

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)

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 beginning **07/01/02**, 2002, and ending **06/30/03**, 20

- B** Check if applicable:
- Address change
 - Name change
 - Initial return
 - Final return
 - Amended return
 - Application pending

C Name of organization
Challenger Center for Space Science Education

Number and street (or P O box if mail is not delivered to street address) Room/suite
1250 North Pitt Street

City or town, state or country, and ZIP + 4
Alexandria, VA 22314

D Employer identification number
76 : 0192067

E Telephone number
(703) 683-9740

F Accounting method: Cash Accrual
 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? Yes No
(If "No," attach a list See instructions)

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

G Web site: ▶ **www.challenger.org**

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

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

I Enter 4-digit GEN ▶

L Gross receipts Add lines 6b, 8b, 9b, and 10b to line 12 ▶ **6,504,657**

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

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See page 17 of the instructions.)

JAN 30 2004
OGDEN, UT
REVENUE

Revenue	1 Contributions, gifts, grants, and similar amounts received				
	a Direct public support	1a	1,031,511		
	b Indirect public support	1b			
	c Government contributions (grants)	1c	1,841,846		
	d Total (add lines 1a through 1c) (cash \$ <u>2,852,735</u> noncash \$ <u>20,622</u>)	1d			2,873,357
	2 Program service revenue including government fees and contracts (from Part VII, line 93)	2			3,604,202
	3 Membership dues and assessments	3			
	4 Interest on savings and temporary cash investments	4			434
	5 Dividends and interest from securities	5			0
	6a Gross rents	6a	600		
	b Less: rental expenses	6b			
	c Net rental income or (loss) (subtract line 6b from line 6a)	6c			600
7 Other investment income (describe ▶)	7			0	
8a Gross amount from sales of assets other than inventory	(A) Securities		(B) Other		
	8a				
	8b				
	8c	0	0		
d Net gain or (loss) (combine line 8c, columns (A) and (B))	8d			0	
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			0
10a Gross sales of inventory, less returns and allowances	10a				
	b Less: cost of goods sold	10b			
	c Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	10c			0
11 Other revenue (from Part VII, line 103)	11			26,064	
12 Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12			6,504,657	
Expenses	13 Program services (from line 44, column (B))	13			5,708,315
	14 Management and general (from line 44, column (C))	14			546,245
	15 Fundraising (from line 44, column (D))	15			199,942
	16 Payments to affiliates (attach schedule)	16			
	17 Total expenses (add lines 16 and 44, column (A))	17			6,454,502
Net Assets	18 Excess or (deficit) for the year (subtract line 17 from line 12)	18			50,155
	19 Net assets or fund balances at beginning of year (from line 73, column (A))	19			15,209,081
	20 Other changes in net assets or fund balances (attach explanation)	20			-98,756
	21 Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21			15,160,480

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JAN 27 2004
OGDEN, UT
IRS-OSC

2

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. (See page 21 of the instructions)

<i>Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I</i>		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22	Grants and allocations (attach schedule) (cash \$ _____ noncash \$ <u>0</u>)	0			
23	Specific assistance to individuals (schedule)	0			
24	Benefits paid to or for members (schedule)	0			
25	Compensation of officers, directors, etc.	549,452	485,682	41,141	22,629
26	Other salaries and wages	1,857,756	1,642,142	139,102	76,512
27	Pension plan contributions	18,510	16,362	1,386	762
28	Other employee benefits	277,730	245,497	20,795	11,438
29	Payroll taxes	176,412	155,937	13,209	7,266
30	Professional fundraising fees	0			
31	Accounting fees	26,010		26,010	
32	Legal fees	14,990		14,990	
33	Supplies	73,886	63,902	9,738	246
34	Telephone	62,359	17,848	44,261	250
35	Postage and shipping	74,626	54,641	14,559	5,426
36	Occupancy	214,497		214,497	
37	Equipment rental and maintenance	28,210	61	28,149	
38	Printing and publications	38,183	31,080	1,708	5,395
39	Travel	318,408	280,842	33,189	4,377
40	Conferences, conventions, and meetings	0			
41	Interest	391,079	10,261	380,818	0
42	Depreciation, depletion, etc. (schedule) Stmt 2	311,894	113,887	198,007	0
43a	Other expenses not covered above (itemize) a	2,020,500	2,590,173	-635,314	65,641
b	See Statement 3				
c					
d					
e					
44	Total functional expenses (add lines 22 through 43). Organizations completing columns (B)-(D), carry these totals to lines 13-15	6,454,502	5,708,315	546,245	199,942

Joint Costs. Check if you are following SOP 98-2

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? Yes No
 If "Yes," enter (i) the aggregate amount of these joint costs \$ 94,843, (ii) the amount allocated to Program services \$ 47,422, (iii) the amount allocated to Management and general \$ 0, and (iv) the amount allocated to Fundraising \$ 47,421

Part III Statement of Program Service Accomplishments (See page 24 of the instructions)

What is the organization's primary exempt purpose? **To promote space science education**

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	See Statement 4	(Grants and allocations \$ _____)	
b		(Grants and allocations \$ _____)	
c		(Grants and allocations \$ _____)	
d		(Grants and allocations \$ _____)	
e	Other program services (attach schedule)	(Grants and allocations \$ _____)	
f	Total of Program Service Expenses (should equal line 44, column (B), Program services)		5,708,315

Part IV Balance Sheets (See page 24 of the instructions)

				(A)		(B)
				Beginning of year		End of year
Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only						
Assets	45 Cash—non-interest-bearing			349,457	45	60,296
	46 Savings and temporary cash investments				46	
	47a Accounts receivable	47a	436,308	141,216	47c	409,308
	b Less: allowance for doubtful accounts	47b	27,000			
	48a Pledges receivable	48a	378,744	278,260	48c	378,744
	b Less: allowance for doubtful accounts	48b	0			
	49 Grants receivable			198,742	49	123,704
	50 Receivables from officers, directors, trustees, and key employees (attach schedule)				50	
	51a Other notes and loans receivable (attach schedule)	51a	0		51c	0
	b Less: allowance for doubtful accounts	51b				
	52 Inventories for sale or use			94,985	52	74,702
	53 Prepaid expenses and deferred charges			102,047	53	114,216
	54 Investments—securities (schedule)				54	0
	55a Investments—land, buildings, and equipment basis	55a			55c	0
	b Less accumulated depreciation (attach schedule)	55b				
56 Investments—other (attach schedule)				56		
57a Land, buildings, and equipment: basis	57a	5,543,501	4,360,651	57c	4,201,996	
b Less accumulated depreciation (attach schedule) Stmt 5	57b	1,341,505				
58 Other assets (describe ► See Statement 6)			15,955,410	58	15,931,320	
59 Total assets (add lines 45 through 58) (must equal line 74)			21,480,768	59	21,294,286	
Liabilities	60 Accounts payable and accrued expenses			1,701,241	60	1,632,269
	61 Grants payable				61	
	62 Deferred revenue			721,639	62	371,708
	63 Loans from officers, directors, trustees, and key employees (attach schedule) See Statement 7			175,000	63	150,000
	64a Tax-exempt bond liabilities (attach schedule)				64a	
	b Mortgages and other notes payable (attach schedule) Stmt 8			3,673,807	64b	3,979,829
65 Other liabilities (describe ►)			0	65	0	
66 Total liabilities (add lines 60 through 65)			6,271,687	66	6,133,806	
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			-1,065,000	67	-1,328,566
	68 Temporarily restricted			323,660	68	562,715
	69 Permanently restricted			15,950,421	69	15,926,331
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74					
	70 Capital stock, trust principal, or current funds				70	
	71 Paid-in or capital surplus, or land, building, and equipment fund				71	
	72 Retained earnings, endowment, accumulated income, or other funds				72	
	73 Total net assets or fund balances (add lines 67 through 69 OR lines 70 through 72, column (A) must equal line 19; column (B) must equal line 21)			15,209,081	73	15,160,480
	74 Total liabilities and net assets / fund balances (add lines 66 and 73)			21,480,768	74	21,294,286

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 (See page 27 of the instructions.)		Yes	No	N/A
76	Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a description of each activity	76	✓	
77	Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes.	77	✓	
78a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	78a	✓	
b	If "Yes," has it filed a tax return on Form 990-T for this year?	78b		
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," statement	79	✓	
80a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization?	80a	✓	
b	If "Yes," enter the name of the organization and check whether it is <input type="checkbox"/> exempt OR <input type="checkbox"/> nonexempt			
81a	Enter direct or indirect political expenditures See line 81 instructions	81a	0	
b	Did the organization file Form 1120-POL for this year?	81b		✓
82a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	82a	✓	
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	196,600	
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	83a	✓	
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	83b		✓
84a	Did the organization solicit any contributions or gifts that were not tax deductible?	84a	✓	
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	84b		✓
85	501(c)(4), (5), or (6) organizations a Were substantially all dues nondeductible by members?	85a		✓
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year	85b		✓
c	Dues, assessments, and similar amounts from members	85c		
d	Section 162(e) lobbying and political expenditures	85d		
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85e		
f	Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f		
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	85g		✓
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?	85h		✓
86	501(c)(7) orgs. Enter: a Initiation fees and capital contributions included on line 12	86a		
b	Gross receipts, included on line 12, for public use of club facilities	86b		
87	501(c)(12) orgs. Enter: a Gross income from members or shareholders	87a		
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	87b		
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX	88		✓
89a	501(c)(3) organizations Enter: Amount of tax imposed on the organization during the year under: section 4911 <input type="checkbox"/> 0 ; section 4912 <input type="checkbox"/> 0 ; section 4955 <input type="checkbox"/> 0			
b	501(c)(3) and 501(c)(4) orgs. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction	89b		✓
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958		0	
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization		0	
90a	List the states with which a copy of this return is filed <input type="checkbox"/> AK, <input type="checkbox"/> AL, <input type="checkbox"/> AR, <input type="checkbox"/> AZ, <input type="checkbox"/> CA, <input type="checkbox"/> CT, <input type="checkbox"/> FL, <input type="checkbox"/> GA, <input type="checkbox"/> HI, <input type="checkbox"/> IA, <input type="checkbox"/> IL, <input type="checkbox"/> KS, <input type="checkbox"/> KY, <input type="checkbox"/> LA, <input type="checkbox"/> MA, <input type="checkbox"/> MD, <input type="checkbox"/> ME, <input type="checkbox"/> MI, <input type="checkbox"/> MN, <input type="checkbox"/> MO, <input type="checkbox"/> MS, <input type="checkbox"/> MT, <input type="checkbox"/> NC, <input type="checkbox"/> ND, <input type="checkbox"/> NH, <input type="checkbox"/> NJ, <input type="checkbox"/> NM, <input type="checkbox"/> NV, <input type="checkbox"/> NY, <input type="checkbox"/> OH, <input type="checkbox"/> OK, <input type="checkbox"/> OR, <input type="checkbox"/> PA, <input type="checkbox"/> RI, <input type="checkbox"/> SC, <input type="checkbox"/> SD, <input type="checkbox"/> TN, <input type="checkbox"/> TX, <input type="checkbox"/> UT, <input type="checkbox"/> VT, <input type="checkbox"/> WA, <input type="checkbox"/> WI, <input type="checkbox"/> WY			
b	Number of employees employed in the pay period that includes March 12, 2002 (See instructions.)	90b	44	
91	The books are in care of <input type="checkbox"/> The Organization Telephone no. <input type="checkbox"/> () 703-683-9740 Located at <input type="checkbox"/> 1250 North Pitt Street, Alexandria, VA ZIP + 4 <input type="checkbox"/> 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 <input type="checkbox"/> 92			

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

Note: Enter gross amounts unless otherwise indicated

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue					
a Learning Centers					3,413,798
b Educational Programs					190,404
c					
d					
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments			14	434	
96 Dividends and interest from securities					
97 Net rental income or (loss) from real estate:					
a debt-financed property			30	600	
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 Speaker Income					6,921
b Support, training and special projects					8,085
c Other Income			01	11,058	
d					
e					
104 Subtotal (add columns (B), (D), and (E))		0		12,092	3,619,208
105 Total (add line 104, columns (B), (D), and (E))					3,631,300

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
	%			
	%			
	%			
	%			

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

- (a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No
 - (b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No
- Note: If "Yes" to (b), file Form 8870 and Form 4720 (see instructions).

Under penalties of perjury, I declare that I have 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 Sign: *Sybil Heron* Date: 1/21/04

Date	Check if self-employed <input type="checkbox"/>	Preparer's SSN or PTIN (See Gen. Inst. W)
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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.)

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

Challenger Center for Space Science Education

Employer identification number

76 0192067

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See page 1 of the instructions. List each one. If there are none, enter "None.")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
Tim Livengood 1250 North Pitt Street, Alexandria, VA 22314	Astrophysicist 40	73,088	925	0
Matthew Bobrowsky 1250 North Pitt Street, Alexandria, VA 22314	Astrophysicist 40	71,438	775	0
Linda Wall 1250 North Pitt Street, Alexandria, VA 22314	Regional Director 40	68,511	665	0
Pamela Peterson 1250 North Pitt Street, Alexandria, VA 22314	Regional Director 40	65,989	737	0
Sandra Bishop 1250 North Pitt Street, Alexandria, VA 22314	Accounting Manager 40	65,209	1,034	0
Total number of other employees paid over \$50,000 ▶	6			

Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services
(See page 2 of the instructions. List each one (whether individuals or firms). If there are none, enter "None.")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
None		
.....		
.....		
.....		
.....		
.....		
Total number of others receiving over \$50,000 for professional services ▶	0	

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

Yes No

1 During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ▶ \$ _____ (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.)

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.

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?

b Lending of money or other extension of credit?

c Furnishing of goods, services, or facilities?

d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?

e Transfer of any part of its income or assets?

3 Does the organization make grants for scholarships, fellowships, student loans, etc.? (See Note below)

4 Do you have a section 403(b) annuity plan for your employees?

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.)	2,978,515	2,526,601	2,193,090	2,028,123	9,726,329
16 Membership fees received					0
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose	2,286,927	2,066,995	5,468,657	4,043,453	13,866,032
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	7,007	12,095	22,410	32,378	73,890
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	16,856	59,044	109,325	19,019	204,244
23 Total of lines 15 through 22	5,289,305	4,664,735	7,793,482	6,122,973	23,870,495
24 Line 23 minus line 17	3,002,378	2,597,740	2,324,825	2,079,520	10,004,463
25 Enter 1% of line 23	52,893	46,647	77,935	61,230	
26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24.					200,089
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 total of all these excess amounts					813,930
c Total support for section 509(a)(1) test. Enter line 24, column (e)					10,004,463
d Add Amounts from column (e) for lines: 18 73,890 19 0					
22 204,244 26b 813,930					
e Public support (line 26c minus line 26d total)					8,912,399
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					89 %
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.					
(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:					
(2001) ... (2000) (1999) ... (1998)					
c Add Amounts from column (e) for lines 15 _____ 16 _____					
17 _____ 20 _____ 21 _____					
d Add Line 27a total _____ and line 27b total _____					
e Public support (line 27c total minus line 27d total)					
f Total support for section 509(a)(2) test. Enter amount from line 23, column (e)					27f
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))					27g %
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					27h %
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					

Stmt 11

Part V 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?		
30 Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
31 Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement)		
32 Does the organization maintain the following		
a Records indicating the racial composition of the student body, faculty, and administrative staff?		
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.)		
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)		
34a 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.)
 (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
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	41	
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				
	(a) 2002	(b) 2001	(c) 2000	(d) 1999	(e) Total
45	Lobbying nontaxable amount				
46	Lobbying ceiling amount (150% of line 45(e))				
47	Total lobbying expenditures				
48	Grassroots nontaxable amount				
49	Grassroots ceiling amount (150% of line 48(e))				
50	Grassroots lobbying expenditures				

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

- a Volunteers
- b Paid staff or management (Include compensation in expenses reported on lines c through h.)
- c Media advertisements
- d Mailings to members, legislators, or the public
- e Publications, or published or broadcast statements
- f Grants to other organizations for lobbying purposes
- g Direct contact with legislators, their staffs, government officials, or a legislative body
- h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means
- i Total lobbying expenditures (Add lines c through h.)

	Yes	No	Amount
a			
b			
c			
d			
e			
f			
g			
h			
i			

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

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Question: 20

Challenger Center for Space Science Education
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Other changes in Net Assets or Fund Balances

Explanation	Amount
Change in FV of Beneficial Interest in Trust Fund	-\$24,090.00
Loss on write-off of capitalized bond costs	-\$74,666.00
Total:	-\$98,756.00

Depreciation and Depletion

Cost:

Description	Beg. Year	Additions	Disposals	Other	End Year
Furniture & Fixtures	\$ 259,331	\$ 3,946			\$ 263,277
CLC GW-Alex	363,324	61,981			425,305
Building & Improvements	2,812,651	123,221	(87,112)		2,848,760
Land	1,010,000	-			1,010,000
Equipment	953,157	43,005		(3)	996,159
Total	\$ 5,398,463	\$ 232,153	\$ (87,112)	\$ (3)	\$ 5,543,501

Accumulated Depreciation:

Description	Beg. Year	Additions	Disposals	Other	End Year
Furniture & Fixtures	\$ 177,249	\$ 42,345			\$ 219,594
CLC GW-Alex	88,030	44,078			132,108
Building & Improvements	288,685	123,060	(8,199)		403,546
Equipment	483,848	102,411		(2)	586,257
Total	\$ 1,037,812	\$ 311,894	\$ (8,199)	\$ (2)	\$ 1,341,505
	\$ 4,360,651				\$ 4,201,996

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Part II
Question 43

Challenger Center for Space Science Education
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Attachment listing other expenses for Part II

Description	Total:	Pgm Services	Mgt and General	Fundraising
Simulator Equipment	\$1,468,927 00	\$1,468,927 00	\$0.00	\$0.00
Professional/Consulting Fees	\$177,716 00	\$98,794 00	\$58,640.00	\$20,282 00
Design/Production	\$41,075.00	\$41,075 00	\$0 00	\$0.00
Office Expense	\$64,501 00	\$16,683 00	\$46,241 00	\$1,577.00
Repairs & Maintenance	\$68,140 00	\$11,623.00	\$54,632 00	\$1,885 00
Insurance	\$38,066 00	\$2,078 00	\$35,988 00	\$0.00
Meals & Entertainment	\$15,784 00	\$10,276 00	\$5,151 00	\$357 00
Miscellaneous	\$105,968 00	\$74,333 00	\$29,220 00	\$2,415.00
Allocation of Overhead costs	\$0 00	\$834,376 00	-\$873,141 00	\$38,765 00
Promotion	\$40,323.00	\$32,008.00	\$7,955.00	\$360 00
Total:	\$2,020,500.00	\$2,590,173.00	-\$635,314.00	\$65,641.00

Statement 4

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Part III

Question:

Challenger Center for Space Science Education

76-0192067

Program Services

Achievement		Pgm. Svc. Exp.
Public Awareness: Raised the public's awareness of the critical role space science plays in the life of our nation		\$235,015 00
Grants and Allocations:	\$0 00	
Education: Operated facilities and programs necessary to help students develop scientific problem-solving skills and over-come illiteracy in the fields of science and technology		\$5,473,300 00
Grants and Allocations:	\$0.00	
	Total:	\$5,708,315.00

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Challenger Center for Space Science Education
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Schedule of Land, Buildings and Equipment

Description	Cost	Depreciation	Book Value
Buildings and Improvement	\$2,848,759 00	\$403,546 00	\$2,445,213 00
Learning Center	\$425,305 00	\$132,108 00	\$293,197.00
Exhibits	\$383,692 00	\$65,707 00	\$317,985.00
Equipment	\$612,468 00	\$520,550 00	\$91,918 00
Furniture & Fixtures	\$263,277 00	\$219,594 00	\$43,683 00
Land	\$1,010,000 00	\$0 00	\$1,010,000.00
Total:	\$5,543,501.00	\$1,341,505.00	\$4,201,996.00

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Challenger Center for Space Science Education
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Other Assets

Asset Description	Amount
Deposits	\$4,989 00
Beneficial Interest in Trust Fund	\$15,926,331 00
Total:	\$15,931,320.00

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Challenger Center for Space Science Education
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Loans from Officers, Directors, Etc.

Lender's Name:	Dr June Scobee Rodgers
Lender's Title:	Director
Original Amount:	\$100,000 00
Balance Due:	\$100,000 00
Date of Note:	03/05/2001
Maturity Date:	03/05/2004
Repayment Terms:	Pmt in full
Interest Rate:	4 75
Security Provided by Borrower:	none
Purpose of Loan:	Operating needs
Description of Consideration:	none
FMV of Consideration:	\$0.00

Lender's Name:	Laurence J Adams
Lender's Title:	Former Director
Original Amount:	\$50,000 00
Balance Due:	\$50,000 00
Date of Note:	05/15/2001
Maturity Date:	05/15/2004
Repayment Terms:	Pmt in full
Interest Rate:	4 75
Security Provided by Borrower:	none
Purpose of Loan:	Operating needs
Description of Consideration:	none
FMV of Consideration:	\$0 00

Total Due:	\$150,000.00
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Part. IV
Question: 64b

Challenger Center for Space Science Education
76-0192067

Mortgages and Other Notes Payable

Type:	Mortgage
Lender's Name:	All Mortgages
Original Amount:	\$3,800,000 00
Balance Due:	\$3,748,479 00
Date of Note:	
Maturity Date:	
Repayment Terms:	
Interest Rate:	
Security Provided by Borrower:	
Purpose of Loan:	
Description of Consideration:	
FMV of Consideration:	
Relationship:	

Type:	Non-Mortgage
Lender's Name:	Design & Production
Original Amount:	\$75,000 00
Balance Due:	\$31,350 00
Date of Note:	06/30/2001
Maturity Date:	06/30/2005
Repayment Terms:	\$15,000/yr
Interest Rate:	6
Security Provided by Borrower:	none
Purpose of Loan:	Edventure Lab Fabrication
Description of Consideration:	none
FMV of Consideration:	\$0 00
Relationship:	Vendor

Type:	Non-Mortgage
Lender's Name:	Woodforest National Bank
Original Amount:	\$200,000 00
Balance Due:	\$200,000 00
Date of Note:	08/01/2002
Maturity Date:	07/31/2003
Repayment Terms:	Revolving Line of Credit
Interest Rate:	6.75
Security Provided by Borrower:	Lien on Building
Purpose of Loan:	Operating Needs
Description of Consideration:	none
FMV of Consideration:	\$0.00
Relationship:	Lender

Total Due:	\$3,979,829.00
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Part V
Question:

Challenger Center for Space Science Education
76-0192067

Officers, Directors, Trustees, and Key Employees

Name and Address	Title	Hrs	Comp.	Benefits	Expenses
Joseph P. Allen, Ph D. 1250 North Pitt Street Alexandria, VA 22314	Chairman	3	\$0 00	\$0.00	\$0 00
Deborah Reguera 1250 North Pitt Street Alexandria, VA 22314	President	40	\$21,364.00	\$0 00	\$0 00
Vance Ablott 1250 North Pitt Street Alexandria, VA 22314	President - resigned	40	\$151,083 00	\$574 00	\$0 00
Lynn Heron 1250 North Pitt Street Alexandria, VA 22314	Executive VP - Operations	40	\$122,718 00	\$1,454 00	\$0 00
Howard Wahlberg 1250 North Pitt Street Alexandria, VA 22314	Vice President	40	\$78,750 00	\$974 00	\$0 00
Jeff Goldstein 1250 North Pitt Street Alexandria, VA 22314	Vice President	40	\$92,464 00	\$1,198.00	\$0 00
Alan Landever 1250 North Pitt Street Alexandria, VA 22314	Vice President	40	\$83,073 00	\$428 00	\$0 00
Charles Resnik, M D 1250 North Pitt Street Alexandria, VA 22314	Vice Chairman	3	\$0.00	\$0 00	\$0 00
E. G. Kendrick, Jr. 1250 North Pitt Street Alexandria, VA 22314	Treasurer	3	\$0 00	\$0 00	\$0 00
Charles Walker 1250 North Pitt Street Alexandria, VA 22314	Secretary	3	\$0 00	\$0 00	\$0 00
Frederick Bernthal, Ph D 1250 North Pitt Street Alexandria, VA 22314	Board Member	2	\$0.00	\$0 00	\$0 00
Dennis R. Boxx 1250 North Pitt Street Alexandria, VA 22314	Board Member	2	\$0 00	\$0 00	\$0 00
Edward Fort, Ph D. 1250 North Pitt Street Alexandria, VA 22314	Board Member	2	\$0 00	\$0 00	\$0 00
H. Russell Griffith 1250 North Pitt Street	Board Member	2	\$0 00	\$0 00	\$0 00

Name and Address	Title	Hrs	Comp.	Benefits	Expenses
Alexandria, VA 22314					
Marcia Jarvis-Tinsley 1250 North Pitt Street Alexandria, VA 22314	Board Member	2	\$0.00	\$0 00	\$0 00
Paul Koehler, Ph.D. 1250 North Pitt Street Alexandria, VA 22314	Board Member	2	\$0 00	\$0 00	\$0 00
Cheryl McNair 1250 North Pitt Street Alexandria, VA 22314	Founding Director	2	\$0 00	\$0 00	\$0.00
Lorna Onizuka 1250 North Pitt Street Alexandria, VA 22314	Board Member	2	\$0 00	\$0 00	\$0 00
June Scobee Rodgers, Ph D. 1250 North Pitt Street Alexandria, VA 22314	Board Member	5	\$0 00	\$0 00	\$0 00
Alan Salisbury, Ph D 1250 North Pitt Street Alexandria, VA 22314	Board Member	2	\$0 00	\$0 00	\$0.00
Charles Walker 1250 North Pitt Street Alexandria, VA 22314	Board Member	2	\$0 00	\$0 00	\$0.00
Jane Smith-Wolcott 1250 North Pitt Street Alexandria, VA 22314	Board Member	2	\$0 00	\$0.00	\$0 00
Winnie Wooley 1250 North Pitt Street Alexandria, VA 22314	Board Member	2	\$0 00	\$0.00	\$0 00

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Question:

Challenger Center for Space Science Education
76-0192067

Relationship of Activities

Line No	Relationship of Activities to the Accomplishment of Exempt Purposes
93 a	Learning Centers provide a forum that raises the public's attention of the role of space science and other programs.
93 b	Educational Programs disseminate information through literature (curriculum materials) and workshops
103 a	Speaking engagements allow other communities to learn from the astrophysicists on Challenger Center Staff
103 b	Communities request additional training and materials in line with the Challenger mission

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Part. IV-A
Question: 22

Challenger Center for Space Science Education
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Other Income				
Description	2001	2000	1999	1998
Other income	\$16,856 00	\$59,044 00	\$109,325 00	\$19,019 00
Total:	\$16,856.00	\$59,044.00	\$109,325.00	\$19,019.00