

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 **OCT 1, 2002** and ending **SEP 30, 2003**

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	Please use IRS label or print or type. See Specific Instructions.	C Name of organization COMMUNITIES IN SCHOOLS	D Employer identification number 58-1289174	
		Number and street (or P.O. box if mail is not delivered to street address) 277 SOUTH WASHINGTON STREET	Room/suite 210	E Telephone number (703) 518-2565
		City or town, state or country, and ZIP + 4 ALEXANDRIA, VA 22314		F Accounting method: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify)

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

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: **HTTP://WWW.CISNET.ORG**

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

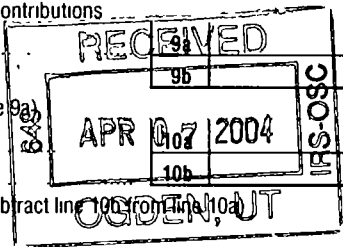
K Check here if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS; but if the organization received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return.

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

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 **8,023,609.**

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	4,259,144.	
	b Indirect public support	1b		
	c Government contributions (grants)	1c	3,417,358.	
	d Total (add lines 1a through 1c) (cash \$ <u>7,676,502.</u> noncash \$ _____)	1d		7,676,502.
	2 Program service revenue including government fees and contracts (from Part VII, line 93)	2		270,214.
	3 Membership dues and assessments	3		
	4 Interest on savings and temporary cash investments	4		17,375.
	5 Dividends and interest from securities	5		
	6 a 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			
8 a Gross amount from sale of assets other than inventory	(A) Securities	8a		
	(B) Other	8b		
	b Less: cost or other basis and sales expenses	8c		
	d Net gain or (loss) (combine line 8c, columns (A) and (B))	8d		
9 Special events and activities (attach schedule)				
a Gross revenue (not including \$ _____ of contributions reported on line 1a)	9a			
b Less: direct expenses other than fundraising expenses	9b			
c Net income or (loss) from special events (subtract line 9b from line 9a)	9c			
10 a Gross sales of inventory, less returns and allowances				
	b Less: cost of goods sold	10b		
	c Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	10c		
11 Other revenue (from Part VII, line 103)	11		59,518.	
12 Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12		8,023,609.	
13 Program services (from line 44, column (B))	13		5,383,967.	
14 Management and general (from line 44, column (C))	14		1,381,738.	
15 Fundraising (from line 44, column (D))	15		791,628.	
16 Payments to affiliates (attach schedule)	16			
17 Total expenses (add lines 16 and 44, column (A))	17		7,557,333.	
18 Excess or (deficit) for the year (subtract line 17 from line 12)	18		466,276.	
19 Net assets or fund balances at beginning of year (from line 73, column (A))	19		<1,100,024.>	
20 Other changes in net assets or fund balances (attach explanation)	20		0.	
21 Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21		<633,748.>	



SCANNED APR 19 2004

Part II Statement of Functional Expenses

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

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising	
22	Grants and allocations (attach schedule) cash \$414,469. noncash \$	414,469.	414,469.	STATEMENT 3		
23	Specific assistance to individuals (attach schedule)					
24	Benefits paid to or for members (attach schedule)					
25	Compensation of officers, directors, etc.	699,780.	249,289.	276,337.	174,154.	
26	Other salaries and wages	2,230,847.	1,945,658.	134,088.	151,101.	
27	Pension plan contributions	128,704.	37,402.	85,803.	5,499.	
28	Other employee benefits	278,532.	396,873.	<178,071.>	59,730.	
29	Payroll taxes	233,034.	67,721.	155,356.	9,957.	
30	Professional fundraising fees					
31	Accounting fees	420,586.	122,224.	280,391.	17,971.	
32	Legal fees	12,381.	3,598.	8,254.	529.	
33	Supplies	37,439.	27,926.	4,914.	4,599.	
34	Telephone	212,750.	172,258.	13,027.	27,465.	
35	Postage and shipping	30,570.	22,478.	3,544.	4,548.	
36	Occupancy	446,619.	181,527.	237,170.	27,922.	
37	Equipment rental and maintenance	100,658.	84,874.	2,012.	13,772.	
38	Printing and publications	102,996.	52,538.	641.	49,817.	
39	Travel	109,616.	66,141.	22,461.	21,014.	
40	Conferences, conventions, and meetings	840,328.	763,726.	8,292.	68,310.	
41	Interest	44,393.	12,901.	29,595.	1,897.	
42	Depreciation, depletion, etc. (attach schedule)	44,080.	14,427.	27,493.	2,160.	
43	Other expenses not covered above (itemize):					
a		43a				
b		43b				
c		43c				
d		43d				
e	SEE STATEMENT 1	43e	1,169,551.	747,937.	270,431.	151,183.
44	Total functional expenses (add lines 22 through 43). Organizations completing columns (B)-(D), carry these totals to lines 13-15	44	7,557,333.	5,383,967.	1,381,738.	791,628.

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 2

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
(Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts, but optional for others)

a	PROGRAM DESIGN AND DEVELOPMENT - ACTIVITIES INCLUDE THE STANDARDIZATION OF THE CIS CONCEPT, DEVELOPMENT OF NEW PROGRAM COMPONENTS AND THE IDEAS AND REPLICATION OF PROGRAMS. (Grants and allocations \$ _____)	755,413.
b	TRAINING - ACTIVITIES INCLUDE THE TRAINING OF STAFF AND OTHER INTERESTED PERSONNEL IN THE CIS CONCEPT AND OPERATION OF THE CIS PROGRAM. (Grants and allocations \$ _____)	956,913.
c	PUBLIC INFORMATION AND INFORMATION MANAGEMENT - ACTIVITIES INCLUDE THE DISTRIBUTION OF INFORMATION ABOUT THE CIS CONCEPT AND SPECIFIC PROGRAM ACTIVITIES. (Grants and allocations \$ _____)	474,254.
d	PROGRAM SUPPORT - ACTIVITIES INCLUDE THE SUPPORT OF OTHER PROGRAMS THROUGHOUT THE CIS SYSTEM TO FURTHER ENHANCE CIS AND ITS NON-AFFILIATED LOCAL CORPORATIONS, INCLUDING GRANTS TO LOCAL PROGRAMS. (Grants and allocations \$ 414,469.)	3,006,346.
e	Other program services (attach schedule) STATEMENT 4 (Grants and allocations \$ _____)	191,041.
f	Total of Program Service Expenses (should equal line 44, column (B), Program services)	5,383,967.

Part IV Balance Sheets

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

		(A) Beginning of year		(B) End of year
Assets	45 Cash - non-interest-bearing	2,236.	45	0.
	46 Savings and temporary cash investments	171,494.	46	178,334.
	47 a Accounts receivable	47a		
	b Less: allowance for doubtful accounts	47b	47c	
	48 a Pledges receivable	48a 520,000.		
	b Less: allowance for doubtful accounts	48b	48c	520,000.
	49 Grants receivable	675,586.	49	129,145.
	50 Receivables from officers, directors, trustees, and key employees		50	
	51 a Other notes and loans receivable	51a		
	b Less: allowance for doubtful accounts	51b	51c	
	52 Inventories for sale or use		52	
	53 Prepaid expenses and deferred charges	169,477.	53	13,478.
	54 Investments - securities <input type="checkbox"/> Cost <input type="checkbox"/> FMV		54	
	55 a Investments - land, buildings, and equipment: basis	55a		
	b Less: accumulated depreciation	55b	55c	
56 Investments - other		56		
57 a Land, buildings, and equipment: basis	57a 681,275.			
b Less: accumulated depreciation STMT 5	57b 635,922.	57c	45,353.	
58 Other assets (describe <input type="checkbox"/>)		58		
59 Total assets (add lines 45 through 58) (must equal line 74)	1,695,166.	59	886,310.	
Liabilities	60 Accounts payable and accrued expenses	1,052,555.	60	512,894.
	61 Grants payable		61	
	62 Deferred revenue	295,259.	62	99,029.
	63 Loans from officers, directors, trustees, and key employees	150,000.	63	0.
	64 a Tax-exempt bond liabilities		64a	
	b Mortgages and other notes payable STMT 6	1,050,000.	64b	675,000.
65 Other liabilities (describe <input type="checkbox"/> SEE STATEMENT 7)	247,376.	65	233,135.	
66 Total liabilities (add lines 60 through 65)	2,795,190.	66	1,520,058.	
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	<3,104,159.>	67	<2,333,285.>
	68 Temporarily restricted	2,004,135.	68	1,699,537.
	69 Permanently restricted		69	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74.			
	70 Capital stock, trust principal, or current funds		70	
	71 Paid-in or capital surplus, or land, building, and equipment fund		71	
	72 Retained earnings, endowment, accumulated income, or other funds		72	
73 Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72; column (A) must equal line 19; column (B) must equal line 21)	<1,100,024.>	73	<633,748.>	
74 Total liabilities and net assets / fund balances (add lines 66 and 73)	1,695,166.	74	886,310.	

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

Part VI Other Information		Yes	No
76	Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity		X
77	Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes. EXHIBIT 2	X	
78 a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?		X
b	If "Yes," has it filed a tax return on Form 990-T for this year? N/A		
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement		X
80 a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization?		X
b	If "Yes," enter the name of the organization _____ and check whether it is <input type="checkbox"/> exempt or <input type="checkbox"/> nonexempt.		
81 a	Enter direct or indirect political expenditures. See line 81 instructions 81a <u>0.</u>		
b	Did the organization file Form 1120-POL for this year?		X
82 a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	X	
b	If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.) 82b _____		
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	X	
84 a	Did the organization solicit any contributions or gifts that were not tax deductible? N/A		
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? N/A		
85	501(c)(4), (5), or (6) organizations a Were substantially all dues nondeductible by members? N/A		
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? N/A		
	If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.		
c	Dues, assessments, and similar amounts from members 85c <u>N/A</u>		
d	Section 162(e) lobbying and political expenditures 85d <u>N/A</u>		
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices 85e <u>N/A</u>		
f	Taxable amount of lobbying and political expenditures (line 85d less 85e) 85f <u>N/A</u>		
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f? N/A		
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? N/A		
86	501(c)(7) organizations. Enter: a Initiation fees and capital contributions included on line 12 86a <u>N/A</u>		
b	Gross receipts, included on line 12, for public use of club facilities 86b <u>N/A</u>		
87	501(c)(12) organizations Enter: a Gross income from members or shareholders 87a <u>N/A</u>		
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.) 87b <u>N/A</u>		
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX		X
89 a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 <u>0.</u> ; section 4912 <u>0.</u> ; section 4955 <u>0.</u>		
b	501(c)(3) and 501(c)(4) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction		X
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 <u>0.</u>		
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization <u>0.</u>		
90 a	List the states with which a copy of this return is filed SEE STATEMENT 9		
b	Number of employees employed in the pay period that includes March 12, 2002 90b <u>50</u>		
91	The books are in care of THE CORPORATION Telephone no. (703) 518-2565		
	Located at 277 S. WASHINGTON ST, STE 210, ALEXANDRIA, VA ZIP + 4 22314		
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041- Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the tax year 92 <u>N/A</u>		

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

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclu- sion code	(D) Amount	
Note: Enter gross amounts unless otherwise indicated.					
93 Program service revenue:					
a TRAINING					133,238.
b NATIONAL CONFERENCE					46,335.
c SPECIAL EVENTS					90,641.
d _____					
e _____					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments			14	17,375.	
96 Dividends and interest from securities					
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue:					
a OTHER REVENUE					59,518.
b _____					
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))		0.		17,375.	329,732.
105 Total (add line 104, columns (B), (D), and (E))					347,107.

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 10

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

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

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

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

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

I am preparing this return on behalf of the preparer, and to the best of my knowledge and belief, it is true, correct, and complete, and I am not aware of any information of which the preparer has any knowledge.

Date: 2/29/07
 Type or print name and title: WILLIAM E MILLIKEN, President & Founder
 Check if self-preparer:
 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

Supplementary Information-(See separate instructions.)

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

Department of the Treasury
Internal Revenue Service

Name of the organization **COMMUNITIES IN SCHOOLS** Employer identification number **58 1289174**

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees

(See page 1 of the instructions. List each one. If there are none, enter "None.")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
<u>ARLENE WOUTERS</u> ----- CARY, NC	VP- OFF OF ST 40	84,000.	8,347.	0.
<u>CECILIA RIVERA</u> ----- SAN ANTONIO, TX	VP- TRAINING 40	80,250.	6,201.	0.
<u>BONNIE FRAZIER</u> ----- WASHINGTON, DC	VP- COMMUN. 40	80,000.	14,575.	0.
<u>ROBERT SEIDEL</u> ----- BALTIMORE, MD	ASST. DIR-EXP 40	80,000.	14,062.	0.
<u>CAROLE LEVINE</u> ----- EVANSTON, IL	VP- EXPANSION 40	82,000.	4,920.	0.
Total number of other employees paid over \$50,000 ▶	20			

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

(See page 2 of the instructions. List each one (whether individuals or firms). If there are none, enter "None.")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
<u>BRIDGES LEARNING SYSTEMS</u> ----- 49 OLD SOLOMONS ISLAND RD, #206, ANNAPOLIS, MD 21401	IMPLEMENTATION OF PROGRAMS	308,568.
<u>ALASKA ASS. OF SECONDARY SCHOOL PRINCIPALS</u> ----- P.O. BOX 2889, PALMER, AK 99645	DEVELOPMENT OF PROGRAMS IN ALASKA	97,230.
<u>CALIBER ASSOCIATES</u> ----- 10530 ROSEHAVEN ST., STE 112, FAIRFAX, VA 22030	EVALUATION SERVICES	88,901.
<u>OUTSOURCE PARTNERS INTERNATIONAL, INC.</u> ----- 104 WEST 40TH ST., 20TH FLOOR, NEW YORK, NY 10018	FINANCE AND ACCOUNTING OUTSOU	351,278.
<u>WIDMEYER COMMUNICATIONS</u> ----- 1825 CONNECTICUT AVE, NW, WASHINGTON, DC 20009	MARKETING AND COMMUNICATIONS	77,935.
Total number of others receiving over \$50,000 for professional services ▶	2	

Part III Statements About Activities (See page 2 of the instructions.)		Yes	No
1	During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ► \$ _____ \$ <u>60,000</u> . (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.) VI-B, LINE I Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes," must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.	X	
2	During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions) SEE STATEMENT 11		
a	Sale, exchange, or leasing of property?		X
b	Lending of money or other extension of credit?	X	
c	Furnishing of goods, services, or facilities?		X
d	Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? SEE PART V, FORM 990	X	
e	Transfer of any part of its income or assets?		X
3	Does the organization make grants for scholarships, fellowships, student loans, etc.? (See Note below.)		X
4	Do you have a section 403(b) annuity plan for your employees?	X	
Note: Attach a statement to explain how the organization determines that individuals or organizations receiving grants or loans from it in furtherance of its charitable programs "qualify" to receive payments			

Part IV Reason for Non-Private Foundation Status (See pages 3 through 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.)	7,399,297.	9,101,718.	9,191,431.	10,326,924.	36,019,370.
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose	18,212.	41,942.		77,440.	137,594.
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	4,977.	14,776.	19,630.	35,938.	75,321.
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	27,971.	14,603.	SEE STATEMENT 12 252,619.	86,212.	381,405.
23 Total of lines 15 through 22	7,450,457.	9,173,039.	9,463,680.	10,526,514.	36,613,690.
24 Line 23 minus line 17	7,432,245.	9,131,097.	9,463,680.	10,449,074.	36,476,096.
25 Enter 1% of line 23	74,505.	91,730.	94,637.	105,265.	
26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24					26a 729,522.
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 2,846,090.
c Total support for section 509(a)(1) test: Enter line 24, column (e)					26c 36,476,096.
d Add: Amounts from column (e) for lines: 18 75,321. 19 _____ 22 381,405. 26b 2,846,090.					26d 3,302,816.
e Public support (line 26c minus line 26d total)					26e 33,173,280.
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					26f 90.9453%
27 Organizations described on line 12: a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." Do not file this list with your return. Enter the sum of such amounts for each year: N/A					
(2001) _____ (2000) _____ (1999) _____ (1998) _____					
b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year: N/A					
(2001) _____ (2000) _____ (1999) _____ (1998) _____					
c Add: Amounts from column (e) for lines: 15 _____ 16 _____ 17 _____ 20 _____ 21 _____					27c N/A
d Add: Line 27a total _____ and line 27b total _____					27d N/A
e Public support (line 27c total minus line 27d total)					27e N/A
f Total support for section 509(a)(2) test: Enter amount on line 23, column (e) 27f N/A					
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))					27g N/A %
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					27h N/A %

28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 1998 through 2001, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.
 NONE

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

N/A

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

		Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?		
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.)		
<hr/> <hr/> <hr/>			
32	Does the organization maintain the following:		
a	Records indicating the racial composition of the student body, faculty, and administrative staff?		
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?		
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?		
d	Copies of all material used by the organization or on its behalf to solicit contributions? If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.)		
<hr/> <hr/>			
33	Does the organization discriminate by race in any way with respect to:		
a	Students' rights or privileges?		
b	Admissions policies?		
c	Employment of faculty or administrative staff?		
d	Scholarships or other financial assistance?		
e	Educational policies?		
f	Use of facilities?		
g	Athletic programs?		
h	Other extracurricular activities? If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.)		
<hr/> <hr/>			
34 a	Does the organization receive any financial aid or assistance from a governmental agency?		
b	Has the organization's right to such aid ever been revoked or suspended? If you answered "Yes" to either 34a or b, please explain using an attached statement.		
35	Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation		

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

N/A

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

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

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
		N/A	
36 Total lobbying expenditures to influence public opinion (grassroots lobbying)	36		
37 Total lobbying expenditures to influence a legislative body (direct lobbying)	37		
38 Total lobbying expenditures (add lines 36 and 37)	38		
39 Other exempt purpose expenditures	39		
40 Total exempt purpose expenditures (add lines 38 and 39)	40		
41 Lobbying nontaxable amount. Enter the amount from the following table -			
If the amount on line 40 is -	The lobbying nontaxable amount is -		
Not over \$500,000	20% of the amount on line 40		
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000		
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000		
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000		
Over \$17,000,000	\$1,000,000		
42 Grassroots nontaxable amount (enter 25% of line 41)	42		
43 Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36	43		
44 Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38	44		

Caution: If there is an amount on either line 43 or line 44, you must file Form 4720

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 45 through 50 on page 11 of the instructions.)

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

Part VI-B Lobbying Activity by Nonelecting Public Charities

(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		60,000.
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means		X	
i Total lobbying expenditures (Add lines c through h.)			60,000.

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

SEE STATEMENT 13

Asset No	Description	Date Acquired	Method	Life	Line No	Unadjusted Cost Or Basis	Bus % Excl	Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Amount Of Depreciation
1	FURNITURE AND EQUIPMENT * TOTAL 990 PAGE 2 DEPR	VARIES		.000	16	681,275. 681,275.		0.	681,275. 681,275.	591,842. 591,842.	0.	44,080. 44,080.

FORM 990

OTHER EXPENSES

STATEMENT 1

DESCRIPTION	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT AND GENERAL	(D) FUNDRAISING
INSURANCE	41,119.	22,278.	15,320.	3,521.
CONSULTING SERVICES	997,062.	795,632.	76,146.	125,284.
DUES & MEMBERSHIPS	12,693.	9,121.	1,373.	2,199.
TAXES AND OTHER FEES	28,957.	12,621.	14,104.	2,232.
PAYROLL PROCESSING SERVICES	28,664.	8,330.	19,109.	1,225.
EQUIPMENT PURCHASES	46,709.	37,804.	5,351.	3,554.
MISCELLANEOUS	216,945.	56,354.	139,028.	21,563.
SPECIAL PROJECTS AND EVENTS	<202,598.>	<194,203.>	0.	<8,395.>
TOTAL TO FM 990, LN 43	1,169,551.	747,937.	270,431.	151,183.

Application for Extension of Time To File an Exempt Organization Return

▶ File a separate application for each return.

- If you are filing for an Automatic 3-Month Extension, complete only Part I and check this box
- If you are filing for an Additional (not automatic) 3-Month Extension, complete only Part II (on page 2 of this form).

Note: Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.

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

Note: Form 990-T corporations requesting an automatic 6-month extension - check this box and complete Part I only

All other corporations (including Form 990-C filers) must use Form 7004 to request an extension of time to file income tax returns. Partnerships, REMICs and trusts must use Form 8736 to request an extension of time to file Form 1065, 1066, or 1041.

Type or print	Name of Exempt Organization	Employer identification number
	COMMUNITIES IN SCHOOLS	58-1289174
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. 277 SOUTH WASHINGTON STREET, NO. 210	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. ALEXANDRIA, VA 22314	

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 MAY 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 OCT 1, 2002, and ending SEP 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 ▶ Margaret A. Bradburn CPA AGENT Date ▶ 2/16/04

LHA For Paperwork Reduction Act Notice, see instruction

Form 8868 (12-2000)

FORM 990 STATEMENT OF ORGANIZATION'S PRIMARY EXEMPT PURPOSE STATEMENT 2
PART III

EXPLANATION

TO CHAMPION THE CONNECTION OF NEEDED COMMUNITY RESOURCES WITH SCHOOLS TO HELP YOUNG PEOPLE SUCCESSFULLY LEARN, STAY IN SCHOOL, AND PREPARE FOR LIFE.

FORM 990

CASH GRANTS AND ALLOCATIONS

STATEMENT 3

<u>CLASSIFICATION</u>	<u>DONEE'S NAME</u>	<u>DONEE'S ADDRESS</u>	<u>DONEE'S RELATIONSHIP</u>	<u>AMOUNT</u>
	SEE EXHIBIT 1		NONE	414,469.
TOTAL INCLUDED ON FORM 990, PART II, LINE 22				414,469.

FORM 990

OTHER PROGRAM SERVICES

STATEMENT 4

DESCRIPTION	GRANTS AND ALLOCATIONS	EXPENSES
EVALUATION		191,041.
TOTAL TO FORM 990, PART III, LINE E		191,041.

FORM 990 DEPRECIATION OF ASSETS NOT HELD FOR INVESTMENT STATEMENT 5

DESCRIPTION	COST OR OTHER BASIS	ACCUMULATED DEPRECIATION	BOOK VALUE
FURNITURE AND EQUIPMENT	681,275.	635,922.	45,353.
TOTAL TO FORM 990, PART IV, LN 57	681,275.	635,922.	45,353.

FORM 990

OTHER NOTES AND LOANS PAYABLE

STATEMENT 6

LENDER'S NAME TERMS OF REPAYMENT

FIRST UNION-WACHOVIA NATIONAL BANK PAYMENT SCHEDULE

DATE OF NOTE	MATURITY DATE	ORIGINAL LOAN AMOUNT	INTEREST RATE
	09/ /04	1,750,000.	3.62%

SECURITY PROVIDED BY BORROWER PURPOSE OF LOAN

FUNB BROKERAGE

RELATIONSHIP OF LENDER

NONE

DESCRIPTION OF CONSIDERATION	FMV OF CONSIDERATION	BALANCE DUE
	0.	675,000.

TOTAL INCLUDED ON FORM 990, PART IV, LINE 64, COLUMN B 675,000.

FORM 990	OTHER LIABILITIES	STATEMENT	7
DESCRIPTION		AMOUNT	
DUE TO AFFILIATES		82,032.	
DEFERRED RENT		151,103.	
TOTAL TO FORM 990, PART IV, LINE 65, COLUMN B		233,135.	

FORM 990 PART V - LIST OF OFFICERS, DIRECTORS,
 TRUSTEES AND KEY EMPLOYEES STATEMENT 8

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
WILLIAM E. MILLIKEN ARLINGTON, VA	PRESIDENT 40	150,006.	18,263.	0.
MARILYN SMITH, PH. D. ELLCOTT CITY, MD	EXECUTIVE DIRECTOR 40	174,500.	17,803.	0.
DANIEL J. CARDINALI MIAMI BEACH, FL	EXECUTIVE VP - FIELD OPS. 40	128,831.	13,993.	0.
THOMAS A. WILSON BURKE, VA	CHIEF OF STAFF 40	90,000.	8,972.	0.
MARY B. FISHER COVINGTON, KY	SENIOR VP - DEVELOPMENT 40	156,443.	10,653.	0.
JAMES M. ALLWIN 277 SOUTH WASHINGTON ST., STE 210 ALEXANDRIA, VA 22314	CHAIRMAN 5	0.	0.	0.
ROBERT H. B. BALDWIN 277 SOUTH WASHINGTON ST., STE 210 ALEXANDRIA, VA 22314	FOUNDING CHAIRMAN 5	0.	0.	0.
GERALD BRESLAUER 277 SOUTH WASHINGTON ST., STE 210 ALEXANDRIA, VA 22314	VICE CHAIRMAN & SECRETARY 5	0.	0.	0.
KENNETH J. BACON 277 SOUTH WASHINGTON ST., STE 210 ALEXANDRIA, VA 22314	TREASURER 5	0.	0.	0.
WALLY AMOS 277 SOUTH WASHINGTON ST., STE 210 ALEXANDRIA, VA 22314	DIRECTOR 5	0.	0.	0.
SONZALO BARRIENTOS 277 SOUTH WASHINGTON ST., STE 210 ALEXANDRIA, VA 22314	DIRECTOR 5	0.	0.	0.

COMMUNITIES IN SCHOOLS

58-1289174

GEOFFREY T. BOISI 277 SOUTH WASHINGTON ST., STE 210 ALEXANDRIA, VA 22314	DIRECTOR 5	0.	0.	0.
ANNE COX CHAMBERS 277 SOUTH WASHINGTON ST., STE 210 ALEXANDRIA, VA 22314	DIRECTOR 5	0.	0.	0.
RAYMOND G. CHAMBERS 277 SOUTH WASHINGTON ST., STE 210 ALEXANDRIA, VA 22314	DIRECTOR 5	0.	0.	0.
JOHN L. CLENDENIN 277 SOUTH WASHINGTON ST., STE 210 ALEXANDRIA, VA 22314	DIRECTOR 5	0.	0.	0.
MILLARD S. DREXLER 277 SOUTH WASHINGTON ST., STE 210 ALEXANDRIA, VA 22314	DIRECTOR 5	0.	0.	0.
VIRGIL E. ECTON 277 SOUTH WASHINGTON ST., STE 210 ALEXANDRIA, VA 22314	DIRECTOR 5	0.	0.	0.
JOHN R. ETTINGER 277 SOUTH WASHINGTON ST., STE 210 ALEXANDRIA, VA 22314	DIRECTOR 5	0.	0.	0.
DAN GLICKMAN 277 SOUTH WASHINGTON ST., STE 210 ALEXANDRIA, VA 22314	DIRECTOR 5	0.	0.	0.
PAUL HOUSTON 277 SOUTH WASHINGTON ST., STE 210 ALEXANDRIA, VA 22314	DIRECTOR 5	0.	0.	0.
GEORGE H. JOHNSON 277 SOUTH WASHINGTON ST., STE 210 ALEXANDRIA, VA 22314	DIRECTOR 5	0.	0.	0.
LINDA LESOURD LADER 277 SOUTH WASHINGTON ST., STE 210 ALEXANDRIA, VA 22314	DIRECTOR 5	0.	0.	0.
RICHARD LOVETT 277 SOUTH WASHINGTON ST., STE 210 ALEXANDRIA, VA 22314	DIRECTOR 5	0.	0.	0.
JOHN H. MOBLEY, II 277 SOUTH WASHINGTON ST., STE 210 ALEXANDRIA, VA 22314	DIRECTOR 5	0.	0.	0.

COMMUNITIES IN SCHOOLS

58-1289174

STUART G. MOLDAW 277 SOUTH WASHINGTON ST., STE 210 ALEXANDRIA, VA 22314	DIRECTOR 5	0.	0.	0.
DEAN L. OVERMAN 277 SOUTH WASHINGTON ST., STE 210 ALEXANDRIA, VA 22314	DIRECTOR 5	0.	0.	0.
JONATHAN G. POWERS 277 SOUTH WASHINGTON ST., STE 210 ALEXANDRIA, VA 22314	DIRECTOR 5	0.	0.	0.
JULIAN H. ROBERTSON, JR. 277 SOUTH WASHINGTON ST., STE 210 ALEXANDRIA, VA 22314	DIRECTOR 5	0.	0.	0.
JIM SINEGAL 277 SOUTH WASHINGTON ST., STE 210 ALEXANDRIA, VA 22314	DIRECTOR 5	0.	0.	0.
LEONARD STERN 277 SOUTH WASHINGTON ST., STE 210 ALEXANDRIA, VA 22314	DIRECTOR 5	0.	0.	0.
SHERRIE ROLLINS WESTIN 277 SOUTH WASHINGTON ST., STE 210 ALEXANDRIA, VA 22314	DIRECTOR 5	0.	0.	0.
LINDA GALE WHITE 277 SOUTH WASHINGTON ST., STE 210 ALEXANDRIA, VA 22314	DIRECTOR 5	0.	0.	0.
ELAINE WYNN 277 SOUTH WASHINGTON ST., STE 210 ALEXANDRIA, VA 22314	DIRECTOR 5	0.	0.	0.
ROBERT LIGHT 277 SOUTH WASHINGTON ST., STE 210 ALEXANDRIA, VA 22314	DIRECTOR 5	0.	0.	0.
JOHN NIXON 277 SOUTH WASHINGTON ST., STE 210 ALEXANDRIA, VA 22314	DIRECTOR 5	0.	0.	0.
WILLIAM H. WALTON, III 277 SOUTH WASHINGTON ST., STE 210 ALEXANDRIA, VA 22314	DIRECTOR 5	0.	0.	0.
DONNA WEISS 277 SOUTH WASHINGTON ST., STE 210 ALEXANDRIA, VA 22314	DIRECTOR 5	0.	0.	0.

TOTALS INCLUDED ON FORM 990, PART V

699,780. 69,684. 0.

FORM 990

PART VIII - RELATIONSHIP OF ACTIVITIES TO ACCOMPLISHMENT OF EXEMPT PURPOSES

STATEMENT 10

LINE	EXPLANATION OF RELATIONSHIP OF ACTIVITIES
93A	TRAINING SESSIONS TO HELP SCHOOLS ACCOMPLISH THEIR MISSION.
93B	TRAINING EVENTS HELD ALONG WITH NATIONAL CONFERENCE.
93C	LUNCH WITH A LEADER PROGRAM AND OTHER TRAINING SESSIONS.
103A	OTHER REVENUE GENERATED WHICH CONTRIBUTES TO THE ORGANIZATION'S EXEMPT PURPOSE.

SCHEDULE A	OTHER INCOME			STATEMENT 12
DESCRIPTION	2001 AMOUNT	2000 AMOUNT	1999 AMOUNT	1998 AMOUNT
OTHER REVENUE	27,971.	14,603.	252,619.	86,212.
TOTAL TO SCHEDULE A, LINE 22	27,971.	14,603.	252,619.	86,212.

SCHEDULE A STATEMENT OF LOBBYING ACTIVITIES - PART VI-B STATEMENT 13

PAYMENTS MADE TO TONGOUR SIMPSON HOLSCLAW LYTTLE FOR CONSULTING SERVICES.
PER THE CONTRACT TERMS, THE FIRM WILL PROVIDE SERVICES TO SECURE
APPROPRIATIONS IN THE FY 2004 LABOR, HEALTH & HUMAN SERVICES AND EDUCATION
BILL AND ALSO PROVIDE THESE PROFESSIONAL SERVICES IN THE REAUTHORIZATION
PROCESS.

Communities in Schools
 EIN 58-1289174
 Awards, Grants, and Scholarships
 FYE 09/30/03

RECIPIENT'S NAME& ADDRESS	CASH AWARDED
CIS of Arizona 617 North 2nd Avenue Phoenix, AZ 85003	\$ 12 000 00
CIS of Arkansas 523 South Louisiana Street Suite 175 Little Rock, AR 72201	6 700 00
CIS of Asheville P O Box 1253 Asheville NC 28802	5 000 00
CIS of Augusta-Richmond County 329 Telfair Street / P O Box 1604 Augusta GA 30903	1 769 00
CIS of AVAIL 425 C Street Anchorage AK 99501	25 000 00
CIS of Bay Area P O Box 580096 Houston TX 77258	1 000 00
CIS of Broward County 4861 North Dixie Highway Suite 200 D Oakland Park, FL 33334	4 334 00
CIS of Brunswick County P O Box 10087 Southport NC 28461	1,000 00
CIS of Caldwell County 1966 East Morganton Blvd SW Lenoir NC 28645	1 653 00
CIS of Cameron County 700 East Levee Street Suite 204 Brownsville, TX 78520	3 000 00
CIS of Catoosa County 2 Barnhardt Circle Fl Oglethorpe GA 30742	11 500 00
CIS of Charleston 701 East Bay Street MSC 1201 Charleston, SC 29403	5 000 00
CIS of Charlotte-Mecklenburg 500 E Morehead Street Suite 218 Charlotte, NC 28202	2 000 00
CIS of Chicago 815 West Van Buren Suite 300 Chicago, IL 60607	5 000 00
CIS of Clarendon County P O Box 492 Alcolu SC 29001	2 000 00
CIS of Clay P O Box 642 Hayesville, NC 28904	1 070 42
CIS of Cleveland County 327 Market Street Suite A Shelby, NC 28150	3 933 96
CIS of Dallas 2804 Swiss Avenue Dallas, TX 75204	2 399 00
CIS of Darlington County 124 East Mantissa Row Hartsville, SC 29550	3 000 00
CIS of Delaware 100 Campus Drive Dover DE 19904	5,000 00
CIS of Denton County 896 N Mill Street Suite 201B Lewisville, TX 75057	2 000 00
CIS of Detroit 4151 Seminole Detroit MI 48214	22 500 00
CIS of El Paso P O Box 371395 El Paso TX 79937	1 000 00
CIS of Florence County 147 East Broadway Street Johnsonville SC 29555	2 000 00
CIS of Florida 2728-C Pablo Avenue Tallahassee FL 32308	9 791 18

Communities in Schools
 EIN 58-1289174
 Awards, Grants and Scholarships
 FYE 09/30/03

CIS of Gaston County P O Box 1685 Gastonia NC 28053	825 00
CIS of Georgia 615 Peachtree Street Suite 500 Atlanta, GA 30308	9 000 00
CIS of Greenville 24 Vardig Street Suite 106 P O Box 10308 Greenville, SC 29603	2 500 00
CIS of Houston 2150 West 18th Street Suite 100 Houston, TX 77008	10 000 00
CIS of Jacksonville 1650 Prudential Drive Suite 400 Jacksonville, FL 32207	2 000 00
CIS of Kansas 1723 James Court Newton KS 67114	6 800 00
CIS of Kereshaw County 110 East Dekalb Street #1-A Camden, SC 29020	1,844 20
CIS of La Porte County P O Box 1426 La Porte, IN 46352	1 000 00
CIS of Lancaster County 304D North White Street Lancaster SC 29720	3 316 50
CIS of Lauren Highlands 524 Central Avenue Cresson, PA 16630	2 020 00
CIS of Lee County 312 Rolin Bishopville SC 29010	500 00
CIS of Lenawee 2345 N Adrian Highway Adrian, MI 49221	19 056 00
CIS of Lincoln County P O Box 1315 Lincolnton NC 28092	997 00
CIS of Little Rock 800 Marshall Street Slot 500 Little Rock, AR 72202	5,000 00
CIS of McLennan County 3425 Hillcrest Drive Waco, TX 76708	12 500 00
CIS of Miami 11900 SW 128th Street Miami FL 33186	19,500 00
CIS of Michigan 11172 Adams Holland, MI 49423	25,000 00
CIS of Midlands 1300 Pickens Street Suite 202 Columbia, SC 29202	0 000 00
CIS of New Orleans 2809 Neyrey Metairie, LA 70002	900 00
CIS of North Carolina 222 North Person Street Suite 101 Raleigh, NC 27601	8 000 00
CIS of Northeast Texas P O Box 1307 MI Pleasant TX 75456	4,425 00
CIS of Oconee County P O Box 1828 Seneca SC 29879	685 60
CIS of Palm Beach County 230 Dixie Highway #200 Lake Worth, FL 33460	2,000 00
CIS of Philadelphia John F. Kennedy Center 734 Schuykill Avenue Room 450B Philadelphia, PA 19146	25,000 00
CIS of Pittsburgh-Allegheny County 225 Boulevard of the Allies Suite 404 Pittsburgh, PA 15222	25 000 00

Communities in Schools
 EIN 58-1289174
 Awards Grants and Scholarships
 FYE 09/30/03

RECIPIENT'S NAME& ADDRESS	CASH AWARDED
CIS of Arizona 617 North 2nd Avenue Phoenix, AZ 85003	\$ 12 000 00
CIS of Arkansas 523 South Louisiana Street Suite 175 Little Rock, AR 72201	6 700 00
CIS of Asheville P O Box 1253 Asheville NC 28802	5 000 00
CIS of Augusta-Richmond County 329 Telfair Street / P O Box 1604 Augusta GA 30903	1 769 00
CIS of AVAIL 425 C Street Anchorage AK 99501	25 000 00
CIS of Bay Area P O Box 580096 Houston TX 77258	1 000 00
CIS of Broward County 4861 North Dixie Highway Suite 200 D Oakland Park, FL 33334	4 334 00
CIS of Brunswick County P O Box 10087 Southport NC 28461	1,000 00
CIS of Caldwell County 1966 East Morganton Blvd SW Lenoir NC 28645	1 653 00
CIS of Cameron County 700 East Levee Street Suite 204 Brownsville, TX 78520	3 000 00
CIS of Caltoosa County 2 Barnhardt Circle Fl Oglethorpe, GA 30742	11,500 00
CIS of Charleston 701 East Bay Street MSC 1201 Charleston, SC 29403	5,000 00
CIS of Charlotte-Mecklenburg 500 E Morehead Street Suite 218 Charlotte, NC 28202	2,000 00
CIS of Chicago 815 West Van Buren Suite 300 Chicago, IL 60607	5,000 00
CIS of Clarendon County P O Box 492 Aicoll, SC 29001	2,000 00
CIS of Clay P O Box 642 Hayesville NC 28904	1 070 42
CIS of Cleveland County 327 Market Street Suite A Shefby, NC 28150	3 833 86
CIS of Dallas 2804 Swiss Avenue Dallas TX 75204	2 399 00
CIS of Darlington County 124 East Maritssa Row Hartsville SC 29550	3,000 00
CIS of Delaware 100 Campus Drive Dover DE 19904	5 000 00
CIS of Denton County 896 N Mill Street Suite 201B Lewistville, TX 75057	2 000 00
CIS of Detroit 4151 Seminole Detroit MI 48214	22,500 00
CIS of El Paso P O Box 371395 El Paso TX 79937	1,000 00
CIS of Florence County 147 East Broadway Street Johnsonville, SC 29555	2 000 00
CIS of Florida 2728 C Pablo Avenue Tallahassee FL 32308	9,791 18

Communities in Schools
 EIN 58 1289174
 Awards, Grants, and Scholarships
 FYE 09/30/03

CIS of Gaston County P O Box 1695 Gastonia NC 28053	825 00
CIS of Georgia 615 Peachtree Street Suite 500 Atlanta, GA 30308	9 000 00
CIS of Greenville 24 Vardig Street, Suite 106 P O Box 10308 Greenville, SC 29603	2 500 00
CIS of Houston 2150 West 18th Street Suite 100 Houston, TX 77008	10 000 00
CIS of Jacksonville 1650 Prudential Drive Suite 400 Jacksonville, FL 32207	2 000 00
CIS of Kansas 1723 James Court Newton, KS 67114	6 800 00
CIS of Kereshaw County 110 East Dekalb Street #1 A Camden, SC 29020	1 944 20
CIS of La Porte County P O Box 1426 La Porte, IN 46352	1 000 00
CIS of Lancaster County 304D North White Street Lancaster SC 29729	3 316 50
CIS of Lauren Highlands 524 Central Avenue Cresson, PA 16830	2 020 00
CIS of Lee County 312 Rollin Bishopville, SC 29010	500 00
CIS of Lenawee 2345 N Adrian Highway Adrian, MI 49221	19,056 00
CIS of Lincoln County P O Box 1315 Lincolnton, NC 28082	997 00
CIS of Little Rock 800 Marshall Street Slot 500 Little Rock, AR 72202	5,000 00
CIS of McLennan County 3425 Hillcrest Drive Waco TX 78708	12,500 00
CIS of Miami 11900 SW 128th Street Miami, FL 33186	19 500 00
CIS of Michigan 11172 Adams Holland, MI 49423	25 000 00
CIS of Midlands 1300 Pickens Street Suite 202 Columbia, SC 29202	9 000 00
CIS of New Orleans 2809 Neyrey Metairie, LA 70002	900 00
CIS of North Carolina 222 North Person Street Suite 101 Raleigh, NC 27601	8,000 00
CIS of Northeast Texas P O Box 1307 Mt Pleasant TX 75456	4,425 00
CIS of Oconee County P O Box 1828 Seneca, SC 29679	685 60
CIS of Palm Beach County 230 Dixie Highway #200 Lake Worth, FL 33460	2,000 00
CIS of Philadelphia John F Kennedy Center 734 Schuykill Avenue, Room 450B Philadelphia, PA 19146	25 000 00
CIS of Pittsburgh-Allegheny County 225 Boulevard of the Allies Suite 404 Pittsburgh, PA 15222	25 000 00

Communities in Schools
 EIN 58-1289174
 Awards, Grants, and Scholarships
 FYE 09/30/03

CIS of Renton 1055 Grady Way Renton WA 98055	1,986 60
CIS of Richmond P O Box 12427 1 North 3rd Street Suite 300 Richmond, VA 23241	2,000 00
CIS of San Antonio 1616 East Commerce Street Building One San Antonio, TX 78205	7 000 00
CIS of Sangamon County 625 South 2nd Street Suite 102 Springfield, IL 62704	4,521 18
CIS of South Carolina 1300 Pickens Street Suite 202 Columbia, SC 29201	7 000 00
CIS of Southeast Texas P O Box 20164 Beaumont TX 77720	1 791 19
CIS of Southwest Florida 904 Manatee Avenue East Bradenton, FL 34208	956 00
CIS of Southwest Pennsylvania 137 N Beeson Avenue Uniontown PA 15401	2 000 00
CIS of St Johns P O Box 3265 St Augustine FL 32085	1 500 00
CIS of Thomas Area P O Box 53 Thomasville GA 31799	1 313 45
CIS of Troup County 1220 Hogansville Road LaGrange GA 30241	17 500 00
CIS of Wayne County P O Box 1784 Richmond IN 47375	5 901 62
CIS of Wichita 412 418 S Main Street Suite 510 Wichita, KS 67202	2 000 00
CIS of Wilkes County P O Box 802 N Wilkesboro, NC 28659	3 791 18
Kotzebue IRA P O Box 296 Kotzebue, AK 99752	8 588 00
Nome Public Schools P O Box 131 Nome AK 99762	10 000 00
Total	414,469 08

Attachment to Governing Document

Name of Organization: Communities in Schools

Employer Identification Number: 58-1289174

The undersigned, an authorized officer of the organization, hereby states that the attached copy is the true, correct, and complete copy of the organization's governing document.


Authorized Officer Signature

COMMUNITIES IN SCHOOLS, INC.

BYLAWS

Adopted February 7, 2003

Article 1

GENERAL

Section 1.1 Name. The name of the Corporation is Communities In Schools, Inc., hereinafter referred to as "the Corporation."

Section 1.2 Nonprofit Purposes. The Corporation is organized and shall be operated exclusively as a nonprofit, charitable and educational organization dedicated to the purposes stated in the Articles of Incorporation.

Article 2

OFFICES

Section 2.1 Registered Office and Agent. The Corporation shall continuously maintain a registered office and registered agent with the State of Georgia.

Section 2.2 Principal Office. The principal office of the Corporation shall be located at such place as shall be determined by the Board of Directors.

Section 2.3 Additional Offices. The Corporation may also have offices at such other places as the Board of Directors may from time to time determine and the business of the Corporation may require.

Article 3

DIRECTORS

Section 3.1 Number and Term. The Board of Directors shall consist of not less than three (3) nor more than forty (40) persons as may be determined from time to time by resolution of the Board of Directors. Directors shall be appointed by the Board of Directors for a term of one (1) year—or until their successors are appointed and qualify in their stead. Directors may be reappointed without limitation as to the number of terms they may serve.

Section 3.2 Appointment. Appointments of Directors of the Corporation may be made by majority vote of those Directors present at any regular meeting of the Board of Directors, or at a special meeting convened for that purpose.

Section 3.3 Vacancy. If the office of any Director or Directors becomes vacant, the remaining Directors, though less than a quorum, shall be authorized to select a successor or successors who shall be appointed by the Board of Directors of the Corporation to serve the unexpired terms of the vacated directorships.

Section 3.4 Powers. The property, affairs, and business of the Corporation shall be managed by its Board of Directors, which may exercise all such powers of the Corporation and do all such lawful acts and things as are not by statute or by the Articles of Incorporation or by these Bylaws prohibited.

Section 3.5 Resignation and Removal The resignation of any director shall take effect upon receipt of notice thereof or at such later time as shall be specified in such notice; and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Any Director may be removed from the Board with or without cause when, in the sole judgment and discretion of the Board of Directors, it is determined by at least a two-thirds vote of all members of the Board that such Director should no longer serve on the Board. Provided, however, that a notice, including the names of Directors proposed to be removed, and the date, time and place of any meeting called to consider such removal shall be given in writing to each of the Directors at least two (2) days prior to the date of such meeting.

Section 3.6 Compensation of Directors. Directors and members of any committee of the Board of Directors shall not receive compensation for their services as Directors and members of any such committee. Directors shall not be barred from serving the Corporation in any other capacity and receiving reasonable compensation for their services.

Section 3.7 Conflicts of Interest Policy. The Board of Directors shall adopt and from time to time review a Conflicts of Interest Policy that will provide for full disclosure of conflicting interests on the part of a director, officer or management employee of the Corporation.

Article 4

MEETINGS OF THE BOARD OF DIRECTORS

Section 4.1 Meetings and Notice. Regular meetings of the Board may be held without notice at such time and place either within or outside the State of Georgia as shall from time to time be determined by the Board. One regular meeting each calendar year shall be designated as the annual meeting at which the election of directors and officers will be held.

Special meetings of the Board may be held within or without the State of Georgia upon at least

two days prior notice to the Directors of the date, time, and place of the meeting.

Board meetings may be called by notice of the Chairman and may also be called upon the request of one-third of the Directors then in office.

Section 4.2 Waiver of Notice. Whenever any notice is required to be given by law or under the provisions of the Articles of Incorporation, or these Bylaws, a waiver thereof in writing signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent thereto. Attendance at a meeting by a person entitled to notice should constitute a waiver of proper notice of such meeting, except where attendance is the express purpose of objecting to the transaction of business because the meeting is not lawfully called or convened.

Section 4.3 Quorum. One-third of the Directors then in office shall be necessary and sufficient to constitute a quorum for the transaction of business, and the act of a majority of the Directors present and voting at a duly constituted meeting of the Board shall be the act of the Board of Directors, except as may be otherwise specifically provided by statute or by the Articles of Incorporation or by these Bylaws.

Section 4.4 Action Without a Meeting. Any action required or permitted to be taken at a meeting of the Board of Directors or by a committee thereof may be taken without a meeting, by means of telephone, mail, facsimile, computer network, or in any other way the Directors shall decide. However, a written consent setting forth the action so taken, signed by all the members of the Board or of a committee, as the case may be, must be filed with the minutes of proceedings of the Board or the committee.

Section 4.5 Participation by Conference Telephone. Members of the Board of Directors or of any committee designated thereby may participate in a meeting of the Board or such committee by means of a conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other. Participation by conference telephone shall constitute presence in person at such meeting. When such a meeting is conducted by means of conference telephone or similar communications equipment, the minutes recording any action taken at such meeting, shall also note who participated in person, and who participated by alternative communications.

Article 5

OFFICERS

Section 5.1 Number and Positions. The officers of the Corporation, appointed by the Board of Directors, shall be the Chairman of the Board, President, one or more Vice Chairmen, Secretary, and Treasurer. The Board may also appoint one or more assistant vice chairmen, assistant secretaries, and assistant treasurers. The same person may hold two or more offices. Except as otherwise provided, the officers may, but need not be, Directors of the Corporation. The Board may appoint such other officers and agents as it shall deem necessary, who shall

exercise such powers and perform duties as shall be determined from time to time by the Board.

Section 5.2 Term of Office. The Board of Directors shall appoint officers of the Corporation, who shall serve for a term of one (1) year or until their successors are appointed and qualify in their stead. Officers may be reappointed without limitation as to the number of terms they may serve. Any officer may be removed at any time without cause when, in the sole judgment and discretion of the Board of Directors, it is determined by a majority vote of the Board that such officer should no longer serve in the position. If the office of any officer becomes vacant for any reason, the Board of Directors shall fill the vacancy. In case of the absence or disability of an officer of the Corporation, or in any other case that the Board of Directors may deem sufficient reason therefore, the Board of Directors, by a majority vote, may delegate for the time being any or all of the powers or duties of any officer to any other officer, Director, or any other person.

Section 5.3 The Chairman of the Board. The Chairman of the Board shall have overall responsibility and authority for the direction and activities of the Corporation and may delegate his authority to such officer or officers of the Corporation as he, in his sole discretion, deems appropriate. The Chairman of the Board shall be a Director of the Corporation, shall call meetings of the Board of Directors and Executive Committee to order, and shall act as chairman of such meetings. The Chairman of the Board shall be an *ex officio* a member of all standing committees, unless otherwise provided in the resolution appointing the same and have such other rights, duties, and powers as are authorized by the Board of Directors from time to time.

Section 5.4 President. The President shall have duties related to fundraising, providing counsel to the Chairman, and serving as a spokesperson for the Corporation, and shall have such other duties and responsibilities as shall be assigned to him, from time to time, by the Board of Directors or the Chairman.

Section 5.5 Vice Chairmen. Each Vice Chairman duly appointed shall perform such duties and responsibilities as shall be assigned to them from time to time by the Board of Directors or Chairman.

Section 5.6 Assistant Vice Chairmen. If the Board of Directors elects to fill the position, any assistant vice chairman shall, as prescribed by the Board or Chairman, perform the duties and exercise the powers of a vice chairman, and shall perform such other duties as the Board of Directors or Chairman shall prescribe.

Section 5.7 The Secretary. The Secretary or an assistant secretary shall attend all meetings of the Board and record all votes and the minutes of all proceedings in a book to be kept for that purpose, and shall perform like duties for the standing committees when required. The Secretary shall give, or cause to be given, such notice as is required of all meetings of the Board of Directors and shall have such other rights, duties, and powers as are authorized by the Board of Directors from time to time. The Secretary shall keep in safe custody the seal of the Corporation and, when authorized by the Board, affix the same to any instrument requiring it, and when so affixed it shall be attested by the signature of the Secretary, or by the signature of the Treasurer or an assistant secretary.

Section 5.8 Assistant Secretaries. If the Board of Directors elects to fill the position, any assistant secretary shall, in the absence or disability of the Secretary or as prescribed by the Board or Chairman, perform the duties and exercise the powers of the Secretary, and shall perform such other duties as the Board of Directors or Chairman shall prescribe.

Section 5.9 The Treasurer. Except as the Board of Directors may otherwise determine, the Treasurer shall be responsible for all funds and securities of the Corporation and shall supervise the keeping of full and accurate accounts of receipts and disbursements in books belonging to the Corporation. The Treasurer shall, consistent with Article 7 of these Bylaws, supervise the management of the funds of the Corporation, shall ensure accomplishment of an annual audit of the Corporation's books by an independent agent and shall render to the Chairman of the Board and Directors, at the regular meetings of the Board or whenever they may require it, an account of all his transactions as Treasurer and of the financial condition of the Corporation. If required by the Board of Directors, the Treasurer shall give the Corporation a bond in such sum and with such surety or sureties as shall be satisfactory to the Board for the faithful performance of the duties of his office, and for the restoration to the Corporation, in case of death, resignation, retirement or removal from office, of all books, papers, vouchers, money, and other property of whatever kind in possession or under the control of the Treasurer, belonging to the Corporation. The Treasurer shall also have such other rights, duties, and powers as are authorized by the Board of Directors or Chairman from time to time.

Section 5.10 Assistant Treasurers. If the Board of Directors elects to fill the position, the assistant treasurers in the order of their seniority shall, in the absence or disability of the Treasurer, perform the duties and exercise the powers of the Treasurer, and perform such other duties as the Board or Chairman shall prescribe.

Section 5.11 Other Officers and Agents. In addition, the Board of Directors shall designate, or shall direct the Chairman to designate, from among the senior staff positions of the Corporation, those other officers or agents, such as the Executive Director, deemed necessary by the Board to ensure the effective daily operation of the Corporation. The Chairman shall cause the Executive Director or other officer to publish and keep current the specific responsibilities for each such officer or agent.

Article 6

COMMITTEES AND ADVISORY BOARDS

Section 6.1 Board Committees Generally. The Board of Directors, by majority vote of all Directors in office, may appoint two or more persons from among its own number to serve as special or standing Board committees, such as the Board may determine are necessary, which shall have such powers and duties as shall from time to time be prescribed by the Board. Except as otherwise provided by Georgia law, the Articles of Incorporation, these Bylaws, or resolution of the Board, each Board committee may exercise the authority of the Board. However, in no event shall a Board committee:

- (1) appoint, or remove directors, or fill vacancies on the Board or any of its committees;
- (2) act on a sale, lease, exchange, mortgage, or other disposition or encumbrance of more than ten percent of the assets of the Corporation;
- (3) adopt, amend, or repeal the Articles of Incorporation or Bylaws; or
- (4) act on plan of merger, consolidation, or affiliation.

All members of Board committees shall serve at the pleasure of the Board. Rules governing procedures for meetings of any committee of the Board shall be established by the Board of Directors, or in the absence thereof, by the committee itself. Actions taken by Board committees shall be promptly reported to the Board, but need not be ratified by the Board unless otherwise required by statute, these Bylaws, or committee procedures imposed by the Board.

Section 6.2 Executive Committee. The Executive Committee shall be a Board Committee composed of Board members, including at least three Directors who are not employees of the Corporation, as may be appointed from time to time by a majority of all Directors in office. Except as otherwise provided by Georgia law, the Articles of Incorporation, or these Bylaws, the Executive Committee shall have authority to transact such business as shall be necessary for the administration and operation of the Corporation between Board meetings, and shall have such other power as shall, from time to time, be vested by the Board; provided, however, that the Executive Committee shall not have the power to amend or repeal any resolution of the Board of Directors that by its terms shall not be subject to amendment or repeal by the Executive Committee, and the Executive Committee shall not have the authority of the Board of Directors in reference to (1) amending the Articles of Incorporation or Bylaws of the corporation; (2) adopting a plan of merger or consolidation; (3) the sale, lease, exchange or other disposition of all or substantially all the property and assets of the corporation; or (4) a voluntary dissolution of the corporation or a revocation of any such voluntary dissolution. A majority of the members of the Executive Committee shall be necessary and sufficient to constitute a quorum for the transaction of business, and the act of a majority of the members of the Executive Committee present at a meeting at which a quorum of members is present shall be the act of the Executive Committee.

Section 6.3 Other Committees or Task Groups. The Board of Directors or Chairman may establish such other committees or task groups as are determined necessary or useful for the business and operations of the Corporation. These committees may not exercise the authority of the Board, but shall have only such duties and authorities as shall from time to time be prescribed by the Board or Chairman. The Chairman shall have authority to make appointments to each committee or task group, to designate the chair thereof, to fill vacancies in, to change the size or membership of, and to discharge any such committee or task group, as he or she deems appropriate. The delegation of duties or authority to any committee shall not operate to relieve the Board of Directors or any member of the Board from any responsibility imposed by law. Rules governing procedures for meetings of any committee or task group shall be established by the Board of Directors or Chairman, or in the absence thereof, by the committee itself.

Section 6.4 Advisory Boards. The Board of Directors may create one or more advisory boards, for such terms as deemed fit by the Board of Directors. Such advisory boards shall have

no vote or governance role, but shall serve the Board of Directors in specified advisory capacities.

Article 7

FISCAL MATTERS

Section 7.1 Deposits. The Board of Directors, Chairman or other officer designated by the Chairman shall select banks, trust companies, or other depositories in which all funds of the Corporation not otherwise employed shall, from time to time, be deposited to the credit of the Corporation.

Section 7.2 Checks. All checks or demands for money and notes of the Corporation shall be signed by such officer or officers or such other persons as the Board of Directors, Chairman or other officer designated by the Chairman may from time to time designate.

Section 7.3 Fiscal Year and Annual Budget. The fiscal year of the Corporation shall be the fiscal year of the government of the United States unless otherwise set by the Board of Directors from time to time. An officer or officers designated by the Chairman will prepare the annual operating budget for approval by resolution of the Board of Directors.

Section 7.4 Contracts. The Board of Directors or Chairman may authorize any officer or officers, agent or agents of the Corporation, so authorized by these Bylaws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation. Such authority may be general or confined to specific instances.

Section 7.5 Endowments. The Board of Directors may establish on behalf of the Corporation any endowments for the general purposes or for any special purpose of the Corporation.

Section 7.6 Designated Contributions. The Corporation may accept any designated contribution, grant, and bequest or devise consistent with its general tax-exempt purposes, as set forth in the Articles of Incorporation. As so limited, donor designated contributions will be accepted for special funds, purposes or uses, and such designations generally will be honored. However, the Corporation shall reserve all right, title and interest in and to and control of such contributions, as well as full discretion as to the ultimate expenditure or distribution thereof in connection with any special fund, purpose or use. Further, the Corporation shall retain sufficient control over all donated funds (including designated contributions) to assure that such funds will be used to carry out the Corporation's tax-exempt purposes.

Section 7.7 Seal. The corporate seal shall be in such form as the Board of Directors may from time to time determine.

Article 8

INDEMNIFICATION

Any person made or threatened to be made a party to or who is involved in any action or proceeding, whether civil or criminal, administrative or investigative, by reason of the fact that he, his testator or intestate, is or was a Director or officer, employee, or agent of the Corporation, shall be indemnified by the Corporation, and the Corporation shall advance his related expenses, to the full extent permitted by law. The right to indemnification conferred in this Article shall be a contract right.

The Corporation may purchase and maintain insurance to indemnify: (a) itself for any obligation which it incurs as a result of the indemnification specified above; and (b) its Directors, officers, employees, and agents whether or not the Corporation would have the power to indemnify such Directors, officers, employees, or agents against such liability under the applicable law.

The rights and authority conferred in this Article shall not be exclusive of any other right, which any person may otherwise have or hereafter acquire. Neither the amendment nor the repeal of this Article nor the adoption of any provision in the Articles of Incorporation of the Corporation or these Bylaws, nor, to the fullest extent permitted by applicable law, any modification of the law, shall eliminate or reduce the effect of this Article in respect of any acts or omissions occurring prior to such amendment, repeal, adoption or modification.

Article 9

AFFILIATES

State and local affiliates of the Corporation may be established to further the purposes of the Corporation, and to establish local leadership, administration, and supervision of programs. Recognition of and affiliation with state and local programs shall be in accordance with terms and procedures established by the Board. Such terms and procedures shall ensure that all state and local affiliates are organized and operated in a manner consistent with (1) the purposes of the Corporation and (2) recognition of tax-exempt status pursuant to Section 501(c)(3) of the Internal Revenue Code.

Article 10

AMENDMENTS

The Articles of Incorporation and these Bylaws may be amended, altered, or repealed at a meeting of the Board by a majority vote of the members of the Board of Directors in office, at any regular or special meeting of the Board.