

Form **990-EZ**

Short Form

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)

► For organizations with gross receipts less than \$100,000 and total assets less than \$250,000 at the end of the year

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

OMB No 1545-1150

2003

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

A For the 2003 calendar year, or tax year beginning , 2003, and ending , 20

B Check if applicable: <input checked="" type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input checked="" type="checkbox"/> Amended return <input type="checkbox"/> Application pending	Please use IRS label or print or type. See Specific Instructions	C Name of organization P. R I S. M. S., Inc	D Employer identification number 54:1652029
		Number and street (or P.O. box, if mail is not delivered to street address) Room/suite P.O. Box 741914	E Telephone number (972) 231-0035
		City or town, state or country, and ZIP + 4 Dallas, TX 75374-1914	F Group Exemption Number

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

G Accounting method. Cash Accrual
Other (specify) ►

I Website: ► www.prisms.org

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

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

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

L Add lines 5b, 6b, and 7b, to line 9 to determine gross receipts. If \$100,000 or more, file Form 990 instead of Form 990-EZ. ► \$ 78,576

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See page 37 of the instructions.)

Revenue SCANNED JAN 11 2005 EXPENSES	1	Contributions, gifts, grants, and similar amounts received	1	39,474
	2	Program service revenue including government fees and contracts	2	
	3	Membership dues and assessments	3	650
	4	Investment income	4	62
	5a	Gross amount from sale of assets other than inventory	5a	0
	5b	Less cost or other basis and sales expenses	5b	0
	5c	Gain or (loss) from sale of assets other than inventory (line 5a less line 5b) (attach schedule)	5c	0
	6	Special events and activities (attach schedule) If any amount is from gaming, check here <input type="checkbox"/>		
	6a	Gross revenue (not including contributions reported on line 1)	6a	36,860
	6b	Less direct expenses other than fundraising expenses	6b	6,659
	6c	Net income or (loss) from special events and activities (line 6a less line 6b)	6c	30,201
	7a	Gross sales of inventory, less returns and allowances	7a	
	7b	Less cost of goods sold	7b	
	7c	Gross profit or (loss) from sales of inventory (line 7a less line 7b)	7c	0
	8	Other revenue (describe ► see attached statement)	8	1,510
	9	Total revenue (add lines 1, 2, 3, 4, 5c, 6c, 7c, and 8)	9	71,917
	Net Assets	10	Grants and similar amounts paid (attach schedule)	10	0
11		Benefits paid to or for members	11	
12		Salaries, other compensation, and employee benefits	12	
13		Professional fees and other payments to independent contractors	13	4,752
14		Occupancy, rent, utilities, and maintenance	14	976
15		Printing, publications, postage, and shipping	15	4,991
16		Other expenses (describe ► see attached statement)	16	15,326
17		Total expenses (add lines 10 through 16)	17	26,045
18		Excess or (deficit) for the year (line 9 less line 17)	18	45,872
19		Net assets or fund balances at beginning of year (from line 27, column (A)) (must agree with end-of-year figure reported on prior year's return)	19	94,161
20		Other changes in net assets or fund balances (attach explanation)	20	
21	Net assets or fund balances at end of year (combine lines 18 through 20)	21	140,033	

Part II Balance Sheets—If Total assets on line 25, column (B) are \$250,000 or more, file Form 990 instead of Form 990-EZ

(See page 40 of the instructions)

	(A) Beginning of year	(B) End of year
22 Cash, savings, and investments	94,208	138,198
23 Land and buildings		1,835
24 Other assets (describe ►)	C	0
25 Total assets	94,208	140,033
26 Total liabilities (describe ► see attached statement)	47	0
27 Net assets or fund balances (line 27 of column (B) must agree with line 21)	94,161	140,033

For Paperwork Reduction Act Notice, see the separate instructions.

Cat No 106421

Form **990-EZ** (2003)

4

Part III Statement of Program Service Accomplishments (See page 41 of the instructions.) *Syndr*

What is the organization's primary exempt purpose? *Education about Smith-Magenis Syndrome*

Describe what was achieved in carrying out the organization's exempt purposes. In a clear and concise manner, describe the services provided, the number of persons benefited, or other relevant information for each program title

	Line	Expenses (Required for 501(c)(3) and (4) organizations and 4947(a)(1) trusts, optional for others)
28	Educate members, medical professionals, + general public about Smith-Magenis Syndrome and encourage support fund SMS related research, support families affected by	20,664
29	SMS and related disorders	
	(Grants \$)	
30		
	(Grants \$)	
31	Other program services (attach schedule)	
	(Grants \$)	
32	Total program service expenses (add lines 28a through 31a)	20,664

Part IV List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated. See page 41 of the instructions.)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans & deferred compensation	(E) Expense account and other allowances
Randy Beall 414 Birch Ln, Richardson, TX 75081	President 6	0	0	0
Rochelle Wright 70 Millard Ct, Springberg, OH 45066	Secretary 4	0	0	0
Janet Reeder 7172 Melotte St, San Diego, CA 92119	Treasurer 4	0	0	0

Part V Other Information (Note the attachment requirement in General Instruction V, page 14.)

	Yes	No
33 Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity		X
34 Were any changes made to the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes		X
35 If the organization had income from business activities, such as those reported on lines 2, 6, and 7 (among others), but not reported on Form 990-T, attach a statement explaining your reason for not reporting the income on Form 990-T.		X
a Did the organization have unrelated business gross income of \$1,000 or more or 6033(e) notice, reporting, and proxy tax requirements?		X
b If "Yes," has it filed a tax return on Form 990-T for this year?	N/A	
36 Was there a liquidation, dissolution, termination, or substantial contraction during the year? (If "Yes," attach a statement)		X
37a Enter amount of political expenditures, direct or indirect, as described in the instructions	37a	0
b Did the organization file Form 1120-POL for this year?		X
38a Did the organization borrow from, or make any loans to, any officer, director, trustee, or key employee or were any such loans made in a prior year and still unpaid at the start of the period covered by this return?		X
b If "Yes," attach the schedule specified in the line 38 instructions and enter the amount involved	38b	
39 501(c)(7) organizations Enter a Initiation fees and capital contributions included on line 9	39a	
b Gross receipts, included on line 9, for public use of club facilities	39b	
40a 501(c)(3) organizations Enter Amount of tax imposed on the organization during the year under section 4911		
b 501(c)(3) and (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 an explanation		X
c Amount of tax imposed on organization managers or disqualified persons during the year under 4912, 4955, and 4958		0
d Enter Amount of tax on line 40c, above, reimbursed by the organization		0
41 List the states with which a copy of this return is filed		
42 The books are in care of Janet Reeder Telephone no (858) 268-7205 Located at See above ZIP + 4 92119		
43 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-EZ in lieu of Form 1041—Check here and enter the amount of tax-exempt interest received or accrued during the tax year		N/A

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.

Please *[Signature]* Date *12/24/2004*

[Signature] Date _____

Date _____ Check if _____ Preparer's SSN or PTIN (See Gen Inst W)

SCHEDULE A
(Form 990 or 990-EZ)

Organization Exempt Under Section 501(c)(3)

(Except Private Foundation and Section 501(e), 501(f), 501(k),
501(n), or Section 4947(a)(1) Nonexempt Charitable Trust
Supplementary Information—(See separate instructions.)

OMB No. 1545-0047

2003

Department of the Treasury
Internal Revenue Service

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

Name of the organization

Employer identification number

P.R.I.S.M.S., Inc

54 1652029

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
Name none over 50,000 Str City ST Zip Country	Title Avg hr/wk			
Name Str City ST Zip Country	Title Avg hr/wk			
Name Str City ST Zip Country	Title Avg hr/wk			
Name Str City ST Zip Country	Title Avg hr/wk			
Name Str City ST Zip Country	Title Avg hr/wk			
Total number of other employees paid over \$50,000				

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
Name None over \$50,000 Str City ST ZIP Country Check here if a business		
Name Str City ST ZIP Country Check here if a business		
Name Str City ST ZIP Country Check here if a business		
Name Str City ST ZIP Country Check here if a business		
Name Str City ST ZIP Country Check here if a business		
Total number of others receiving over \$50,000 for professional services		

Statements About Activities (See page 2 of the instructions.)		Yes	No
1	During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ▶ \$ <u>0</u> (Must equal amounts on line 38, Part VI-A, or line I of Part VI-B.) Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes" must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.	1	
2	During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)		
a	Sale, exchange, or leasing of property?	2a	X
b	Lending of money or other extension of credit?	2b	X
c	Furnishing of goods, services, or facilities?	2c	X
d	Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?	2d	X
e	Transfer of any part of its income or assets?	2e	X
3 a	Do you make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how you determine that recipients qualify to receive payments.)	3a	X
b	Do you have a section 403(b) annuity plan for your employees?	3b	X
4	Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds?	4	X

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

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

- 5 A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
- 6 A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)
- 7 A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).
- 8 A Federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).
- 9 A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state ▶ _____ City _____ ST _____ Country _____
- 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.)
- 11 a 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.)
- 11 b A community trust. Section 170(b)(1)(A)(vi). (Also complete the Support Schedule in Part IV-A.)
- 12 An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Also complete the Support Schedule in Part IV-A.)
- 13 An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in: (1) lines 5 through 12 above; or (2) section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2). (See section 509(a)(3).)

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

(a) Name(s) of supported organization(s)	(b) Line number from above

- 14 An organization organized and operated to test for public safety. Section 509(a)(4). (See page 6 of the instructions.)

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) 2002	(b) 2001	(c) 2000	(d) 1999	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	19,104	47,699	71,821		138,624
16 Membership fees received	2,147	5,345	0		7,492
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	21,263	2,221	13,598		37,082
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	107	64	164		335
19 Net income from unrelated business activities not included in line 18					0
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					0
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge					0
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets	13,027				13,027
23 Total of lines 15 through 22	55,648	55,329	85,583	0	196,560
24 Line 23 minus line 17	34,385	53,108	71,985	0	159,478
25 Enter 1% of line 23	556	553	856	0	

26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24	26a	0
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 1999 through 2002 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts	26b	
c Total support for section 509(a)(1) test: Enter line 24, column (e)	26c	0
d Add: Amounts from column (e) for lines: 18 0 19 0	26d	0
22 0 26b 0	26e	0
e Public support (line 26c minus line 26d total)	26e	0
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))	26f	0.00%

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:	(2002)	(2001)	(2000)	(1999)
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:	(2002)	(2001)	(2000)	(1999)
c Add: Amounts from column (e) for lines: 15 138,624 16 7,492	17 37,082	20 0	21 0	27c 183,198
d Add: Line 27a total 0 and line 27b total 0				27d 0
e Public support (line 27c total minus line 27d total)				27e 183,198
f Total support for section 509(a)(2) test: Enter amount from line 23, column (e)	27f	196,560		
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))	27g	93.20%		
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))	27h	0.17%		

28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 1999 through 2002, 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.

Private School Questionnaire (See page 7 of the instructions.)

(To be completed ONLY by schools that checked the box on line 6 in Part IV)

	Yes	No	
29 Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?	29		
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?	30		
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.)	31		
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?	32d		
If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.)			
33 Does the organization discriminate by race in any way with respect to:			
a Students' rights or privileges?	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?	33h		
If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.)			
34 a Does the organization receive any financial aid or assistance from a governmental agency?	34a		
b Has the organization's right to such aid ever been revoked or suspended? If you answered "Yes" to either 34a or b, please explain using an attached statement.	34b		
35 Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation	35		

Lobbying Expenditures by Electing Public Charities (See page 9 of the instructions.)

(To be completed ONLY by an eligible organization that filed Form 5768)

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

Limits on Lobbying Expenditures

(The term "expenditures" means amounts paid or incurred.)

Table with columns for line number, description, (a) Affiliated group totals, and (b) To be completed for ALL electing organizations. Rows include Total lobbying expenditures, Total exempt purpose expenditures, and Lobbying nontaxable amount.

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.)

Table with columns for Calendar year (or fiscal year beginning in) and Lobbying Expenditures During 4-Year Averaging Period (a) 2003, (b) 2002, (c) 2001, (d) 2000, (e) Total. Rows include Lobbying nontaxable amount, Lobbying ceiling amount, Total lobbying expenditures, Grassroots nontaxable amount, Grassroots ceiling amount, and Grassroots lobbying expenditures.

Lobbying Activity by Nonelecting Public Charities

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

Table with columns for Yes, No, and Amount. Rows list various lobbying activities: Volunteers, Paid staff or management, Media advertisements, Mailings to members, Publications, Grants to other organizations, Direct contact with legislators, Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means, and Total lobbying expenditures.

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

Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations (See page 12 of the instructions.)

51 Did the reporting organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?

a Transfers from the reporting organization to a noncharitable exempt organization of:

(i) Cash

(ii) Other assets

b Other transactions:

(i) Sales or exchanges of assets with a noncharitable exempt organization

(ii) Purchases of assets from a noncharitable exempt organization

(iii) Rental of facilities, equipment, or other assets

(iv) Reimbursement arrangements

(v) Loans or loan guarantees

(vi) Performance of services or membership or fundraising solicitations

c Sharing of facilities, equipment, mailing lists, other assets, or paid employees

d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting organization. If the organization received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received:

Table with 3 columns: Question, Yes, No. Rows include 51a(i), a(ii), b(i), b(ii), b(iii), b(iv), b(v), b(vi), and c.

Table with 4 columns: (a) Line no., (b) Amount involved, (c) Name of noncharitable exempt organization, (d) Description of transfers, transactions, and sharing arrangements.

52 a Is the organization directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? Yes No

b If "Yes," complete the following schedule:

Table with 3 columns: (a) Name of organization, (b) Type of organization, (c) Description of relationship.

P.R.I.S.M.S., Inc

☒ 4-1652029

Line 6 (990-EZ) - Special events and activities

	Event A	Event B	Event C	All others	Totals
1 Special event name	Garden Tour	Golf Tour	.....	.....
1a Number of special events	1	1	.....	.....
2 Gross receipts	12,375	24,485	.....	.....	2 36,860
3 Less contributions			.....	.....	3 0
4 Gross revenue	12,375	24,485	0	0	4 36,860
5 Less direct expenses		6,659	.....	.....	5 6,659
6 Net income or (loss)	12,375	17,826	0	0	6 30,201

Line 8 (990-EZ) - Other revenue

1 Miscellaneous					1 1,510
2					2
3					3
4					4
5					5
6					6
7					7
8					8
9					9
10 Total other revenue					10 1,510

Line 16 (990-EZ) - Other expenses

1 Fund Raising					1
2 Accounting & Audit					2 2,900
3 Administration					3 2,987
4 Insurance					4 756
5 Technology					5 2,008
6 Travel - Seminar, Board Mtgs					6 4,018
7 Program					7 1,996
8 Parent Packet					8 663
9					9
10					10
11 Total other expenses					11 15,326