Form **990**

Department of the Treasury
Internal Revenue Service

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)

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

OMB No 1545-0047

2003

Open to Public Inspection

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

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

Please use IRS label or print or type. See Specific Instructions.

C Name of organization
MONTEREY BAY AQUARIUM FOUNDATION

Number and street (or P.O. box if mail is not delivered to street address) | Room/suite
886 CANNERY ROW

City or town, state or country, and ZIP + 4
MONTEREY, CA 93940

D Employer identification number
94-2487469

E Telephone number
(831)648-4800

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? 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 Group Exemption Number ▶

G Website: ▶WWW.MBAYAQ.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 ▶ 105,754,351.

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances

SCANNED DEC 13 2004

RECEIVED NOV 2 2004 OGDEN, UT

Revenue	1	Contributions, gifts, grants, and similar amounts received				
	a	Direct public support	1a	12,599,095.		
	b	Indirect public support	1b			
	c	Government contributions (grants)	1c			
	d	Total (add lines 1a through 1c) (cash $ 11,784,419. noncash $ 814,676.)			1d	12,599,095.
	2	Program service revenue including government fees and contracts (from Part VII, line 93)			2	19,459,648.
	3	Membership dues and assessments			3	5,064,906.
	4	Interest on savings and temporary cash investments			4	
	5	Dividends and interest from securities			5	1,935,895.
	6 a	Gross rents SEE STATEMENT 1	6a	41,245.		
	b	Less: rental expenses SEE STATEMENT 2	6b	46,195.		
	c	Net rental income or (loss) (subtract line 6b from line 6a)			6c	-4,950.
	7	Other investment income (describe ▶)			7	

		(A) Securities		(B) Other
8 a	Gross amount from sales of assets other than inventory	58,689,961.	8a	
b	Less: cost or other basis and sales expenses	55,849,837.	8b	
c	Gain or (loss) (attach schedule)	2,840,124.	8c	

	d	Net gain or (loss) (combine line 8c, columns (A) and (B)) STMT 3			8d	2,840,124.
	9	Special events and activities (attach schedule) If any amount is from gaming, check here ▶ ☐				
	a	Gross revenue (not including $ 21,243. of contributions reported on line 1a)	9a	46,885.		
	b	Less: direct expenses other than fundraising expenses	9b	42,612.		
	c	Net income or (loss) from special events (subtract line 9b from line 9a) SEE STATEMENT 4			9c	4,273.
	10 a	Gross sales of inventory, less returns and allowances	10a	7,916,716.		
	b	Less: cost of goods sold	10b	4,670,390.		
	c	Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)			10c	3,246,326.
	11	Other revenue (from Part VII, line 103)			11	
	12	Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)			12	45,145,317.
Expenses	13	Program services (from line 44, column (B))			13	32,112,895.
	14	Management and general (from line 44, column (C))			14	3,086,170.
	15	Fundraising (from line 44, column (D))			15	1,415,630.
	16	Payments to affiliates (attach schedule)			16	
	17	Total expenses (add lines 16 and 44, column (A))			17	36,614,695.
Net Assets	18	Excess or (deficit) for the year (subtract line 17 from line 12)			18	8,530,622.
	19	Net assets or fund balances at beginning of year (from line 73, column (A))			19	174,243,085.
	20	Other changes in net assets or fund balances (attach explanation) SEE STATEMENT 6			20	8,606,019.
	21	Net assets or fund balances at end of year (combine lines 18, 19, and 20)			21	191,379,726.

Part II Statement of Functional Expenses

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

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22 Grants and allocations (attach schedule) cash $ noncash $	22				
23 Specific assistance to individuals (attach schedule)	23				
24 Benefits paid to or for members (attach schedule)	24				
25 Compensation of officers, directors, etc.	25	483,150.	0.	483,150.	0.
26 Other salaries and wages	26	14,477,125.	12,952,416.	1,160,704.	364,005.
27 Pension plan contributions	27	1,371,073.	1,187,058.	150,655.	33,360.
28 Other employee benefits	28	2,475,433.	2,129,755.	285,642.	60,036.
29 Payroll taxes	29	1,120,468.	986,608.	108,312.	25,548.
30 Professional fundraising fees	30	307,111.			307,111.
31 Accounting fees	31	139,451.	133,315.	5,945.	191.
32 Legal fees	32	107,906.	93,555.	12,030.	2,321.
33 Supplies	33	1,773,199.	1,591,237.	164,277.	17,685.
34 Telephone	34	294,100.	282,447.	11,402.	251.
35 Postage and shipping	35	275,682.	177,855.	10,298.	87,529.
36 Occupancy	36	1,314,107.	1,266,293.	46,001.	1,813.
37 Equipment rental and maintenance	37	311,367.	300,624.	10,409.	334.
38 Printing and publications	38	1,008,083.	549,536.	51,333.	407,214.
39 Travel	39	423,460.	347,865.	70,020.	5,575.
40 Conferences, conventions, and meetings	40	154,471.	129,947.	22,554.	1,970.
41 Interest	41				
42 Depreciation, depletion, etc. (attac STMT 5	42	5,862,168.	5,655,635.	200,110.	6,423.
43 Other expenses not covered above (itemize):					
a	43a				
b	43b				
c	43c				
d	43d				
e SEE STATEMENT 7	43e	4,716,341.	4,328,749.	293,328.	94,264.
44 Total functional expenses (add lines 22 through 43) Organizations completing columns (B)-(D), carry these totals to lines 13-15	44	36,614,695.	32,112,895.	3,086,170.	1,415,630.

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 17

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 17 (Grants and allocations $)	32,112,895.
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) ▶	32,112,895.

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			489,953.	45	562,659.
46 Savings and temporary cash investments			3,611,506.	46	2,714,101.
47 a Accounts receivable	47a	591,017.			
b Less: allowance for doubtful accounts	47b	14,923.	552,085.	47c	576,094.
48 a Pledges receivable	48a	9,247,286.			
b Less: allowance for doubtful accounts	48b	50,000.	4,965,669.	48c	9,197,286.
49 Grants receivable				49	
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			1,889,165.	52	1,277,661.
53 Prepaid expenses and deferred charges			279,309.	53	513,867.
54 Investments - securities STMT 8 ▶ ☐ Cost ☒ FMV			67,105,248.	54	78,755,600.
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	167,030,885.			
b Less: accumulated depreciation STMT 5	57b	62,840,229.	101,816,745.	57c	104,190,656.
58 Other assets (describe ▶ SEE STATEMENT 9)			1,222,469.	58	1,216,883.
59 **Total assets** (add lines 45 through 58) (must equal line 74)			181,932,149.	59	199,004,807.
Liabilities					
60 Accounts payable and accrued expenses			3,319,331.	60	3,289,125.
61 Grants payable				61	
62 Deferred revenue			3,973,875.	62	3,943,908.
63 Loans from officers, directors, trustees, and key employees				63	
64 a Tax-exempt bond liabilities				64a	
b Mortgages and other notes payable				64b	
65 Other liabilities (describe ▶ SEE STATEMENT 10)			395,858.	65	392,048.
66 **Total liabilities** (add lines 60 through 65)			7,689,064.	66	7,625,081.
Net Assets or Fund Balances					
Organizations that follow SFAS 117, check here ▶ ☒ and complete lines 67 through 69 and lines 73 and 74.					
67 Unrestricted			164,791,085.	67	175,592,169.
68 Temporarily restricted			4,809,000.	68	9,744,053.
69 Permanently restricted			4,643,000.	69	6,043,504.
Organizations that do not follow SFAS 117, check here ▶ ☐ 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)			174,243,085.	73	191,379,726.
74 **Total liabilities and net assets / fund balances** (add lines 66 and 73)			181,932,149.	74	199,004,807.

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.

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12-17-03

Part IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return

a	Total revenue, gains, and other support per audited financial statements	a	58,970,000.
b	Amounts included on line a but not on line 12, Form 990:		
(1)	Net unrealized gains on investments $ 8,607,007.		
(2)	Donated services and use of facilities $ 130,111.		
(3)	Recoveries of prior year grants $		
(4)	Other (specify): STMT 11 $ 5,181,173.		
	Add amounts on lines (1) through (4)	b	13,918,291.
c	Line a minus line b	c	45,051,709.
d	Amounts included on line 12, Form 990 but not on line a:		
(1)	Investment expenses not included on line 6b, Form 990 $ 92,910.		
(2)	Other (specify): ROUNDING $ 698.		
	Add amounts on lines (1) and (2)	d	93,608.
e	Total revenue per line 12, Form 990 (line c plus line d)	e	45,145,317.

Part IV-B Reconciliation of Expenses per Audited Financial Statements with Expenses per Return

a	Total expenses and losses per audited financial statements	a	41,364,000.
b	Amounts included on line a but not on line 17, Form 990:		
(1)	Donated services and use of facilities $ 130,111.		
(2)	Prior year adjustments reported on line 20, Form 990 $		
(3)	Losses reported on line 20, Form 990 $		
(4)	Other (specify): STMT 12 $ 4,713,002.		
	Add amounts on lines (1) through (4)	b	4,843,113.
c	Line a minus line b	c	36,520,887.
d	Amounts included on line 17, Form 990 but not on line a:		
(1)	Investment expenses not included on line 6b, Form 990 $ 92,910.		
(2)	Other (specify): ROUNDING $ 898.		
	Add amounts on lines (1) and (2)	d	93,808.
e	Total expenses per line 17, Form 990 (line c plus line d)	e	36,614,695.

Part V List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated.)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (If not paid, enter -0-.)	(D) Contributions to employee benefit plans & deferred compensation	(E) Expense account and other allowances
SEE STATEMENT 13		483,150.	76,536.	1,217.

75 Did any officer, director, trustee, or key employee receive aggregate compensation of more than $100,000 from your organization and all related organizations, of which more than $10,000 was provided by the related organizations? If "Yes," attach schedule. ☐ Yes ☒ No

Part VI | Other Information

			Yes	No
76	Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity	76		X
77	Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes.	77		X
78 a	Did the organization have unrelated business gross income of $1,000 or more during the year covered by this return?	78a	X	
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	78b	X	
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement	79		X
80 a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization?	80a		X
b	If "Yes," enter the name of the organization ▶ ____ and check whether it is ☐ exempt or ☐ nonexempt.			
81 a	Enter direct or indirect political expenditures. See line 81 instructions — 81a: 0.			
b	Did the organization file **Form 1120-POL** for this year?	81b		X
82 a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	82a	X	
b	If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.) — 82b:			
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	83a	X	
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	83b	X	
84 a	Did the organization solicit any contributions or gifts that were not tax deductible? N/A	84a		
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? N/A	84b		
85	*501(c)(4), (5), or (6) organizations* a Were substantially all dues nondeductible by members? N/A	85a		
b	Did the organization make only in-house lobbying expenditures of $2,000 or less? N/A	85b		
	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: N/A			
d	Section 162(e) lobbying and political expenditures — 85d: N/A			
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices — 85e: N/A			
f	Taxable amount of lobbying and political expenditures (line 85d less 85e) — 85f: N/A			
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f? N/A	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? N/A	85h		
86	*501(c)(7) organizations* Enter: a Initiation fees and capital contributions included on line 12 — 86a: N/A			
b	Gross receipts, included on line 12, for public use of club facilities — 86b: N/A			
87	*501(c)(12) organizations.* Enter: a Gross income from members or shareholders — 87a: N/A			
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them) — 87b: N/A			
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX	88		X
89 a	*501(c)(3) organizations* Enter. Amount of tax imposed on the organization during the year under: section 4911 ▶ 0. ; section 4912 ▶ 0. ; section 4955 ▶ 0.			
b	*501(c)(3) and 501(c)(4) organizations* Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction	89b		X
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 ▶ 0.			
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization ▶ 0.			

90 a List the states with which a copy of this return is filed ▶ CALIFORNIA

b Number of employees employed in the pay period that includes March 12, 2003 — 90b: 404

91 The books are in care of ▶ E. PROHASKA Telephone no. ▶ 831-648-4800

Located at ▶ 886 CANNERY ROW, MONTEREY, CA ZIP + 4 ▶ 93940

92 *Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of* **Form 1041**- Check here ▶☐

and enter the amount of tax-exempt interest received or accrued during the tax year ▶ 92: N/A

Part VII Analysis of Income-Producing Activities (See page 33 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 ADMISSION FEES					18,816,944.
b GUIDED TOURS					16,103.
c EARNED BUS SPONSOR					135,751.
d MEMBER EVENTS					101,210.
e OTHER PROG REVENUE					389,640.
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					5,064,906.
95 Interest on savings and temporary cash investments					
96 Dividends and interest from securities			14	1,935,895.	
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property			16	-4,950.	
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory			18	2,840,124.	
101 Net income or (loss) from special events			01	4,273.	
102 Gross profit or (loss) from sales of inventory	453220	410,175.			2,836,151.
103 Other revenue:					
a					
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))		410,175.		4,775,342.	27,360,705.
105 **Total** (add line 104, columns (B), (D), and (E)) ▶					32,546,222.

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 34 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 14

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See page 34 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 34 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)*

Please

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.

[redacted]

11-15-04 Date ▶ Edward E. Prohaska, CFO Type or print name and title.

Date 11/11/04 Check if self-employed ▶ ☐ Preparer's SSN or PTIN

EIN ▶

[redacted]

SCHEDULE A (Form 990 or 990-EZ)

Department of the Treasury Internal Revenue Service

Organization Exempt Under Section 501(c)(3)

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

Supplementary Information-(See separate instructions.)

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

OMB No 1545-0047

2003

Name of the organization: MONTEREY BAY AQUARIUM FOUNDATION

Employer identification number: 94 2487469

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
CYNTHIA VERNON 886 CANNERY ROW MONTEREY, CA 93940	VP CONSERVATION PROGRAMS 40 HOURS	96,134.	31,833.	107.
CRISTINA FEKECI 886 CANNERY ROW MONTEREY, CA 93940	CHIEF DEVELOPMENT OFFICER 40 HOURS	111,364.	36,397.	139.
DON HUGHES 886 CANNERY ROW MONTEREY, CA 93940	VP-EXHIBITION 40 HOURS	104,764.	35,104.	572.
CLAIRE SHERWOOD 886 CANNERY ROW MONTEREY, CA 93940	VP-SALES 40 HOURS	96,064.	31,650.	133.
HENRY ARMSTRONG 886 CANNERY ROW MONTEREY, CA 93940	VP 40 HOURS	99,128.	21,902.	133.
Total number of other employees paid over $50,000 ▶	103			

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
STOCKER & ALLAIRE, INC. 21 MANDEVILLE CT., MONTEREY, CA 93940	GENERAL CONTRACTOR	728,873.
RUDOLPH AND SLETTEN INC. 989 EAST HILLSDALE, #100, FOSTER CITY, CA 94404	GENERAL CONTRACTOR	3408963.
ESHERICK, HOMSEY, DODGE & DAVIS P.O. BOX 51982, LOS ANGELES, CA 90051	ARCHITECTS	763,655.
LEAGAS DELANEY, INC. 840 BATTERY ST., 2ND FL., SF, CA 94111	ADVERTISING	763,372.
THE BRAVO GROUP 230 PARK AVENUE SOUTH, NEW YORK, NY 10003	ADVERTISING	317,044.
Total number of others receiving over $50,000 for professional services ▶ 25		

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 ▶ $ ______ $ 11,315. (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.) VI-B, LINE I	1		X
	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?	2a		X
b	Lending of money or other extension of credit?	2b		X
c	Furnishing of goods, services, or facilities? SEE STATEMENT 16	2c	X	
d	Payment of compensation (or payment or reimbursement of expenses if more than $1,000)? SEE PART V, FORM 990	2d	X	
e	Transfer of any part of its income or assets?	2e		X
3 a	Do you make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how you determine that recipients qualify to receive payments.)	3a		X
b	Do you have a section 403(b) annuity plan for your employees?	3b	X	
4	Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds?	4		X

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

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

5 ☐ A church, convention of churches, or association of churches. 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 [X] An organization that normally receives: **(1) more than 33 1/3%** of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions - subject to certain exceptions, and **(2) no more than 33 1/3%** of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Also complete the **Support Schedule** in Part IV-A.)

13 ☐ An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in: (1) lines 5 through 12 above; or (2) section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2). (See section 509(a)(3).)

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

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

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

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) 2002	(b) 2001	(c) 2000	(d) 1999	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	10,543,076.	27,085,671.	7,480,247.	9,513,564.	54,622,558.
16 Membership fees received	4,920,017.	4,811,825.	4,413,131.	4,612,528.	18,757,501.
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	28,109,943.	27,594,489.	29,447,725.	28,775,735.	113,927,892.
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	2,322,847.	3,126,081.	2,772,624.	3,023,745.	11,245,297.
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	50,533.		SEE STATEMENT 15		50,533.
23 Total of lines 15 through 22	45,946,416.	62,618,066.	44,113,727.	45,925,572.	198,603,781.
24 Line 23 minus line 17	17,836,473.	35,023,577.	14,666,002.	17,149,837.	84,675,889.
25 Enter 1% of line 23	459,464.	626,181.	441,137.	459,256.	

26 **Organizations described on lines 10 or 11:** a Enter 2% of amount in column (e), line 24 ▶ 26a N/A

b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 1999 through 2002 exceeded the amount shown in line 26a. **Do not file this list with your return.** Enter the total of all these excess amounts ▶ 26b N/A

c Total support for section 509(a)(1) test: Enter line 24, column (e) ▶ 26c N/A

d Add: Amounts from column (e) for lines: 18 ______ 19 ______ 22 ______ 26b ______ ▶ 26d N/A

e Public support (line 26c minus line 26d total) ▶ 26e N/A

f **Public support percentage (line 26e (numerator) divided by line 26c (denominator))** ▶ 26f N/A %

27 **Organizations described on line 12:** a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." **Do not file this list with your return.** Enter the sum of such amounts for each year:

(2002) 4,789,535. (2001) 21,457,952. (2000) 705,509. (1999) 4,068,049.

b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the **larger** of **(1)** the amount on line 25 for the year or **(2)** $5,000. (Include in the list organizations described in lines 5 through 11, as well as individuals.) **Do not file this list with your return.** After computing the difference between the amount received and the larger amount described in **(1)** or **(2)**, enter the sum of these differences (the excess amounts) for each year:

(2002) 0. (2001) 0. (2000) 0. (1999) 0.

c Add: Amounts from column (e) for lines: 15 54,622,558. 16 18,757,501. 17 113,927,892. 20 ______ 21 ______ ▶ 27c 187,307,951.

d Add: Line 27a total 31,021,045. and line 27b total 0. ▶ 27d 31,021,045.

e Public support (line 27c total minus line 27d total) ▶ 27e 156,286,906.

f Total support for section 509(a)(2) test: Enter amount on line 23, column (e) ▶ 27f 198,603,781.

g **Public support percentage (line 27e (numerator) divided by line 27f (denominator))** ▶ 27g 78.6928%

h **Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))** ▶ 27h 5.6622%

28 **Unusual Grants:** For an organization described in line 10, 11, or 12 that received any unusual grants during 1999 through 2002, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. **Do not file this list with your return.** Do not include these grants in line 15.

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?	29		
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?	30		
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves?	31		
	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?	32a		
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	32b		
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32c		
d	Copies of all material used by the organization or on its behalf to solicit contributions?	32d		
	If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.)			
33	Does the organization discriminate by race in any way with respect to:			
a	Students' rights or privileges?	33a		
b	Admissions policies?	33b		
c	Employment of faculty or administrative staff?	33c		
d	Scholarships or other financial assistance?	33d		
e	Educational policies?	33e		
f	Use of facilities?	33f		
g	Athletic programs?	33g		
h	Other extracurricular activities?	33h		
	If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.)			
34 a	Does the organization receive any financial aid or assistance from a governmental agency?	34a		
b	Has the organization's right to such aid ever been revoked or suspended?	34b		
	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	35		

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

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

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

Limits on Lobbying Expenditures (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 -	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		

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

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.)

	Lobbying Expenditures During 4-Year Averaging Period				N/A
Calendar year (or fiscal year beginning in) ▶	(a) 2003	(b) 2002	(c) 2001	(d) 2000	(e) Total
45 Lobbying nontaxable amount					0.
46 Lobbying ceiling amount (150% of line 45(e))					0.
47 Total lobbying expenditures					0.
48 Grassroots nontaxable amount					0.
49 Grassroots ceiling amount (150% of line 48(e))					0.
50 Grassroots lobbying expenditures					0.

Part VI-B **Lobbying Activity by Nonelecting Public Charities**

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

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		11,315.
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means		X	
i Total lobbying expenditures (Add lines c through h.) SEE STATEMENT 18			11,315.

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

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

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

		Yes	No
a Transfers from the reporting organization to a noncharitable exempt organization of.			
(i) Cash	51a(i)		X
(ii) Other assets	a(ii)		X
b Other transactions:			
(i) Sales or exchanges of assets with a noncharitable exempt organization	b(i)		X
(ii) Purchases of assets from a noncharitable exempt organization	b(ii)		X
(iii) Rental of facilities, equipment, or other assets	b(iii)		X
(iv) Reimbursement arrangements	b(iv)		X
(v) Loans or loan guarantees	b(v)		X
(vi) Performance of services or membership or fundraising solicitations	b(vi)		X
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees	c		X

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

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

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

b If "Yes," complete the following schedule: N/A

(a) Name of organization	(b) Type of organization	(c) Description of relationship

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FORM 990 RENTAL INCOME STATEMENT 1

KIND AND LOCATION OF PROPERTY	ACTIVITY NUMBER	GROSS RENTAL INCOME
807 CANNERY ROW, MONTEREY, CA	1	41,245.
TOTAL TO FORM 990, PART I, LINE 6A		41,245.

FORM 990 RENTAL EXPENSES STATEMENT 2

DESCRIPTION	ACTIVITY NUMBER	AMOUNT	TOTAL
807 CANNERY ROW, MONTEREY, CA		46,195.	
- SUBTOTAL -	1		46,195.
TOTAL TO FORM 990, PART I, LINE 6B			46,195.

FORM 990 GAIN (LOSS) FROM PUBLICLY TRADED SECURITIES STATEMENT 3

DESCRIPTION	GROSS SALES PRICE	COST OR OTHER BASIS	NET GAIN OR (LOSS)
PUBLICLY TRADED SECURITIES	58,689,961.	55,849,837.	2,840,124.
TO FORM 990, PART I, LINE 8	58,689,961.	55,849,837.	2,840,124.

FORM 990 SPECIAL EVENTS AND ACTIVITIES STATEMENT 4

DESCRIPTION OF EVENT	GROSS RECEIPTS	CONTRIBUT. INCLUDED	GROSS REVENUE	DIRECT EXPENSES	NET INCOME
JAZZ AT THE AQUARIUM	68,128.	21,243.	46,885.	42,612.	4,273.
TO FM 990, PART I, LINE 9	68,128.	21,243.	46,885.	42,612.	4,273.

FORM 990, PART IV - LAND, BUILDINGS, EQUIPMENT & DEPRECIATION

	COST	ACCUMULATED DEPRECIATION	NET	DEPRECIATION EXPENSE
LAND	8,850,284	-	8,850,284	
LAND IMPROVEMENTS	756,385	(378,181)	378,204	50,424
BUILDINGS	111,036,649	(36,288,122)	74,748,527	2,869,117
EXHIBITS	20,729,429	(12,985,148)	7,744,281	1,706,188
EQUIPMENT	17,405,837	(13,188,778)	4,217,059	1,406,362
CONSTRUCTION	8,252,301		8,252,301	-
	167,030,885	(62,840,229)	104,190,656	6,032,091
Less: Allocation of Depreciation to Food Service Operations				(169,922)
Depreciation Reported on Statement of Functional Expenses				5,862,169

FORM 990 OTHER CHANGES IN NET ASSETS OR FUND BALANCES STATEMENT 6

DESCRIPTION	AMOUNT
UNREALIZED GAIN ON INVESTMENTS	8,607,007.
ROUNDING	-988.
TOTAL TO FORM 990, PART I, LINE 20	8,606,019.

FORM 990 OTHER EXPENSES STATEMENT 7

DESCRIPTION	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT AND GENERAL	(D) FUNDRAISING
ADVERTISING	1,494,487.	1,486,213.	6,847.	1,427.
LICENSES	32,949.	26,003.	5,810.	1,136.
INSURANCE	530,542.	508,976.	20,840.	726.
PROMOTIONS	247,550.	167,786.	32,248.	47,516.
OUTSIDE SERVICES	2,317,903.	2,139,771.	134,673.	43,459.
INVESTMENT EXPENSE	92,910.		92,910.	
TOTAL TO FM 990, LN 43	4,716,341.	4,328,749.	293,328.	94,264.

FORM 990 SECURITIES STATEMENT 8

SECURITY DESCRIPTION	CORPORATE STOCKS	CORPORATE BONDS	OTHER PUBLICLY TRADED SECURITIES	OTHER SECURITIES	TOTAL NON-GOV'T SECURITIES
EQUITY FUNDS	54,083,000.				54,083,000.
FIXED INCOME FUNDS		23,349,000.			23,349,000.
CASH EQUIVALENTS				82,288.	82,288.
PLANNED GIFTS				1,241,312.	1,241,312.
TO 990, LN 54 COL B	54,083,000.	23,349,000.		1,323,600.	78,755,600.

FORM 990	OTHER ASSETS	STATEMENT 9

DESCRIPTION	AMOUNT
INTERCOMPANY RECEIVABLE	1,216,883.
TOTAL TO FORM 990, PART IV, LINE 58, COLUMN B	1,216,883.

FORM 990	OTHER LIABILITIES	STATEMENT 10

DESCRIPTION	AMOUNT
GIFT ANNUITY LIABILITY	389,507.
INTERCOMPANY PAYABLE	2,541.
TOTAL TO FORM 990, PART IV, LINE 65, COLUMN B	392,048.

FORM 990	OTHER REVENUE NOT INCLUDED ON FORM 990	STATEMENT 11

DESCRIPTION	AMOUNT
SPECIAL EVENTS EXPENSE RECLASS	42,612.
COST OF GOODS SOLD	4,670,390.
NET REVENUE OF SUBSIDIARIES	468,171.
TOTAL TO FORM 990, PART IV-A	5,181,173.

FORM 990	OTHER EXPENSES NOT INCLUDED ON FORM 990	STATEMENT 12

DESCRIPTION	AMOUNT
SPECIAL EVENTS EXPENSE RECLASS	42,612.
COST OF GOODS SOLD	4,670,390.
TOTAL TO FORM 990, PART IV-B	4,713,002.

FORM 990 PART V - LIST OF OFFICERS, DIRECTORS, TRUSTEES AND KEY EMPLOYEES STATEMENT 13

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN-SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
JULIE PACKARD 886 CANNERY ROW MONTEREY, CA 93940	EXECUTIVE DIRECTOR 28 HOURS	142,864.	26,370.	284.
PETER S. BING, MD 886 CANNERY ROW MONTEREY, CA 93940	CHAIRMAN 1 HOUR	0.	0.	0.
ROBERTA BIALEK 886 CANNERY ROW MONTEREY, CA 93940	TRUSTEE 1 HOUR	0.	0.	0.
SUSAN FORD DORSEY 886 CANNERY ROW MONTEREY, CA 93940	TRUSTEE 1 HOUR	0.	0.	0.
JANE LUBCHENKO, PHD 886 CANNERY ROW MONTEREY, CA 93940	TRUSTEE 1 HOUR	0.	0.	0.
MARCIA MCNUTT, PHD 886 CANNERY ROW MONTEREY, CA 93940	TRUSTEE 1 HOUR	0.	0.	0.
BASIL MILLS 886 CANNERY ROW MONTEREY, CA 93940	TRUSTEE 1 HOUR	0.	0.	0.
STEPHEN C. NEAL 886 CANNERY ROW MONTEREY, CA 93940	TRUSTEE 1 HOUR	0.	0.	0.
SUSAN ORR 886 CANNERY ROW MONTEREY, CA 93940	TRUSTEE 1 HOUR	0.	0.	0.
DAVID W. PACKARD, PHD 886 CANNERY ROW MONTEREY, CA 93940	TRUSTEE 1 HOUR	0.	0.	0.
MARGARET ROGERS 886 CANNERY ROW MONTEREY, CA 93940	TRUSTEE 1 HOUR	0.	0.	0.

GEORGE P. SCHULTZ 886 CANNERY ROW MONTEREY, CA 93940	TRUSTEE 1 HOUR	0.	0.	0.
DIANE K. SIRI 886 CANNERY ROW MONTEREY, CA 93940	TRUSTEE 1 HOUR	0.	0.	0.
GORDON R. SMITH 886 CANNERY ROW MONTEREY, CA 93940	TRUSTEE 1 HOUR	0.	0.	0.
JANE STEEL 886 CANNERY ROW MONTEREY, CA 93940	TRUSTEE 1 HOUR	0.	0.	0.
THE HONORABLE LYDIA M. VILLARREAL 886 CANNERY ROW MONTEREY, CA 93940	TRUSTEE 1 HOUR	0.	0.	0.
NANCY BURNETT 886 CANNERY ROW MONTEREY, CA 93940	TRUSTEE 1 HOUR	0.	0.	0.
THE HONORABLE LEON E. PANETTA 886 CANNERY ROW MONTEREY, CA 93940	TRUSTEE 1 HOUR	0.	0.	0.
JAMES HEKKERS 886 CANNERY ROW MONTEREY, CA 93940	EXEC VICE PRESIDENT 40 HOURS	195,179.	28,962.	766.
EDWARD E. PROHASKA 886 CANNERY ROW MONTEREY, CA 93940	CFO 40 HOURS	145,107.	21,204.	167.
BARBARA WRIGHT* 886 CANNERY ROW MONTEREY, CA 93940	SECRETARY 1 HOUR	0.	0.	0.

* BARBARA WRIGHT IS AN OFFICER OF MONTEREY BAY AQUARIUM FOUNDATION ("FOUNDATION"). HER FIRM, FINCH, MONTGOMERY WRIGHT & EMMER, PROVIDES LEGAL SERVICES TO THE FOUNDATION. FEES FOR THESE SERVICES ARE PAID TO THE FIRM AND ARE FOR LEGAL SERVICES, NOT FOR SERVICES IN HER CAPACITY AS AN OFFICER.

TOTALS INCLUDED ON FORM 990, PART V	483,150.	76,536.	1,217.

FORM 990 PART VIII - RELATIONSHIP OF ACTIVITIES TO ACCOMPLISHMENT OF EXEMPT PURPOSES STATEMENT 14

LINE	EXPLANATION OF RELATIONSHIP OF ACTIVITIES
93A	PAID ADMISSION CONSTITUTES THE SINGLE LARGEST SOURCE OF FINANCIAL SUPPORT FOR THE AQUARIUM. THIS REVENUE, TOGETHER WITH THE OTHER EARNED INCOME FROM MERCHANDISING SALES AND FOOD SERVICE OPERATIONS, IS EARMARKED TO COVER COST-EFFECTIVE AQUARIUM OPERATIONS AND MAINTENANCE OF THE PHYSICAL PLANT, INCLUDING THE LIVING EXHIBIT GALLERIES THAT ARE OUR PRIMARY VEHICLE FOR REACHING MILLIONS OF VISITORS AND CONNECTING THEM TO THE WONDERS OF OCEAN LIFE. SUPPORT FOR OUR NEW EXHIBITS, EDUCATION PROGRAMS, AND CONSERVATION RESEARCH PROGRAMS, COMES FROM OTHER SOURCES: SPECIFICALLY, THE SUPPORT OF MEMBERS AND DONORS, GRANT FUNDING, AND CAPITAL FUNDRAISING CAMPAIGNS.
93B	THESE GUIDED TOURS OF THE AQUARIUM HEIGHTEN THE VISITOR'S EDUCATIONAL EXPERIENCE BY PROVIDING INSTRUCTION ABOUT THE AQUARIUM'S EXHIBITS, SUPPORT FUCNTIONS, RESEARCH AND OTHER AREAS OF CONCERN. THIS RESULTS IN THE PROVISION OF EDUCATIONAL INFORMATION, WHICH IS NOT OTHERWISE AVAILABLE TO THE PUBLIC THROUGH THE AQUARIUM'S INTERPRETIVE EXHIBIT PROGRAMS.
93C	THE BUSINESS SPONSORSHIP PROGRAM ENABLES THE BUSINESS COMMUNITY TO FUND SPECIFIC EXHIBITS AND OTHER EDUCATIONAL ACTIVITIES OF MUTUAL INTEREST. THE EXHIBITS FUNDED THROUGH THIS PROGRAM ATTRACT NEW AS WELL AS REPEAT VISITORS TO THE AQUARIUM AND INCREASE THE VISITOR'S KNOWLEDGE OF THE AQUARIUM'S COLLECTIONS AND MARINE SCIENCE IN GENERAL.
93D	THESE EVENTS PROVIDE AQUARIUM MEMBERS THE OPPORTUNITY TO MEET AQUARIUM STAFF AND GUEST LECTURERS AND LEARN MORE ABOUT AQUARIUM PROJECTS AND MARINE SCIENCE TOPICS OF INTEREST. THE APPEAL, CONVENIENCE AND ACCESSIBILITY OF THESE EVENTS INCREASE VISITS TO THE AQUARIUM AND SUBSTANTIALLY ENHANCE THE EDUCATIONAL EXPERIENCE OF THE MEMBER VISITORS.
93E	SYMPOSIUM, WORKSHOP AND EDUCATION PROGRAMS.
94	THROUGH A MODEST ANNUAL FEE, A MEMBER IS ENTITLED TO UNLIMITED VISITS TO THE AQUARIUM, RECEIPT OF PUBLICATIONS CONTAINING NEWS AND INFORMATION ABOUT THE AQUARIUM, ITS EXHIBITS, RESEARCH AND MARINE SCIENCE TOPICS OF CONCERN. MEMBERS ARE ALSO PROVIDED OTHER PRIVILEGES DESIGNED TO FURTHER THE EDUCATIONAL AND SCIENTIFIC OBJECTIVES OF THE AQUARIUM. THE MEMBERSHIP PROGRAM PROVIDES A MECHANISM FOR DISTRIBUTING EDUCATIONAL MATERIALS ABOUT THE AQUARIUM TO NONRESIDENTS THROUGH THE MAIL AS WELL AS ENRICHING THE EDUCATIONAL OPPORTUNITIES AVAILABLE FOR THE IMMEDIATE COMMUNITY.
102	THE BOOKSTORE OFFERS FOR SALE A WIDE RANGE OF ARTICLES, WHICH FURTHER THE AQUARIUM'S EXEMPT FUNCTION. FOR EXAMPLE, THE BOOKSTORE SELLS BOOKS, ARTISTIC RENDERINGS, INTERPRETIVE DEPICTIONS AND REPRODUCTIONS RELATED TO AQUARIUM EXHIBITS; AS WELL AS SCIENTIFIC EQUIPMENT AND INSTRUMENTS. THE ITEMS SOLD RELATE TO THE AQUARIUM'S EXEMPT FUNCTION BY: (1)ENHANCING VISITOR KNOWLEDGE OF AND INTEREST IN SCIENTIFIC,

TECHNOLOGICAL, HISTORICAL AND CULTURAL AREAS RELATED TO THE AQUARIUM'S RESEARCH AND CONSERVATION EFFORTS AND (2)ENCOURAGING LEARNING THROUGH DIRECT PARTICIPATION AND REINFORCING AQUARIUM EDUCATIONAL ACTIVITIES.

SCHEDULE A — OTHER INCOME — STATEMENT 15

DESCRIPTION	2002 AMOUNT	2001 AMOUNT	2000 AMOUNT	1999 AMOUNT
REIMBURSEMENT	50,533.	0.	0.	0.
TOTAL TO SCHEDULE A, LINE 22	50,533.	0.	0.	0.

FORM 990, SCHEDULE A, PART III - RELATED PARTY TRANSACTIONS

RELATED PARTY	AMOUNT	TRANSACTION
NANCY BURNETT, TRUSTEE SEA STUDIOS	3,432	INVENTORY PURCHASES AT MARKET RATES
BARBARA P. WRIGHT FINCH, MONTGOMERY AND WRIGHT	7,950	CORPORATE LEGAL SERVICES AT MARKET RATES
GORDON SMITH, CEO PACIFIC GAS & ELECTRIC	1,416,936	PURCHASE OF ELECTRIC AND GAS SERVICES AT MARKET RATES

2003 Form 990
Part III – Statement of Program Service Accomplishments
Monterey Bay Aquarium Foundation

1. The organization's primary exempt purpose:

The mission of the Monterey Bay Aquarium is to inspire conservation of the oceans. First and foremost, we inspire our visitors with engaging exhibits and programs focused on encounters with living creatures and their habitats. In 2003, we attracted nearly 1.7 million visitors with experiences designed to establish the intellectual and emotional connections to the natural world that are essential to caring about the oceans and the life in them.

Today, our mission is more urgent than ever. Worldwide, the oceans are in peril, their wildlife and habitats threatened by the ever-increasing pace of human activity. We risk losing vital natural systems that sustain us all. We believe humankind can turn this tide, arrest these damaging trends and eventually restore our fisheries and ocean habitats if people everywhere adopt an ethic of value, stewardship and action on behalf of the oceans. We are committed to building this constituency for ocean conservation.

Being effective at what we do also means ensuring that our programs will continue to operate in the most fiscally sound manner possible. Donors to our 20th Anniversary Fund for the Monterey Bay Aquarium brought us much closer to achieving the objective of creating an endowment fund to support our conservation, exhibit and education programs far into the future. Through this fund and in many other ways, we received generous support from our 55,000 member households to help make possible our many education programs, conservation research initiatives and new exhibits.

2. Exempt purpose achievements:

Our exhibits continued to draw visitors from around the world and to earn accolades from our peers. In 2003, Jellies: Living Art was honored for excellence by professionals with both the American Association of Museums and the American Zoo and Aquarium Association. Recognition by our colleagues echoed the enthusiastic response that Jellies has received from visitors. We completed plans and began construction of an equally exciting and innovative exhibit about sharks and rays. Sharks: Myth and Mystery, with an April 2004 opening date, brings together living exhibits with displays that celebrate the cultural traditions sharks and rays have inspired among people around the world. We also moved ahead with a two-year process of reshaping our original exhibit galleries to incorporate all we've learned about what makes for a successful, compelling visitor experience. The first phase, completed in May 2004, dramatically improved our visitor experience with a new main entry, ticketing services and a skywalk connecting the two wings of our galleries. In July 2004, we began work on our new Ocean's Edge galleries – a transformation of our original exhibits to strengthen the connection between our visitors and conservation of coastal habitats. The new galleries will open in May 2005.

Our effectiveness in reaching – and motivating – visitors is dramatically increased thanks to the dedication and effort of a volunteer corps that now exceeds 1,100 individuals. Volunteers, work throughout the year with diverse audiences interpreting marine life and delivering education programs. They provided 129,000 hours of dedicated service during 2003.

We continue to offer free-admission programs for low-income residents of the community. Our "Free To Learn" program provided free admission for more than 6,100 young people and adults through local health and human service agencies; "Shelf to Shore" provided free admission for nearly 7,500 through selected area libraries in low-income neighborhoods; and our community "Free Week" in December attracted nearly 20,000 Monterey County residents.

We are committed to inspiring the next generation of ocean stewards through innovative science based programs for children, teachers and parents in schools and informally in our exhibit galleries and focus on instilling an ocean conservation ethic. In 2003, we brought nearly 81,000 schoolchildren, teachers and adult chaperones to the aquarium – at no charge to these groups. Using the Splash Zone exhibit as a classroom, we created new education programs that reached more than 4,800 low-income preschoolers and their families through Head Start centers. We reach thousands of other students and educators each year through other classroom programs, guided and self-guided tours, and through outreach initiatives to young people and science educators. Each program is based on the premise that learning, especially for young children, is not so much about right or wrong answers, but about exploration and discovery. The cumulative effect is dedication to science and the beginning of a lifelong connection with the oceans and marine life.

In 2003, our web site (www.montereybayaquarium.org) provided a significant educational resource for audiences beyond our walls with over 3.3 million online visitors. An expanded lineup of streaming live webcams let internet visitors observe sea otters, sharks, penguins and other marine life from our exhibits. Our redesigned Seafood Watch web pages won a silver Muse Award from the American Association of Museums, in the Science category.

Both on our web site and in the aquarium, we provide information and motivation that empower our visitors to move beyond caring about the oceans to caring for the oceans. We identify relevant and timely conservation issues, take positions, and communicate these positions to the public and, when appropriate, policy makers.

We support conservation and research efforts to benefit the wild relatives of the species in our care and their habitats. Our Seafood Watch program puts pocket guides to sustainable seafood in the hands of consumers, restaurateurs and seafood retailers – more than three million to date. Our Sea Otter Research program focused even more energy into efforts that will ensure the long-term survival of California's threatened sea otter population. And our Tuna Research and Conservation Center scientists continued their tagging efforts in the Atlantic and Pacific, shedding light on the life cycles of tunas, white sharks and other open-ocean species. And we raised and returned a record number of endangered snowy plover chicks to the wild after the parent birds abandoned nests and eggs on regional beaches.

Taken together, our exhibits, education programs and conservation research are essential to achieving the future expressed in our vision statement—a world in which the oceans are healthy and people are committed to protecting the integrity of Earth's natural systems, which sustain us all.

Monterey Bay Aquarium
Year ended December 31, 2003

Federal Form 990
Schedule A, Part VI-B re "Lobbying Activity by Nonelecting Public Charities"

An insubstantial part of the Monterey Bay Aquarium's activities involves institutional efforts to influence legislative and regulatory matters of direct concern to the aquarium and its mission of promoting ocean conservation. The aquarium had no staff or office dedicated to this specific function in 2003. The aquarium did pay a total of $11,315 for Metcalf Federal Relations, a Washington DC lobbying firm, to be on retainer through March 31, 2003.

Staff members engaged in activities that could potentially be interpreted as lobbying included the executive director and other staff whose responsibilities include fundraising and community relations. Such activities included communications with elected officials and/or their staff in an effort to obtain federal funding of aquarium research and education programs.

The total amount of aquarium staff time and resources spent on lobbying represented an insignificant part of the aquarium's total annual expenditures.

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

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

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

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

Type or print. File by the extended due date for filing the return See instructions

Name of Exempt Organization MONTEREY BAY AQUARIUM FOUNDATION		Employer identification number 94-2487469
Number, street, and room or suite no. If a P O box, see instructions 886 CANNERY ROW		For IRS use only
City, town or post office, state, and ZIP code For a foreign address, see instructions MONTEREY, CA 93940		

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

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

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

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

4 I request an additional 3-month extension of time until NOVEMBER 15, 2004

5 For calendar year 2003 , or other tax year beginning ________ and ending ________.

6 If this tax year is for less than 12 months, check reason: [ ] Initial return [ ] Final return [ ] Change in accounting period

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

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions $

b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868 $

c **Balance Due.** Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System) See instructions $ N/A

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature ▶ Sharon Zubach Title ▶ A member of the Staff of Deloitte & Touche LLP 50 Fremont Street, San Francisco, CA 94105 Date ▶ 8/12/04

Notice to Applicant - To Be Completed by the IRS

[✓] We **have** approved this application. Please attach this form to the organization's return.

[ ] We **have not** approved this application. However, we have granted a 10-day grace period from the later of the date shown below or the due date of the organization's return (including any prior extensions) This grace period is considered to be a valid extension of time for elections otherwise required to be made on a timely return Please attach this form to the organization's return

[ ] We **have not** approved this application After considering the reasons stated in item 7, we cannot grant your request for an extension of time to file. We are not granting the 10-day grace period

[ ] We **cannot consider** this application because it was filed after the due date of the return for which an extension was requested

[ ] Other ________

Director ________ By: ________ Date ________

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

Type or print

Name
DELOITTE & TOUCHE, LLP

Number and street (include suite, room, or apt no) Or a P O. box number
50 FREMONT STREET

City or town, province or state, and country (including postal or ZIP code)
SAN FRANCISCO, CA 94105

323832 05-01-03

Form **8868**
(December 2000)
Department of the Treasury
Internal Revenue Service

Application for Extension of Time To File an Exempt Organization Return

▶ File a separate application for each return

OMB No 1545-1709

- If you are filing for an **Automatic 3-Month Extension, complete only Part I** and check this box . . . . ▶ [X]
- 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
File by the due date for filing your return See instructions	MONTEREY BAY AQUARIUM FOUNDATION	94-2487469
	Number, street, and room or suite no If a P O box, see instructions: 886 CANNERY ROW	
	City, town or post office, state, and ZIP code For a foreign address, see instructions: MONTEREY CA 93940	

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

[X] Form 990	[ ] Form 990-T (corporation)	[ ] Form 4720
[ ] Form 990-BL	[ ] Form 990-T (sec 401(a) or 408(a) trust)	[ ] Form 5227
[ ] Form 990-EZ	[ ] Form 990-T (trust other than above)	[ ] Form 6069
[ ] Form 990-PF	[ ] Form 1041-A	[ ] 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 AUGUST 16 , 20 04 , to file the exempt organization return for the organization named above. The extension is for the organization's return for:

▶ [X] calendar year 20 03 or

▶ [ ] tax year beginning ____________, 20 ___, and ending ____________, 20 ___.

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 ▶ Sharon Gerbach
Title ▶ A member of the Staff of Deloitte & Touche LLP 50 Fremont Street, San Francisco CA 94105
Date ▶ 5/13/04

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