

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

2004Open to Public
Inspection

A For the 2004 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

Vatican Observatory Foundation

Number and street (or P.O. box if mail is not delivered to street address)

2017 East Lee Street

City or town, state or country, and ZIP + 4

Tucson, AZ 85719• Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts
must attach a completed Schedule A (Form 990 or 990-EZ).

D Employer identification number

86-0559994

E Telephone number

(520) 795-9866F Accounting method: ☐ Cash ☒ Accrual
☐ Other (specify) ▶G Website: ▶ **http://clavius.as.arizona.edu/vo/**J Organization type (check only one) ▶ ☒ 501(c) (3) ◀ (insert no.) ☐ 4947(a)(1) or ☐ 527K 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.

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 ☐ NoH(d) Is this a separate return filed by an or-
ganization covered by a group ruling? ☐ Yes ☒ No

I Group Exemption Number ▶

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

4,430,255.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**

Revenue	1	Contributions, gifts, grants, and similar amounts received:				
	a	Direct public support	1a	548,303.		
	b	Indirect public support	1b			
	c	Government contributions (grants)	1c			
	d	Total (add lines 1a through 1c) (cash \$ 548,303. noncash \$)	1d	548,303.		
	2	Program service revenue including government fees and contracts (from Part VII, line 93)	2	100,228.		
	3	Membership dues and assessments	3			
	4	Interest on savings and temporary cash investments	4			
	5	Dividends and interest from securities	5			
	6a	Gross rents	6a			
Expenses	b	Less: rental expenses	6b			
	c	Net rental income or (loss) (subtract line 6b from line 6a)	6c			
	7	Other investment income (describe) See Statement 1)	7	93,620.		
	8a	Gross amount from sales of assets other than inventory	(A) Securities		(B) Other	
	b	Less: cost or other basis and sales expenses	8a	3,672,619.		
	c	Gain or (loss) (attach schedule)	8b	4,063,196.		
	d	Net gain or (loss) (combine line 8c, columns (A) and (B)) Stmnt 3	8c	<390,577.>		
	9	Special events and activities (attach schedule). If any amount is from gaming, check here <input type="checkbox"/>	8d	<390,577.>		
	a	Gross revenue (not including \$ of contributions reported on line 1a)	9a			
	b	Less: direct expenses other than fundraising expenses	9b			
Net Assets	c	Net income or (loss) from special events (subtract line 9b from line 9a)	9c			
	10a	Gross sales of inventory, less returns and allowances	10a			
	b	Less: cost of goods sold	10b			
	c	Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	10c			
	11	Other revenue (from Part VII, line 103)	11	15,485.		
	12	Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12	367,059.		
	13	Program services (from line 44, column (B))	13	423,912.		
	14	Management and general (from line 44, column (C))	14	103,371.		
	15	Fundraising (from line 44, column (D))	15	63,591.		
	16	Payments to affiliates (attach schedule)	16			
Net Assets	17	Total expenses (add lines 16 and 44, column (A))	17	590,874.		
	18	Excess or (deficit) for the year (subtract line 17 from line 12)	18	<223,815.>		
	19	Net assets or fund balances at beginning of year (from line 73, column (A))	19	6,264,164.		
	20	Other changes in net assets or fund balances (attach explanation) See Statement 4	20	568,925.		
	21	Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21	6,609,274.		

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

Form 990 (2004)

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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.

Page 2

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)				
	(each \$ _____ noncash \$ _____)				
23	Specific assistance to individuals (attach schedule)				
24	Benefits paid to or for members (attach schedule)				
25	Compensation of officers, directors, etc.	0.	0.	0.	0.
26	Other salaries and wages	156,560.	103,441.	26,560.	26,559.
27	Pension plan contributions	7,280.		3,640.	3,640.
28	Other employee benefits				
29	Payroll taxes	4,310.		2,155.	2,155.
30	Professional fundraising fees				
31	Accounting fees	27,150.		27,150.	
32	Legal fees	3,332.		3,332.	
33	Supplies	5,482.	5,246.		236.
34	Telephone	2,715.	2,715.		
35	Postage and shipping	3.		3.	
36	Occupancy				
37	Equipment rental and maintenance	22,849.	22,849.		
38	Printing and publications	1,252.			1,252.
39	Travel	5,646.		5,646.	
40	Conferences, conventions, and meetings				
41	Interest				
42	Depreciation, depletion, etc. (attach schedule)	98,456.	98,456.		
43	Other expenses not covered above (itemize):				
a		43a			
b		43b			
c		43c			
d		43d			
e	See Statement 5	43e			
44	Total functional expenses (add lines 22 through 43). Organizations completing columns (B)-(D) carry these totals to lines 13-15.	590,874.	423,912.	103,371.	63,591.

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 those 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 AccomplishmentsWhat is the organization's primary exempt purpose? ☐**Astronomical research**

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	The foundation operates telescope and observatory facilities in conjunction with the University of Arizona, Steward Observatory for scientific and educational purposes.		423,912.
	(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)		423,912.

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	8,386.	7,399.
	46 Savings and temporary cash investments	715,692.	1,234,254.
	47 a Accounts receivable		
	b Less: allowance for doubtful accounts		
	48 a Pledges receivable	117,272.	
	b Less: allowance for doubtful accounts		
	49 Grants receivable		
	50 Receivables from officers, directors, trustees, and key employees		
	51 a Other notes and loans receivable		
	b Less: allowance for doubtful accounts		
	52 Inventories for sale or use		
	53 Prepaid expenses and deferred charges		
	54 Investments - securities <input type="checkbox"/> Cost <input type="checkbox"/> FMV		
	55 a Investments - land, buildings, and equipment: basis		
	b Less: accumulated depreciation		
56 Investments - other	See Statement 6	3,074,765.	2,748,540.
57 a Land, buildings, and equipment: basis	57a 3,318,253.		
b Less: accumulated depreciation	57b 1,081,665.	2,332,172.	2,236,588.
58 Other assets (describe <input type="checkbox"/> See Statement 7)	96,818.	303,168.	
59 Total assets (add lines 45 through 58) (must equal line 74)	6,302,646.	6,647,221.	
Liabilities	60 Accounts payable and accrued expenses	1,468.	13,637.
	61 Grants payable		
	62 Deferred revenue		
	63 Loans from officers, directors, trustees, and key employees		
	64 a Tax-exempt bond liabilities		
	b Mortgages and other notes payable		
	65 Other liabilities (describe <input type="checkbox"/> Commissioning liability)	37,014.	24,310.
66 Total liabilities (add lines 60 through 65)	38,482.	37,947.	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.		
	67 Unrestricted	2,098,920.	2,389,538.
	68 Temporarily restricted	21,013.	21,013.
	69 Permanently restricted	4,144,231.	4,198,723.
	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		
	71 Paid-in or capital surplus, or land, building, and equipment fund		
	72 Retained earnings, endowment, accumulated income, or other funds		
	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)	6,264,164.	6,609,274.
	74 Total liabilities and net assets / fund balances (add lines 66 and 73)	6,302,646.	6,647,221.

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 IV-B	Reconciliation of Expenses per Audited Financial Statements with Expenses per Return
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Part V	List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated.)
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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	N/A
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 Vatican Observatory Research Group and check whether it is <input checked="" type="checkbox"/> exempt or <input type="checkbox"/> 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	N/A
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?	84a	X
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	84b	N/A
85 501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members?	85a	N/A
b Did the organization make only in-house lobbying expenditures of \$2,000 or less?	85b	N/A
If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.		
c Dues, assessments, and similar amounts from members	85c	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?	85g	N/A
h If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85h	N/A
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 <u>0.</u> ; section 4912 <u>0.</u> ; section 4955 <u>0.</u>		
b 501(c)(3) and 501(c)(4) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction	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 AZ	90b	1
b Number of employees employed in the pay period that includes March 12, 2004		
91 The books are in care of Keegan, Linscott, & Kenon, P.C Telephone no (520) 884-0176		

Located at **33 N. Stone Ave., Suite 101 Tucson, AZ**ZIP + 4 **85701**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) Exclu- sion code	(D) Amount	
93 Program service revenue:					
a <u>Book Royalties</u>					100,228.
b _____					
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					
96 Dividends and interest from securities					
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income			14	93,620.	
100 Gain or (loss) from sales of assets other than inventory					<390,577.>
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue:					
a <u>Calendar income</u>					8,540.
b <u>Miscellaneous income</u>					6,945.
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))		0.		93,620.	<274,864.>
105 Total (add line 104, columns (B), (D), and (E))					<181,244.>

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 9

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).

I am preparing this return, and the accompanying schedules and statements, and to the best of my knowledge and belief, it is true, and all information of which preparer has any knowledge.

Date 11/14/05 ☒ CARLOS ANGELO CORREALLY, VICE PRESIDENT
Type or print name and title.

Date _____ Check if _____ Preparer's SSN or PTIN _____

Organization Exempt Under Section 501(c)(3)

(Except Private Foundation) and Section 501(c), 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

2004

Name of the organization

Employer identification number

86: 0559994

Part I	Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
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(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
Nancy Knoche ----- 2017 E Lee St., Tucson, AZ	Development 40	56,337.	5,337.	2,591.

Total number of other employees paid over \$50,000	0			

Part II	Compensation of the Five Highest Paid Independent Contractors for Professional Services
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(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.	1	X
2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)		
a Sale, exchange, or leasing of property?	2a	X
b Lending of money or other extension of credit?	2b	X
c Furnishing of goods, services, or facilities?	2c	X
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?	2d	X
e Transfer of any part of its income or assets?	2e	X
3 a Do you make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how you determine that recipients qualify to receive payments.)	3a	X
b Do you have a section 403(b) annuity plan for your employees?	3b	X
4 a Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds?	4a	X
b Do you provide credit counseling, debt management, credit repair, or debt negotiation services?	4b	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 ☐ 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) 2003	(b) 2002	(c) 2001	(d) 2000	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	271,552.	236,751.	532,816.	445,481.	1,486,600.
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose	20,673.	13,029.	33,314.	17,257.	84,273.
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	54,728.	55,911.	89,890.	285,593.	486,122.
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			See Statement 10 15,750.	15,000.	30,750.
23 Total of lines 15 through 22	346,953.	305,691.	671,770.	763,331.	2,087,745.
24 Line 23 minus line 17	326,280.	292,662.	638,456.	746,074.	2,003,472.
25 Enter 1% of line 23	3,470.	3,057.	6,718.	7,633.	
26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24					26a 40,069.
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 2000 through 2003 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts					26b 449,330.
c Total support for section 509(a)(1) test: Enter line 24, column (e)					26c 2,003,472.
d Add: Amounts from column (e) for lines: 18 486,122. 19 22 30,750. 26b 449,330.					26d 966,202.
e Public support (line 26c minus line 26d total)					26e 1,037,270.
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					26f 51.7736%
27 Organizations described on line 12: a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." Do not file this list with your return. Enter the sum of such amounts for each year: N/A					
(2003) (2002) (2001) (2000)					
b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year: N/A					
(2003) (2002) (2001) (2000)					
c Add: Amounts from column (e) for lines: 15 17 20 21					27c N/A
d Add: Line 27a total and line 27b total					27d N/A
e Public support (line 27c total minus line 27d total)					27e N/A
f Total support for section 509(a)(2) test: Enter amount on line 23, column (e)			27f N/A		
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))					27g N/A %
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					27h N/A %
28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2000 through 2003, 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.					

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	

Schedule A (Form 990 or 990-EZ) 2004

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
36 Total lobbying expenditures to influence public opinion (grassroots lobbying)	36	
37 Total lobbying expenditures to influence a legislative body (direct lobbying)	37	
38 Total lobbying expenditures (add lines 36 and 37)	38	
39 Other exempt purpose expenditures	39	
40 Total exempt purpose expenditures (add lines 38 and 39)	40	
41 Lobbying nontaxable amount. Enter the amount from the following table -		
If the amount on line 40 is - The lobbying nontaxable amount is -		
Not over \$500,000 20% of the amount on line 40		
Over \$500,000 but not over \$1,000,000 \$100,000 plus 15% of the excess over \$500,000		
Over \$1,000,000 but not over \$1,500,000 \$175,000 plus 10% of the excess over \$1,000,000		
Over \$1,500,000 but not over \$17,000,000 \$225,000 plus 5% of the excess over \$1,500,000		
Over \$17,000,000 \$1,000,000		
42 Grassroots nontaxable amount (enter 25% of line 41)	42	
43 Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36	43	
44 Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38	44	

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

4-Year Averaging Period Under Section 501(h)

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

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				N/A
	(a) 2004	(b) 2003	(c) 2002	(d) 2001	(e) Total
45 Lobbying nontaxable amount					0.
46 Lobbying ceiling amount (150% of line 45(e))					0.
47 Total lobbying expenditures					0.
48 Grassroots nontaxable amount					0.
49 Grassroots ceiling amount (150% of line 48(e))					0.
50 Grassroots lobbying expenditures					0.

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See page 11 of the instructions.)

N/A

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
		0.

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

Exempt Organizations (See page 11 of the instructions.)

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

- | | Yes | No |
|--------|-----|----|
| 51a(i) | | X |
| a(ii) | | X |
| b(i) | | X |
| b(ii) | | X |
| b(iii) | | X |
| b(iv) | X | |
| b(v) | | X |
| b(vi) | | X |
| c | X | |

transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received:

[illegible]☐ Yes ☒ No

N/A

[illegible]

Form 990	Other Investment Income	Statement	1
Description		Amount	
Interest		51,637.	
Dividends		41,983.	
Total to Form 990, Part I, line 7		93,620.	

Footnotes	Statement	2
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Part II, Statement of Functional Expenses, Line 26,
Other Salaries & Wages:

Please note that the Vatican Observatory Foundation has one employee. Except for the amount paid to the one employee, the only organization's employee, salaries and wages are an allocation from the University of Arizona for the operation, upkeep and maintenance of the telescope.

Form 990	Gain (Loss) From Publicly Traded Securities	Statement	3
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Description	Gross Sales Price	Cost or Other Basis	Expense of Sale	Net Gain or (Loss)
Loss on sale of assets	3,672,619.	4,063,196.	0.	<390,577.>
To Form 990, Part I, line 8	3,672,619.	4,063,196.	0.	<390,577.>

Form 990	Other Changes in Net Assets or Fund Balances	Statement	4
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Description	Amount
Net unrealized gain on investments	568,925.
Total to Form 990, Part I, line 20	568,925.

Form 990	Other Expenses	Statement	5
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Description	(A) Total	(B) Program Services	(C) Management and General	(D) Fundraising
Utilities	21,933.	21,933.		
MGIO expenses	112,983.	112,983.		
Fundraising	21,739.			21,739.
Insurance	21,863.	1,336.	17,859.	2,668.
Investment Fees	12,286.		12,286.	
Newsletter	1,973.			1,973.
Auto, Fuel & Lubricant	3,014.	3,014.		
Indirect Charges	32,220.	32,220.		
Miscellaneous	4,679.	10.	3,044.	1,625.
Bad Debt Expense	1,696.		1,696.	
Calendar Expense	1,744.			1,744.
Data Processing	421.	421.		
Personnel Services	19,288.	19,288.		
Total to Fm 990, ln 43	255,839.	191,205.	34,885.	29,749.

Form 990	Other Investments	Statement	6
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<u>Description</u>	<u>Valuation Method</u>	<u>Amount</u>
Securities	Cost	2,748,540.
Total to Form 990, Part IV, line 56, Column B		2,748,540.

Form 990	Other Assets	Statement	7
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<u>Description</u>	<u>Amount</u>
Noncurrent pledges receivable	274,718.
Royalties receivable	28,450.
Total to Form 990, Part IV, line 58, Column B	303,168.

Form 990	Part V - List of Officers, Directors, Trustees and Key Employees	Statement	8
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<u>Name and Address</u>	<u>Title and Avrg Hrs/Wk</u>	<u>Compen- sation</u>	<u>Employee Ben Plan</u>	<u>Expense Contrib</u>	<u>Account</u>
Dr. George V. Coyne, S.J. 2017 E. Lee Street Tucson AZ 85716	President 20	0.	0.		0.
Dr. Christopher J. Corbally 2017 E. Lee Street Tucson AZ 85716	1st Vice-Pres. 1	0.	0.		0.
Dr. Richard P. Boyle, S.J. 2017 E. Lee Street Tucson AZ 85719	2nd Vice-Pres. 1	0.	0.		0.
Rev Charles L. Currie, S.J. One Dupont Circle NW Suite 405 Washington DC 20036	Director 1	0.	0.		0.
Dr. William R. Stoeger, S.J. 2017 East Lee Street Tucson AZ 85719	Secretary 1	0.	0.		0.

Vatican Observatory Foundation

86-0559994

Ms. Sheila Grinell 600 E. Washington St Phoenix AZ 85004	Director 1	0.	0.	0.
Mr. Michael A. Cronin 3200 N. Central Ave., #1800 Phoenix AZ 85012	Director 1	0.	0.	0.
Mrs. Karen Dalby 353 N. Gunston Drive Los Angeles CA 90049	Director 1	0.	0.	0.
Mr. Paul M. Henkels 985 Jolly Road Blue Bell PA 19422	Chairman 1	0.	0.	0.
Bro. John B. Hollywood, S.J. 5704 Roland Dr. Baltimore, MD 21210	Director 1	0.	0.	0.
Mrs. Paula O D'Angelo 700A South Laflin Street Chicago IL 60607	Director 1	0.	0.	0.
Mr. Ben Dalby 353 N. Gunston Drive Los Angeles CA 90049	Director 1	0.	0.	0.
Mr. Peter P. Mullen Four Times Square, Rm 35-210 New York NY 10036	Director 1	0.	0.	0.
Dr. Faith Vilas 300 E Street SW Washington DC 20546	Director 1	0.	0.	0.
Mr. Richard J. Friedrich 5622 Snowdon Place San Jose CA 95138	Director 1	0.	0.	0.
Dr. Brendan D. Thomson, M.D. 325 W. Lamar Dr. Phoenix AZ 85013	Director 1	0.	0.	0.
Mr. Manuel J. Espinoza 4180 E. Stone River Drive Tucson AZ 85712	Treasurer 1	0.	0.	0.
Mr. James C. McGee 5620 W Soft Wind Drive Glendale AZ 85310	Director 1	0.	0.	0.

Vatican Observatory Foundation

86-0559994

Mr. Christopher P. Hitchcock 29425 Chagrin Blvd Cleveland, OH 44122	Director 1	0.	0.	0.
Mr. Thomas Johnson 4112 E. Sunnyside Drive Phoenix AZ 85028	Director 1	0.	0.	0.
Mr. Michael Figueroa 428 S. Third Ave Tucson AZ 85701	Director 1	0.	0.	0.
Mr. John B. Henkels 4226 Cumberland Rd Salt Lake City, UT 84124	Director 1	0.	0.	0.
Dr. Rocco Martino 922 Old Eagle School Rd, #916 Wayne, PA 19087	Director 1	0.	0.	0.
Dr. June Scobee Rodgers 1306 Sunset Drive Signal Mountain, TN 37377	Director 1	0.	0.	0.

Totals Included on Form 990, Part V

0. 0. 0.

Form 990	Part VIII - Relationship of Activities to Accomplishment of Exempt Purposes	Statement	9
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Line	Explanation of Relationship of Activities
93A	The Vatican Observatory staff write scientific publications based on their research findings. The Foundation administers these royalties in furtherance of its exempt purpose of astronomical research.
100	The Foundation uses proceeds from the sale of various investments to help further its exempt purpose of astronomical research and discovery.
103a	The Foundation produces and sells a calendar, the proceeds of which are used to further its exempt purpose of astronomical research.
103b	Miscellaneous income from various activities, the proceeds of which are used to further its exempt purpose of astronomical research.

Schedule A	Other Income			Statement 10
Description	2003 Amount	2002 Amount	2001 Amount	2000 Amount
Other Income	0.	0.	15,750.	15,000.
Total to Schedule A, line 22	0.	0.	15,750.	15,000.

Application for Extension of Time To File an Exempt Organization Return

OMB No. 1545-1709

► File a separate application for each return.

• If you are filing for an Automatic 3-Month Extension, complete only Part I and check this box ☒ **X**

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

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)

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.

Electronic Filing (e-file). Form 8868 can be filed electronically if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for corporate Form 990-T filers). However, you cannot file it electronically if you want the additional (not automatic) 3-month extension. Instead you must submit the fully completed signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit www.irs.gov/efile.

Type or print	Name of Exempt Organization Vatican Observatory Foundation	Employer identification number 86-0559994
File by the due date for filing your return. See instructions.	Number, street, and room or suite no. If a P.O. box, see instructions. 2017 East Lee Street	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. Tucson, AZ 85719	

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

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

- The books are in the care of ► **Keegan, Linscott, & Kenon, P.C**
Telephone No. ► **(520) 884-0176** FAX No. ► _____
- 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-months for a Form 990-T corporation) extension of time until **August 15, 2005** to file the exempt organization return for the organization named above. The extension is for the organization's return for:
► ☒ calendar year **2004** or
► ☐ tax year beginning _____, and ending _____
- 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**

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions

LHA For Privacy Act and Paperwork Reduction Act Notice, see instructions.

Form 8868 (Rev. 12-2004)

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

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

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

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

Type or print. File by the extended due date for filing the return. See instructions.	Name of Exempt Organization	Employer identification number
	Vatican Observatory Foundation	86-0559994
	Number, street, and room or suite no. If a P.O. box, see instructions. 2017 East Lee Street	For IRS use only
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. Tucson, AZ 85719	

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

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

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

- The books are in the care of **Keegan, Linscott, & Kenon, P.C.**
 Telephone No. **(520) 884-0176** FAX No. _____
- 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, 2005.**
- 5 For calendar year **2004**, 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
Taxpayer respectfully requests additional time to gather information necessary 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 **[Signature]** Title **CPA** Date **8/11/05**

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 a 10-day grace period.
- ☐ We cannot consider this application because it was filed after the extended 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
	Number and street (include suite, room, or apt. no.) or a P.O. box number
	City or town, province or state, and country (including postal or ZIP code)