) (insert no)  4947(a)(1) or  527

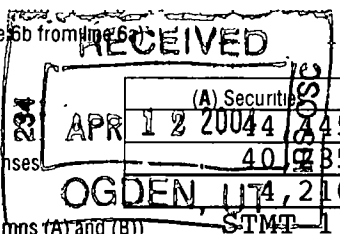
Check here  if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS, but if the organization received a Form 990 Package on the mail, it should file a return without financial data. Some states require a complete return

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

**Gross receipts** Add lines 6b, 8b, 9b, and 10b to line 12 ▶ **6,086,366.**

## 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       | 5,483,024. |            |  |
|            | b   | Indirect public support  | 1b       |            |            |  |
|            | c   | Government contributions (grants)  | 1c       |            |            |  |
|            | d   | Total (add lines 1a through 1c) (cash \$ <u>5,413,975.</u> noncash \$ <u>69,049.</u> )             | 1d       |            | 5,483,024. |  |
|            | 2   | Program service revenue including government fees and contracts (from Part VII, line 93)           | 2        |            | 147,405.   |  |
|            | 3   | Membership dues and assessments  | 3        |            | 62,365.    |  |
|            | 4   | Interest on savings and temporary cash investments   | 4        |            | 6,257.     |  |
|            | 5   | Dividends and interest from securities   | 5        |            | 13,934.    |  |
|            | 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   | 8a       | 3,115.     |            |  |
|            | b   | Less cost or other basis and sales expenses  | 8b       | 1,539.     |            |  |
|            | c   | Gain or (loss) (attach schedule)   | 8c       | 1,576.     |            |  |
|            | d   | Net gain or (loss) (combine line 8c, columns (A) and (B))  | 8d       |            | 5,786.     |  |
| 9          | 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  | 309,270. |            |            |  |
|            | b   | Less cost of goods sold  | 10b      | 163,892.   |            |  |
|            | c   | Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a) | 10c      |            | 145,378.   |  |
| 11         | Other revenue (from Part VII, line 103)                                     | 11   |          | 16,551.    |            |  |
| 12         | <b>Total revenue</b> (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11) | 12   |          | 5,880,700. |            |  |
| Expenses   | 13  | Program services (from line 44, column (B))  | 13       |            | 1,669,686. |  |
|            | 14  | Management and general (from line 44, column (C))  | 14       |            | 423,669.   |  |
|            | 15  | Fundraising (from line 44, column (D))   | 15       |            | 720,213.   |  |
|            | 16  | Payments to affiliates (attach schedule)   | 16       |            |            |  |
|            | 17  | <b>Total expenses</b> (add lines 16 and 44, column (A))  | 17       |            | 2,813,568. |  |
| 18         | Excess or (deficit) for the year (subtract line 17 from line 12)            | 18   |          | 3,067,132. |            |  |
| Net Assets | 19  | Net assets or fund balances at beginning of year (from line 73, column (A))                        | 19       |            | 6,259,718. |  |
|            | 20  | Other changes in net assets or fund balances (attach explanation) <b>SEE STATEMENT 4</b>           | 20       |            | 130,612.   |  |
|            | 21  | Net assets or fund balances at end of year (combine lines 18, 19, and 20)                          | 21       |            | 9,457,462. |  |



ENVELOPE - POSTMARK DATE  
REVENUE  
SCANNED APR 21 2004

223001 01-22-03

LHA For Paperwork Reduction Act Notice, see the separate instructions.

Form 990 (2002)

NE 913-14

| 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)  | 74,938.   | 74,938.              |                            |                   |          |
| 24  | Benefits paid to or for members (attach schedule)   | 24        |                      |                            |                   |          |
| 25  | Compensation of officers, directors, etc  | 440,193.  | 232,772.             | 48,450.                    | 158,971.          |          |
| 26  | Other salaries and wages  | 722,390.  | 404,279.             | 183,483.                   | 134,628.          |          |
| 27  | Pension plan contributions  | 30,354.   | 15,581.              | 7,144.                     | 7,629.            |          |
| 28  | Other employee benefits   | 82,175.   | 45,245.              | 16,049.                    | 20,881.           |          |
| 29  | Payroll taxes   | 87,159.   | 47,990.              | 17,022.                    | 22,147.           |          |
| 30  | Professional fundraising fees   | 30        |                      |                            |                   |          |
| 31  | Accounting fees   | 11,444.   |                      | 11,444.                    |                   |          |
| 32  | Legal fees  | 32        |                      |                            |                   |          |
| 33  | Supplies  | 30,266.   | 8,484.               | 13,396.                    | 8,386.            |          |
| 34  | Telephone   | 19,562.   | 6,909.               | 10,925.                    | 1,728.            |          |
| 35  | Postage and shipping  | 19,988.   | 2,321.               | 7,287.                     | 10,380.           |          |
| 36  | Occupancy   | 30,219.   |                      | 30,219.                    |                   |          |
| 37  | Equipment rental and maintenance  | 20,348.   | 521.                 | 19,827.                    |                   |          |
| 38  | Printing and publications   | 189,625.  | 175,054.             | 8,493.                     | 6,078.            |          |
| 39  | Travel  | 34,910.   | 25,686.              | 5,294.                     | 3,930.            |          |
| 40  | Conferences, conventions, and meetings  | 9,344.    | 9,221.               | 33.                        | 90.               |          |
| 41  | Interest  | 9,500.    |                      | 9,500.                     |                   |          |
| 42  | Depreciation, depletion, etc (attach schedule)  | 136,132.  | 80,980.              | 40,489.                    | 14,663.           |          |
| 43  | Other expenses not covered above (itemize)  |           |                      |                            |                   |          |
| a   | _____   | 43a       |                      |                            |                   |          |
| b   | _____   | 43b       |                      |                            |                   |          |
| c   | _____   | 43c       |                      |                            |                   |          |
| d   | _____   | 43d       |                      |                            |                   |          |
| e   | SEE STATEMENT 5   | 43e       | 865,021.             | 539,705.                   | <5,386.> 330,702. |          |
| 44  | Total functional expenses (add lines 22 through 43) Organizations completing columns (B)-(D), carry these totals to lines 13-15 | 44        | 2,813,568.           | 1,669,686.                 | 423,669.          | 720,213. |

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 6**

| 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) |   | Program Service Expenses<br>(Required for 501(c)(3) and (4) orgs. and 4947(a)(1) trusts, but optional for others) |
|---|---|---|
| a   | <b>COMMUNITY INITIATIVES: ISLAND SCHOOL CONFERENCES, GRANTS, FELLOWSHIPS, SCHOLARSHIPS, AFFORDABLE HOUSING, AND COMMUNITY AND ECONOMIC DEVELOPMENT</b><br>(Grants and allocations \$ 74,938.) | 847,235.  |
| b   | <b>ECOLOGICAL SERVICES AND MARINE SCIENCES: AQUACULTURE MODELING FISHERIES ECOSYSTEM MANAGEMENT MODELING, AND FIELD RESEARCH</b><br>(Grants and allocations \$ _____)                         | 329,484.  |
| c   | <b>INFORMATION: ISLAND JOURNAL, MONTHLY NEWSPAPER, TECHNICAL BULLETINS, EDUCATIONAL AND HISTORICAL PUBLICATIONS, AND GEOGRAPHIC INFORMATION SYSTEMS</b><br>(Grants and allocations \$ _____)  | 492,967.  |
| d   | _____<br>(Grants and allocations \$ _____)  |   |
| e   | Other program services (attach schedule)<br>(Grants and allocations \$ _____)   |   |
| f   | <b>Total of Program Service Expenses (should equal line 44, column (B), Program services)</b>   | <b>1,669,686.</b>   |

**Part IV Balance Sheets**

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only

|  |   | (A)<br>Beginning of year |                | (B)<br>End of year |
|--|---|--------------------------|----------------|--------------------|
| Assets   | 45 Cash - non-interest-bearing  | 24,265.                  | 45             | 51,493.            |
|  | 46 Savings and temporary cash investments   | 532,648.                 | 46             | 220,612.           |
|  | 47 a Accounts receivable  | 47a 69,908.              |                |                    |
|  | b Less allowance for doubtful accounts  | 47b 4,595.               | 72,552.        | 47c 65,313.        |
|  | 48 a Pledges receivable   | 48a 2,461,126.           |                |                    |
|  | b Less allowance for doubtful accounts  | 48b 259,993.             | 1,079,884.     | 48c 2,201,133.     |
|  | 49 Grants receivable  |                          | 49             |                    |
|  | 50 Receivables from officers, directors, trustees, and key employees  |                          | 50             |                    |
|  | 51 a Other notes and loans receivable   | 51a 15,528.              |                |                    |
|  | b Less allowance for doubtful accounts  | 51b 10,000.              | 36,396.        | 51c 5,528.         |
|  | 52 Inventories for sale or use  |                          | 179,165.       | 52 186,776.        |
|  | 53 Prepaid expenses and deferred charges  |                          | 30,827.        | 53 36,668.         |
|  | 54 Investments - securities STMT 7 <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV                                |                          | 716,758.       | 54 1,958,334.      |
|  | 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 4,586,758.  |                          |                |                    |
| b Less accumulated depreciation  | 57b 812,707.  | 3,867,516.               | 57c 3,774,051. |                    |
| 58 Other assets (describe <input type="checkbox"/> SEE STATEMENT 8 )   |   | 20,425.                  | 58 1,236,510.  |                    |
| <b>59 Total assets (add lines 45 through 58) (must equal line 74)</b>  |   | <b>6,560,436.</b>        | <b>59</b>      | <b>9,736,418.</b>  |
| Liabilities  | 60 Accounts payable and accrued expenses  | 199,349.                 | 60             | 180,968.           |
|  | 61 Grants payable   | 27,463.                  | 61             | 31,750.            |
|  | 62 Deferred revenue   | 320.                     | 62             | 2,446.             |
|  | 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 9 )   |                          | 73,586.        | 65                 |
| <b>66 Total liabilities (add lines 60 through 65)</b>  |   | <b>300,718.</b>          | <b>66</b>      | <b>278,956.</b>    |
| 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   | 2,879,626.               | 67             | 2,906,048.         |
|  | 68 Temporarily restricted   | 1,182,125.               | 68             | 3,061,225.         |
|  | 69 Permanently restricted   | 2,197,967.               | 69             | 3,490,189.         |
|  | 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             |                    |
| <b>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)</b> |   | <b>6,259,718.</b>        | <b>73</b>      | <b>9,457,462.</b>  |
| <b>74 Total liabilities and net assets / fund balances (add lines 66 and 73)</b>   |   | <b>6,560,436.</b>        | <b>74</b>      | <b>9,736,418.</b>  |

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

76 Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity
77 Were any changes made in the organizing or governing documents but not reported to the IRS?
78 a Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?
78 b If "Yes," has it filed a tax return on Form 990-T for this year?
79 Was there a liquidation, dissolution, termination, or substantial contraction during the year?
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?
80 b If "Yes," enter the name of the organization and check whether it is exempt or nonexempt
81 a Enter direct or indirect political expenditures See line 81 instructions
81 b Did the organization file Form 1120-POL for this year?
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?
82 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)
83 a Did the organization comply with the public inspection requirements for returns and exemption applications?
83 b Did the organization comply with the disclosure requirements relating to quid pro quo contributions?
84 a Did the organization solicit any contributions or gifts that were not tax deductible?
84 b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?
85 501(c)(4), (5), or (6) organizations a Were substantially all dues nondeductible by members?
85 b Did the organization make only in-house lobbying expenditures of \$2,000 or less?
85 c Dues, assessments, and similar amounts from members
85 d Section 162(e) lobbying and political expenditures
85 e Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices
85 f Taxable amount of lobbying and political expenditures (line 85d less 85e)
85 g Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?
85 h If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?
86 501(c)(7) organizations. Enter a Initiation fees and capital contributions included on line 12
86 b Gross receipts, included on line 12, for public use of club facilities
87 501(c)(12) organizations Enter a Gross income from members or shareholders
87 b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)
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?
89 a 501(c)(3) organizations. Enter Amount of tax imposed on the organization during the year under section 4911, section 4912, section 4955
89 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?
89 c Enter Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958
89 d Enter Amount of tax on line 89c, above, reimbursed by the organization
90 a List the states with which a copy of this return is filed
90 b Number of employees employed in the pay period that includes March 12, 2002
91 The books are in care of Telephone no

Located at 386 MAIN STREET, PO BOX 648, ROCKLAND, ME ZIP + 4 04841

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

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

Note: Enter gross amounts unless otherwise indicated.

|   | Unrelated business income |               | Excluded by section 512, 513, or 514 |               | (E)<br>Related or exempt<br>function income |
|---|---------------------------|---------------|--------------------------------------|---------------|---|
|   | (A)<br>Business<br>code   | (B)<br>Amount | (C)<br>Exclu-<br>sion<br>code        | (D)<br>Amount |   |
| 93 Program service revenue                                      |                           |               |                                      |               |   |
| a <b>INFORMATION</b>  | 541800                    | 59,506.       |                                      |               | 40,809.                                     |
| b <b>SPONSORSHIPS</b>   |                           |               |                                      |               | 14,650.                                     |
| c <b>MARINE RESOURCES</b>                                       |                           |               |                                      |               | 32,440.                                     |
| d _____   |                           |               |                                      |               |   |
| e _____   |                           |               |                                      |               |   |
| f Medicare/Medicaid payments                                    |                           |               |                                      |               |   |
| g Fees and contracts from government agencies                   |                           |               |                                      |               |   |
| 94 Membership dues and assessments                              |                           |               |                                      |               | 62,365.                                     |
| 95 Interest on savings and temporary cash investments           |                           |               | 14                                   | 6,257.        |   |
| 96 Dividends and interest from securities                       |                           |               | 14                                   | 13,934.       |   |
| 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<br>other than inventory |                           |               | 18                                   | 5,786.        |   |
| 101 Net income or (loss) from special events                    |                           |               |                                      |               |   |
| 102 Gross profit or (loss) from sales of inventory              |                           |               |                                      |               | 145,378.                                    |
| 103 Other revenue   |                           |               |                                      |               |   |
| a <b>OTHER REVENUE -- RELATED</b>                               |                           |               | 01                                   | 16,551.       |   |
| b _____   |                           |               |                                      |               |   |
| c _____   |                           |               |                                      |               |   |
| d _____   |                           |               |                                      |               |   |
| e _____   |                           |               |                                      |               |   |
| 104 Subtotal (add columns (B), (D), and (E))                    |                           | 59,506.       |                                      | 42,528.       | 295,642.                                    |
| 105 Total (add line 104, columns (B), (D), and (E))             |                           |               |                                      |               | 397,676.                                    |

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) |
|----------|--|
| ▼        | SEE STATEMENT 13   |
|          |  |
|          |  |

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

| (A)<br>Name, address, and EIN of corporation,<br>partnership, or disregarded entity | (B)<br>Percentage of<br>ownership interest | (C)<br>Nature of activities | (D)<br>Total income | (E)<br>End-of-year<br>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)

accompanying schedules and statements, and to the best of my knowledge and belief, it is true,  
 all information of which preparer has any knowledge  
 Date 3/23/04 Type or print name and title Philip Conkling, President  
 Date    Check if    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

**2002**

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 **ISLAND INSTITUTE** Employer identification number **22 2786731**

**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                   |                  |

| <b>Part III</b> Statements About Activities (See page 2 of the instructions )  | Yes | No |
|--|-----|----|
| <b>1</b> During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ► \$ _____ \$ _____ (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B )<br>Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A Other organizations checking "Yes," must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities | 1   | X  |
| <b>2</b> 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.) <b>SEE STATEMENT 14</b>  |     |    |
| <b>a</b> Sale, exchange, or leasing of property?   | 2a  | X  |
| <b>b</b> Lending of money or other extension of credit?  | 2b  | X  |
| <b>c</b> Furnishing of goods, services, or facilities?   | 2c  | X  |
| <b>d</b> Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?   | 2d  | X  |
| <b>e</b> Transfer of any part of its income or assets?   | 2e  | X  |
| <b>3</b> Does the organization make grants for scholarships, fellowships, student loans, etc ? (See Note below )   | 3   | X  |
| <b>4</b> Do you have a section 403(b) annuity plan for your employees?   | 4   | X  |
| <b>Note:</b> Attach a statement to explain how the organization determines that individuals or organizations receiving grants or loans from it in furtherance of its charitable programs "qualify" to receive payments <b>SEE STATEMENT 15</b>   |     |    |

**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.)  | 2,682,118. | 3,116,360. | 3,883,995.                 | 1,850,172. | 11,532,645.     |
| 16 Membership fees received   | 60,451.    | 62,343.    | 58,699.                    | 106,679.   | 288,172.        |
| 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  | 562,302.   | 657,749.   | 434,650.                   | 826,517.   | 2,481,218.      |
| 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   | 33,748.    | 36,153.    | 40,987.                    | 51,432.    | 162,320.        |
| 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.  | 525.       |            | SEE STATEMENT 16<br>1,843. | 181.       | 2,549.          |
| 23 Total of lines 15 through 22   | 3,339,144. | 3,872,605. | 4,420,174.                 | 2,834,981. | 14,466,904.     |
| 24 Line 23 minus line 17  | 2,776,842. | 3,214,856. | 3,985,524.                 | 2,008,464. | 11,985,686.     |
| 25 Enter 1% of line 23  | 33,391.    | 38,726.    | 44,202.                    | 28,350.    |                 |
| 26 Organizations described on lines 10 or 11. a Enter 2% of amount in column (e), line 24   |            |            |                            |            | 26a 239,714.    |
| 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 2,922,040.  |
| c Total support for section 509(a)(1) test. Enter line 24, column (e)   |            |            |                            |            | 26c 11,985,686. |
| d Add: Amounts from column (e) for lines 18 162,320. 19 19 22 2,549. 26b 2,922,040.   |            |            |                            |            | 26d 3,086,909.  |
| e Public support (line 26c minus line 26d total)  |            |            |                            |            | 26e 8,898,777.  |
| f Public support percentage (line 26e (numerator) divided by line 26c (denominator))  |            |            |                            |            | 26f 74.2450%    |
| 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 15 16 17 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   | 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?<br>If "Yes," please describe, if "No," please explain (If you need more space, attach a separate statement ) |     |    |
| <hr/> |  |     |    |
| <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?<br>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?<br>If you answered "Yes" to any of the above, please explain (If you need more space, attach a separate statement )  | 33h |    |
| <hr/> |  |     |    |
| <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?<br>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<br>(The term "expenditures" means amounts paid or incurred ) |   | (a)<br>Affiliated group<br>totals    | (b)<br>To be completed for ALL<br>electing organizations |                    |                              |   |   |   |   |  |  |                   |             |  |  |
|--|---|--------------------------------------|--|--------------------|------------------------------|---|---|---|---|--|--|-------------------|-------------|--|--|
|  |   | N/A                                  |  |                    |                              |   |   |   |   |  |  |                   |             |  |  |
| 36   | Total lobbying expenditures to influence public opinion (grassroots lobbying)   |                                      |  |                    |                              |   |   |   |   |  |  |                   |             |  |  |
| 37   | Total lobbying expenditures to influence a legislative body (direct lobbying)   |                                      |  |                    |                              |   |   |   |   |  |  |                   |             |  |  |
| 38   | Total lobbying expenditures (add lines 36 and 37)   |                                      |  |                    |                              |   |   |   |   |  |  |                   |             |  |  |
| 39   | Other exempt purpose expenditures   |                                      |  |                    |                              |   |   |   |   |  |  |                   |             |  |  |
| 40   | Total exempt purpose expenditures (add lines 38 and 39)   |                                      |  |                    |                              |   |   |   |   |  |  |                   |             |  |  |
| 41   | Lobbying nontaxable amount Enter the amount from the following table -  |                                      |  |                    |                              |   |   |   |   |  |  |                   |             |  |  |
|  | <table border="0"> <tr> <td><b>If the amount on line 40 is -</b></td> <td><b>The lobbying nontaxable amount is -</b></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> | <b>If the amount on line 40 is -</b> | <b>The lobbying nontaxable amount is -</b>               | 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 |  |  |
| <b>If the amount on line 40 is -</b>   | <b>The lobbying nontaxable amount is -</b>  |                                      |  |                    |                              |   |   |   |   |  |  |                   |             |  |  |
| 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)   |                                      |  |                    |                              |   |   |   |   |  |  |                   |             |  |  |
| 43   | Subtract line 42 from line 36 Enter -0- if line 42 is more than line 36   |                                      |  |                    |                              |   |   |   |   |  |  |                   |             |  |  |
| 44   | Subtract line 41 from line 38 Enter -0- if line 41 is more than line 38   |                                      |  |                    |                              |   |   |   |   |  |  |                   |             |  |  |

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)<br>2002  | (b)<br>2001 | (c)<br>2000 | (d)<br>1999 | (e)<br>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 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   |     | X  |        |
| b Paid staff or management (Include compensation in expenses reported on lines c through h.)   |     | X  |        |
| c Media advertisements   |     | X  |        |
| d Mailings to members, legislators, or the public  |     | X  |        |
| e Publications, or published or broadcast statements   |     | X  |        |
| f Grants to other organizations for lobbying purposes  |     | X  |        |
| g Direct contact with legislators, their staffs, government officials, or a legislative body   |     | X  |        |
| h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means   |     | X  |        |
| 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 GAIN (LOSS) FROM PUBLICLY TRADED SECURITIES STATEMENT 1

| DESCRIPTION                 | GROSS SALES PRICE | COST OR OTHER BASIS | EXPENSE OF SALE | NET GAIN OR (LOSS) |
|-----------------------------|-------------------|---------------------|-----------------|--------------------|
| VARIOUS SECURITIES          | 44,445.           | 40,235.             | 0.              | 4,210.             |
| TO FORM 990, PART I, LINE 8 | 44,445.           | 40,235.             | 0.              | 4,210.             |

FORM 990

GAIN (LOSS) FROM SALE OF OTHER ASSETS

STATEMENT 2

| <u>DESCRIPTION</u>      | <u>DATE ACQUIRED</u>     | <u>DATE SOLD</u>           | <u>METHOD ACQUIRED</u> |               |                           |
|-------------------------|--------------------------|----------------------------|------------------------|---------------|---------------------------|
| VARIOUS                 | VARIOUS                  | VARIOUS                    | PURCHASED              |               |                           |
| <u>NAME OF BUYER</u>    | <u>GROSS SALES PRICE</u> | <u>COST OR OTHER BASIS</u> | <u>EXPENSE OF SALE</u> | <u>DEPREC</u> | <u>NET GAIN OR (LOSS)</u> |
|                         | 3,115.                   | 7,014.                     | 0.                     | 5,475.        | 1,576.                    |
| TO FM 990, PART I, LN 8 | 3,115.                   | 7,014.                     | 0.                     | 5,475.        | 1,576.                    |

FORM 990

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

STATEMENT 3

INCOME

|  |         |         |
|--|---------|---------|
| 1. GROSS RECEIPTS . . . . .                    | 309,270 |         |
| 2. RETURNS AND ALLOWANCES . . . . .            |         |         |
| 3. LINE 1 LESS LINE 2 . . . . .                |         | 309,270 |
| 4. COST OF GOODS SOLD (LINE 13) . . . . .      | 163,892 |         |
| 5. GROSS PROFIT (LINE 3 LESS LINE 4) . . . . . |         | 145,378 |

COST OF GOODS SOLD

|   |         |         |
|---|---------|---------|
| 6. INVENTORY AT BEGINNING OF YEAR . . . . .       | 41,466  |         |
| 7. MERCHANDISE PURCHASED . . . . .                | 173,746 |         |
| 8. COST OF LABOR . . . . .                        |         |         |
| 9. MATERIALS AND SUPPLIES . . . . .               |         |         |
| 10. OTHER COSTS . . . . .                         |         |         |
| 11. ADD LINES 6 THROUGH 10 . . . . .              |         | 215,212 |
| 12. INVENTORY AT END OF YEAR . . . . .            | 51,320  |         |
| 13. COST OF GOODS SOLD (LINE 11 LESS LINE 12) . . |         | 163,892 |

| FORM 990   | OTHER CHANGES IN NET ASSETS OR FUND BALANCES | STATEMENT | 4 |
|--|--|-----------|---|
| DESCRIPTION                                      |  | AMOUNT    |   |
| UNREALIZED GAIN ON INVESTMENTS                   |  | 3,628.    |   |
| CHANGE IN BENEFICIAL INTEREST IN PERPETUAL TRUST |  | 126,984.  |   |
| TOTAL TO FORM 990, PART I, LINE 20               |  | 130,612.  |   |

| FORM 990               | OTHER EXPENSES |                            |                                  | STATEMENT          | 5 |
|------------------------|----------------|----------------------------|----------------------------------|--------------------|---|
| DESCRIPTION            | (A)<br>TOTAL   | (B)<br>PROGRAM<br>SERVICES | (C)<br>MANAGEMENT<br>AND GENERAL | (D)<br>FUNDRAISING |   |
| OTHER EXPENSES -       |                |                            |                                  |                    |   |
| PROGRAMS               | 114,237.       | 114,237.                   |                                  |                    |   |
| FELLOWSHIP STIPENDS    | 160,775.       | 160,775.                   |                                  |                    |   |
| FELLOWSHIP - PROF      |                |                            |                                  |                    |   |
| DEVELOP                | 10,400.        | 10,400.                    |                                  |                    |   |
| FELLOWSHIP - ROOM &    |                |                            |                                  |                    |   |
| BOARD                  | 67,824.        | 67,824.                    |                                  |                    |   |
| FELLOWSHIP             |                |                            |                                  |                    |   |
| HEALTH/LIFE            |                |                            |                                  |                    |   |
| INSURANCE              | 30,679.        | 30,679.                    |                                  |                    |   |
| FELLOWSHIP MEALS &     |                |                            |                                  |                    |   |
| ENTERTAINMENT          | 1,053.         | 1,053.                     |                                  |                    |   |
| FELLOWSHIP MISC        |                |                            |                                  |                    |   |
| EXPENSES               | 1,966.         | 1,966.                     |                                  |                    |   |
| GIFTS                  | 817.           | 817.                       |                                  |                    |   |
| STAFF RECRUITMENT      | 212.           | 89.                        |                                  | 123.               |   |
| STAFF DEVELOPMENT      | 10,533.        | 1,102.                     | 9,391.                           | 40.                |   |
| DUES & SUBS            | 2,127.         | 1,547.                     |                                  | 580.               |   |
| BOATS/BOAT CHARTERS    | 54,248.        | 54,248.                    |                                  |                    |   |
| CONSULTING             | 16,308.        | 9,478.                     | 6,830.                           |                    |   |
| SUBCONTRACTS           | 4,261.         | 4,261.                     |                                  |                    |   |
| BAD DEBTS              | 29,993.        | 19,479.                    | 10,514.                          |                    |   |
| MISC EXPENSES          | 15,164.        | 6,667.                     | 7,218.                           | 1,279.             |   |
| OTHER EXPENSES -       |                |                            |                                  |                    |   |
| MANAGEMENT             | 9,941.         |                            | 9,941.                           |                    |   |
| DIRECT PROJECT         |                |                            |                                  |                    |   |
| EXPENSES               | 8,640.         |                            |                                  | 8,640.             |   |
| OVERHEAD ALLOCATION    | <9,090.>       | 55,083.                    | <81,709.>                        | 17,536.            |   |
| RAFFLE                 | 5,978.         |                            | 2,772.                           | 3,206.             |   |
| TAXES AND INSURANCE    | 29,028.        |                            | 29,028.                          |                    |   |
| MIS                    | 629.           |                            | 629.                             |                    |   |
| MARKETING              | 71,625.        |                            |                                  | 71,625.            |   |
| CAPITAL CAMPAIGN       |                |                            |                                  |                    |   |
| EXPENSES               | 227,673.       |                            |                                  | 227,673.           |   |
| TOTAL TO FM 990, LN 43 | 865,021.       | 539,705.                   | <5,386.>                         | 330,702.           |   |

FORM 990 STATEMENT OF ORGANIZATION'S PRIMARY EXEMPT PURPOSE STATEMENT 6  
PART III

EXPLANATION

VOICE FOR THE BALANCED FUTURE OF THE ISLANDS AND  
WATERS OF THE GULF OF MAINE

FORM 990 NON-GOVERNMENT SECURITIES STATEMENT 7

| SECURITY DESCRIPTION  | CORPORATE STOCKS | CORPORATE BONDS | OTHER PUBLICLY TRADED SECURITIES | OTHER SECURITIES | TOTAL NON-GOV'T SECURITIES |
|-----------------------|------------------|-----------------|----------------------------------|------------------|----------------------------|
| CORPORATE STOCKS      | 456,588.         |                 |                                  |                  | 456,588.                   |
| BONDS                 |                  | 25,758.         |                                  |                  | 25,758.                    |
| MONEY MARKET FUNDS/CD |                  |                 |                                  | 1,421,104.       | 1,421,104.                 |
| MUTUAL FUNDS          |                  |                 | 54,884.                          |                  | 54,884.                    |
| TO 990, LN 54 COL B   | 456,588.         | 25,758.         | 54,884.                          | 1,421,104.       | 1,958,334.                 |

FORM 990 OTHER ASSETS STATEMENT 8

| DESCRIPTION                                   | AMOUNT     |
|---|------------|
| ASSETS HELD FOR SALE                          | 109,525.   |
| BENEFICIAL INTEREST IN PERPETUAL TRUST        | 1,126,985. |
| TOTAL TO FORM 990, PART IV, LINE 58, COLUMN B | 1,236,510. |

FORM 990 OTHER LIABILITIES STATEMENT 9

| DESCRIPTION                                   | AMOUNT  |
|---|---------|
| ANNUITY OBLIGATIONS                           | 23,702. |
| DEFERRED COMPENSATION                         | 10,090. |
| LOAN GUARANTEE PAYABLE                        | 30,000. |
| TOTAL TO FORM 990, PART IV, LINE 65, COLUMN B | 63,792. |

| FORM 990                     | OTHER REVENUE NOT INCLUDED ON FORM 990 | STATEMENT | 10 |
|------------------------------|--|-----------|----|
| DESCRIPTION                  |  | AMOUNT    |    |
| COST OF GOODS SOLD           |  | 163,892.  |    |
| TOTAL TO FORM 990, PART IV-A |  | 163,892.  |    |

| FORM 990                     | OTHER EXPENSES NOT INCLUDED ON FORM 990 | STATEMENT | 11 |
|------------------------------|---|-----------|----|
| DESCRIPTION                  |   | AMOUNT    |    |
| COST OF GOODS SOLD           |   | 163,892.  |    |
| ROUNDING                     |   | 1.        |    |
| TOTAL TO FORM 990, PART IV-B |   | 163,893.  |    |

| FORM 990 | PART V - LIST OF OFFICERS, DIRECTORS,<br>TRUSTEES AND KEY EMPLOYEES | STATEMENT | 12 |
|----------|---|-----------|----|
|----------|---|-----------|----|

| NAME AND ADDRESS                              | TITLE AND<br>AVRG HRS/WK | COMPEN-<br>SATION | EMPLOYEE<br>BEN PLAN CONTRIB | EXPENSE<br>ACCOUNT |
|---|--------------------------|-------------------|------------------------------|--------------------|
| PHILIP CONKLING<br>CAMDEN, ME 04843           | PRESIDENT<br>40          | 114,104.          | 3,269.                       | 0.                 |
| PETER RALSTON<br>ROCKPORT, ME 04856           | EXECUTIVE VP<br>40       | 102,272.          | 2,945.                       | 0.                 |
| HORACE A. HILDRETH, JR.<br>FALMOUTH, ME 04105 | CHAIRMAN<br>0            | 0.                | 0.                           | 0.                 |
| DONNA DAMON<br>CHEBEAGUE ISLAND, ME 04017     | SECRETARY<br>0           | 0.                | 0.                           | 0.                 |
| JOHN BIRD<br>SPRUCE HEAD, ME 04859            | TRUSTEE<br>0             | 0.                | 0.                           | 0.                 |

|   |                                  |          |        |    |
|---|----------------------------------|----------|--------|----|
| SAMUEL PARKMAN SHAW<br>BROOKLINE, MA 02446        | TRUSTEE<br>0                     | 0.       | 0.     | 0. |
| WILLIAM J. GINN<br>POWNA, ME 04069                | TRUSTEE<br>0                     | 0.       | 0.     | 0. |
| ERIC DAVIS<br>VINALHAVEN, ME 04863                | TRUSTEE<br>0                     | 0.       | 0.     | 0. |
| JOHN HIGGINS<br>PORTLAND, ME 04101                | TREASURER<br>0                   | 0.       | 0.     | 0. |
| ELDON C. MAYER, JR.<br>CHEBEAGUE ISLAND, ME 04017 | TRUSTEE<br>0                     | 0.       | 0.     | 0. |
| LOUIS W. CABOT<br>CAMBRIDGE, MA 02138             | TRUSTEE<br>0                     | 0.       | 0.     | 0. |
| ROBERT E. CANDAGE<br>VINALHAVEN, ME 04863         | TRUSTEE<br>0                     | 0.       | 0.     | 0. |
| JOSEE SHELLEY<br>OWLS HEAD, ME 04854              | VP FINANCE & OPERATIONS<br>40    | 102,596. | 5,938. | 0. |
| SANDRA THOMAS<br>BREMEN, ME 04551                 | FELLOWSHIP COORD/VP PRGRMS<br>40 | 59,419.  | 1,762. | 0. |
| DAVID PLATT<br>YARMOUTH, ME 04095                 | INFORMATION DIRECTOR<br>40       | 61,802.  | 1,573. | 0. |
| MICHAEL BOYD<br>PORTLAND, ME 04101                | CLERK<br>0                       | 0.       | 0.     | 0. |
| POLLY GUTH<br>CORNING, NY 14830                   | TRUSTEE<br>0                     | 0.       | 0.     | 0. |
| NANCY B. PUTNAM<br>SEAL COVE, ME 04674            | TRUSTEE<br>0                     | 0.       | 0.     | 0. |

|                                     |         |                 |                |           |
|-------------------------------------|---------|-----------------|----------------|-----------|
| PETER QUESADA                       | TRUSTEE |                 |                |           |
|                                     | 0       | 0.              | 0.             | 0.        |
| SOUTH FREEPORT, ME 04078            |         |                 |                |           |
| HENRY L.P. SCHMELZER                | TRUSTEE |                 |                |           |
|                                     | 0       | 0.              | 0.             | 0.        |
| MOUNT DESERT, ME 04660              |         |                 |                |           |
| GEORGE SHAW                         | TRUSTEE |                 |                |           |
|                                     | 0       | 0.              | 0.             | 0.        |
| NEWCASTEL, ME 04553                 |         |                 |                |           |
| BARBARA SWEET                       | TRUSTEE |                 |                |           |
|                                     | 0       | 0.              | 0.             | 0.        |
| FT. LAUDERDALE, FL 33301            |         |                 |                |           |
| DAVID THOMAS                        | TRUSTEE |                 |                |           |
|                                     | 0       | 0.              | 0.             | 0.        |
| ISLESFORD, ME 04646                 |         |                 |                |           |
| TOTALS INCLUDED ON FORM 990, PART V |         | <u>440,193.</u> | <u>15,487.</u> | <u>0.</u> |

FORM 990                      PART VIII - RELATIONSHIP OF ACTIVITIES TO                      STATEMENT 13  
 ACCOMPLISHMENT OF EXEMPT PURPOSES

| LINE | EXPLANATION OF RELATIONSHIP OF ACTIVITIES   |
|------|---|
| 93B  | EXHIBITS SPONSORED TO EDUCATION AND OUTREACH TO THE GENERAL PUBLIC  |
| 93C  | CONDUCTED STUDIES ON MARINE RESOURCES, AQUACULTURE, AND OTHER PROJECTS  |
| 102  | ARCHIPELAGO GIFT SHOP PROVIDES A VENUE FOR ISLAND AND COASTAL ARTISTS<br>LIVING IN REMOTE COMMUNITIES TO OFFER ARTWORK AND HANDMADE CRAFTS<br>EVOKING THE HERITAGE OF COASTAL MAINE |
| 94   | DEVELOPED AWARENESS OF MARINE RELATED ISSUES AND THE ROLE OF THE<br>ISLAND INSTITUTE  |
| 93A  | PRODUCED ISLAND AND MARINE ORIENTED PUBLICATIONS AND RAN CONFERENCES<br>AND FORUMS TO EDUCATE THE PUBLIC AND FACILITATE THE RESOLUTION OF<br>CRITICAL MARINE AND ISLAND ISSUES.     |

SCHEDULE A                      STATEMENT REGARDING ACTIVITIES WITH                      STATEMENT 14  
 SUBSTANTIAL CONTRIBUTORS, TRUSTEES, DIRECTORS,  
 CREATORS, KEY EMPLOYEES, ETC.,  
 PART III, LINE 2

SEE FORM 990, PART V

SCHEDULE A EXPLANATION OF QUALIFICATIONS TO RECEIVE PAYMENTS STATEMENT 15  
PART III, LINE 3

A PERCENTAGE OF EACH CONTRIBUTION OF \$100 AS WELL AS CONTRIBUTIONS DESIGNATED FOR SCHOLARSHIPS ARE PLACED INTO A SCHOLARSHIP FUND. SCHOLARSHIPS ARE AWARDED TO ISLAND STUDENTS ON A NEED BASIS BY THE RECOMMENDATION OF A COMMUNITY-BASED ADVISORY COMMITTEE.

SCHEDULE A OTHER INCOME STATEMENT 16

| DESCRIPTION                  | 2001<br>AMOUNT | 2000<br>AMOUNT | 1999<br>AMOUNT | 1998<br>AMOUNT |
|------------------------------|----------------|----------------|----------------|----------------|
| MISC INCOME                  | 525.           | 0.             | 1,843.         | 181.           |
| TOTAL TO SCHEDULE A, LINE 22 | 525.           | 0.             | 1,843.         | 181.           |

**Island Community Fund Grants 2002 -2003**

|                                 |               |
|---------------------------------|---------------|
| Camden YMCA                     | 500           |
| Chebeague Recreation Center     | 250           |
| Chebeague Care Resource         | 500           |
| Isleboro Central School         | 1,350         |
| Isleford                        | 555           |
| Isle au Haut                    | 500           |
| Vinalhaven School               | 300           |
| Vinalhaven                      | 500           |
| Vinalhaven French Club          | 1,140         |
| Vinalhaven Girls Book Club      | 300           |
| Chebeague Care                  | 1,500         |
| Violin                          | 569           |
| Isleford School                 | 500           |
| Frenchboro School Music Program | 492           |
| Growing Project                 | 702           |
| Island Store Association        | 980           |
| Norlands for Peaks              | 250           |
| Thorofare Foundation            | 500           |
|                                 | <u>11,388</u> |

**McLane Scholarships 2002-2003**

|                    |               |
|--------------------|---------------|
| Olivia Chiller     | 500           |
| Oakley Jackson     | 250           |
| Emmett Hodder      | 250           |
| Alexander Curtis   | 400           |
| Kelsey Jones       | 750           |
| Farley Mesko       | 750           |
| Lana Cannon        | 1,000         |
| Jasmine Tinker     | 1,000         |
| Chelsea Henry      | 500           |
| William Bebb       | 500           |
| Isleboro School    | 500           |
| David Wallstrom    | 700           |
| Eileen Richardson  | 750           |
| Benjamin MacDonald | 950           |
| John Gorham        | 1,000         |
| Ben Dunham         | 1,500         |
| Alexandra Hodges   | 1,000         |
| Sidney Sherwood    | 500           |
| Chelsea Tripler    | 500           |
| Jill Hildings      | 1,500         |
| Francis Warren     | 1,500         |
| Jasmine Tinker     | 1,500         |
|                    | <u>17,800</u> |

**Island Community Film Project**

|                   |               |
|-------------------|---------------|
| Friends of Acadia | <u>14,000</u> |
|-------------------|---------------|

ISLAND INSTITUTE  
 EIN # 22-2786731  
 990 Part II, Line 23

**MCF SCHOLARSHIP AWARDED**

| <b>Lname</b>       | <b>Fname</b> | <b>Town</b>       |       |
|--------------------|--------------|-------------------|-------|
| Diffin             | Erika        | Islesboro         | 1,500 |
| Gray               | Molly        | Cranberry Island  | 1,500 |
| Baribeau           | Elizabeth    | North Haven       | 1,000 |
| Hopkins            | Molly        | North Haven       | 1,000 |
| Gray               | Martha       | Cranberry Isles   | 1,000 |
| Carle              | Emily        | Long Island       | 1,000 |
| Curtis             | Jacqueline   | North Haven       | 750   |
| Bolduc             | Jonathan     | Islesboro         | 750   |
| Russell            | Amy          | Great Cranberry   | 750   |
| Lovell             | Elizabeth    | North Haven       | 750   |
| Damon              | Rachel       | Chebeague Island  | 750   |
| Gray               | Joshua       | Cranberry Island  | 500   |
| Johnson            | Sarah        | Swans Island      | 500   |
| Tutor              | Daniel       | Islesboro         | 500   |
| Emerson            | Christopher  | North Haven       | 500   |
| Webster            | Delwyn       | Vinalhaven        | 500   |
| Curtis             | Alexander    | North Haven       | 500   |
| Johnston           | Melissa      | Islesboro         | 500   |
| Philbrook          | Scott        | Vinalhaven        | 500   |
| Oliver             | Isaiah       | Peaks Island      | 500   |
| Parker             | Terra        | Long Island       | 500   |
| Putnam             | Bradley      | Chebeague Island  | 500   |
| McInerney          | Katherine    | Peaks Island      | 500   |
| McCarthy           | Keeley       | Vinalhaven        | 500   |
| Gasperini          | Eric         | Vinalhaven        | 500   |
| Ross               | Claire       | Chebeague Island  | 500   |
| Leon               | Diane        | Chebeague Island  | 500   |
| Harkins            | Alexandra    | Islesboro         | 500   |
| Radis              | Katherine    | Peaks Island      | 500   |
| Van Der Steenhoven | Marieke      | Peaks Island      | 500   |
| Swears             | Johanna      | Vinalhaven        | 500   |
| Shand              | Steven       | Islesboro         | 500   |
| Carter             | Samantha     | Vinalhaven        | 500   |
| Kohls              | Evan         | Matincus/Rockland | 500   |
| Bolduc             | Annie        | Islesboro         | 500   |
| Czenkusch          | Mary         | Islesboro         | 500   |
| Diffin             | Rory         | Islesboro         | 500   |
| Kerr               | Hannah       | Islesboro         | 250   |
| Stanley            | Abigail      | Swans Island      | 250   |
| Clark              | Lynn         | Long Island       | 250   |
| Marves             | Taylor       | North Haven       | 250   |
| Samuel             | Jasmine      | Islesford         | 250   |
| Quinby             | Kipp         | Isle au Haut      | 250   |
| Doughty            | Michaela     | Vinalhaven        | 250   |
| Merritt            | Charles      | Cliff Island      | 250   |
| Staples            | Eric         | Swans Island      | 250   |
| Tripler            | Megan        | Swans Island      | 250   |
| Johnson            | Moira        | Long Island       | 250   |
| Grubbs             | Holly        | Swans Island      | 250   |
| Schuit             | Aaron        | Peaks Island      | 250   |
| Miller             | Lauren       | Chebeague Island  | 250   |
| Huber              | Evans        | Peaks Island      | 250   |

## STATEMENT 17 (CONTINUED)

|           |           |                  |               |
|-----------|-----------|------------------|---------------|
| Lantagne  | Amanda    | North Haven      | 250           |
| Dennison  | Amy       | Long Island      | 250           |
| Fernald   | Cameron   | Islesford        | 250           |
| Oldham    | Nathan    | Islesboro        | 250           |
| Stevens   | Dane      | Isle au Haut     | 250           |
| Floyd     | Christine | Long Island      | 100           |
| Fernald   | Robin     | Islesford        | 100           |
| Flynn     | Kyle      | Peaks Island     | 100           |
| Gutman    | Leah      | Islesboro        | 100           |
| McInerney | Anna Mae  | Peaks Island     | 100           |
| Rolerson  | Elan      | Elan's 2002      | 1,000         |
| Merritt   | Anna      | Cliff Island     | 250           |
| Gray      | Seth      | Cranberry Island | 250           |
| Thomas    | Rachel    | Islesford        | 250           |
| Donahue   | Emma      | Vinalhaven       | 250           |
| Small     | Emily     | Isle au Haut     | 250           |
| Thomas    | Emily     | Islesford        | 250           |
|           |           |                  | <u>31,750</u> |

**ISLAND INSTITUTE  
DEPRECIATION SCHEDULE  
6/30/2003**

**EIN: 22-2786731**

|                      | <b>Basis</b>        | <b>Depreciation</b> |                      | <b>Book Value</b>   | <b>Method</b> | <b>Life</b> |
|----------------------|---------------------|---------------------|----------------------|---------------------|---------------|-------------|
|                      |                     | <b>Expense</b>      | <b>Accum. Deprec</b> |                     |               |             |
| Islands              | 1,820,711.00        | -                   | -                    | 1,820,711.00        |               |             |
| Land and buildings   | 1,755,137.00        | 46,505.00           | 139,337.00           | 1,615,800.00        | S/L           | 30          |
| Boats                | 219,669.00          | 2,086.00            | 194,681.00           | 24,988.00           | S/L           | 5-7         |
| Office equipment     | 321,943.00          | 31,504.00           | 184,919.00           | 137,024.00          | S/L           | 5-7         |
| Electronic equipment | 469,299.00          | 56,038.00           | 293,770.00           | 175,529.00          | S/L           | 5           |
|                      | <u>4,586,759.00</u> | <u>136,133.00</u>   | <u>812,707.00</u>    | <u>3,774,052.00</u> |               |             |

# 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.

|   |   |   |
|---|---|---|
| <b>Type or print</b>  | Name of Exempt Organization<br><b>ISLAND INSTITUTE</b>  | Employer identification number<br><b>22-2786731</b> |
| 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.<br><b>386 MAIN STREET, PO BOX 648</b>          |   |
|   | City, town or post office, state, and ZIP code. For a foreign address, see instructions.<br><b>ROCKLAND, ME 04841</b> |   |

**Check type of return to be filed** (file a separate application for each return):

- |  |   |                                    |
|--|---|------------------------------------|
| <input checked="" type="checkbox"/> Form 990 | <input type="checkbox"/> Form 990-T (corporation)                 | <input type="checkbox"/> Form 4720 |
| <input type="checkbox"/> Form 990-BL         | <input type="checkbox"/> Form 990-T (sec. 401(a) or 408(a) trust) | <input type="checkbox"/> Form 5227 |
| <input type="checkbox"/> Form 990-EZ         | <input type="checkbox"/> Form 990-T (trust other than above)      | <input type="checkbox"/> Form 6069 |
| <input type="checkbox"/> Form 990-PF         | <input type="checkbox"/> Form 1041-A                              | <input type="checkbox"/> Form 8870 |

- If the organization does **not** have an office or place of business in the United States, check this box
- If this is for a **Group Return**, enter the organization's four digit Group Exemption Number (GEN) \_\_\_\_\_ . If this is for the **whole** group, check this box  . If it is for part of the group, check this box  and attach a list with the names and EINs of all members the extension will cover.

1 I request an automatic 3-month (6-month, for 990-T corporation) extension of time until **FEBRUARY 17, 2004** to file the exempt organization return for the organization named above. The extension is for the organization's return for:  
▶  calendar year \_\_\_\_\_ or  
▶  tax year beginning **JUL 1, 2002**, and ending **JUN 30, 2003**.

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 ▶ *James McLeod* Title ▶ **BERRY, DUNN, McNEIL & PARKER - 36 PLEASANT STREET BANGOR, MAINE 04401 - E.I.N. 01-0523282** Date ▶ **11/6/03**  
LHA For Paperwork Reduction Act Notice, see instruction Form 8868 (12-2000)

• If you are filing for an **Additional (not automatic) 3-Month Extension**, complete only **Part II** and check this box

**Note: Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.**

• If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** (on page 1).

**Part II Additional (not automatic) 3-Month Extension of Time - Must file Original and One Copy.**

|  |   |   |
|--|---|---|
| Type or print.<br>File by the extended due date for filing the return. See instructions. | Name of Exempt Organization<br><b>ISLAND INSTITUTE</b>  | Employer identification number<br><b>22-2786731</b> |
|  | Number, street, and room or suite no. If a P.O. box, see instructions.<br><b>386 MAIN STREET, PO BOX 648</b>          | For IRS use only                                    |
|  | City, town or post office, state, and ZIP code. For a foreign address, see instructions.<br><b>ROCKLAND, ME 04841</b> |   |

Check type of return to be filed (File a separate application for each return):

- Form 990
- Form 990-EZ
- Form 990-T (sec. 401(a) or 408(a) trust)
- Form 1041-A
- Form 5227
- Form 8870
- Form 990-BL
- Form 990-PF
- Form 990-T (trust other than above)
- Form 4720
- Form 6069

**STOP: Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.**

- 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 is for.

- 4 I request an additional 3-month extension of time until MAY 17, 2004
- 5 For calendar year \_\_\_\_\_ , or other tax year beginning JUL 1, 2002 and ending JUN 30, 2003
- 6 If this tax year is for less than 12 months, check reason:  Initial return  Final return  Change in accounting period

7 State in detail why you need the extension  
**ADDITIONAL TIME IS NEEDED TO GATHER INFORMATION TO FILE A COMPLETE AND ACCURATE RETURN.**

- 8a 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, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868 \$ \_\_\_\_\_
- c **Balance Due.** Subtract line 8b from line 8a. 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 Barbara McQueen Title BERRY, DUNN, McNEIL & PARKER - 36 PLEASANT STREET BANGOR, MAINE 04401 E.I.N. 01-0523282 Date 2/7/04

**Notice to Applicant - To Be Completed by the IRS**

- We have approved this application. Please attach this form to the organization's return.
- We have not approved this application. However, we have granted a 10-day grace period from the later of the date shown below or the due date of the organization's return (including any prior extensions). This grace period is considered to be a valid extension of time for elections otherwise required to be made on a timely return. Please attach this form to the organization's return.
- We have not approved this application. After considering the reasons stated in item 7, we cannot grant your request for an extension of time to file. We are not granting the 10-day grace period.
- We cannot consider this application because it was filed after the due date of the return for which an extension was requested.
- Other \_\_\_\_\_

By \_\_\_\_\_ Date \_\_\_\_\_

Director \_\_\_\_\_ Date \_\_\_\_\_  
**Alternate Mailing Address - Enter the address if you want the copy of this application for an additional 3-month extension returned to an address different than the one entered above.**

|                                     |  |
|-------------------------------------|--|
| Type or print<br>223832<br>05-22-02 | Name<br><b>BERRY, DUNN, MCNEIL &amp; PARKER, LLC</b>   |
|                                     | Number and street (include suite, room, or apt. no.) Or a P.O. box number<br><b>36 PLEASANT STREET</b> |
|                                     | City or town, province or state, and country (including postal or ZIP code)<br><b>BANGOR, ME 04401</b> |