

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

OMB No 1545-0047
2004
Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

A For the **2004** calendar year, or tax year beginning 7/1/2004, and ending 6/30/2005

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

C Name of organization: Facing History And Ourselves National Foundation, Inc
 Number and street (or P O box if mail is not delivered to street address) Room/suite: 16 Hurd Road
 City or town State or country ZIP + 4: Brookline MA 02445-6919

D Employer identification number: 04-2761636

E Telephone number: 617-735-1627

F Accounting method: Cash Accrual
 Other (specify) ▶

G Website: ▶ www.facinghistory.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**

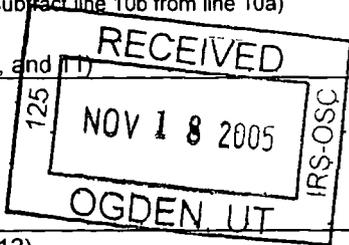
L Gross receipts. Add lines 6b, 8b, 9b, and 10b to line 12 ▶ 13,270,210

H and **I** are not applicable to section 527 organizations
H(a) Is this a group return for affiliates? Yes No
H(b) If "Yes," enter number of affiliates ▶ _____
H(c) Are all affiliates included? Yes No (If "No," attach a list. See instructions.)
H(d) Is this a separate return filed by an organization covered by a group ruling? Yes No
I Group Exemption Number ▶ _____

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

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See page 18 of the instructions)

Revenue	1 Contributions, gifts, grants, and similar amounts received				
	a Direct public support	1a	11,880,630		
	b Indirect public support	1b	0		
	c Government contributions (grants)	1c	0		
	d Total (add lines 1a through 1c) (cash \$ <u>11,880,630</u> noncash \$ <u>0</u>)	1d		11,880,630	
	2 Program service revenue including government fees and contracts (from Part VII, line 93)	2		365,809	
	3 Membership dues and assessments	3		0	
	4 Interest on savings and temporary cash investments	4		0	
	5 Dividends and interest from securities	5		231,241	
	6 a Gross rents	6a	0		
	b Less rental expenses	6b	0		
	c Net rental income or (loss) (subtract line 6b from line 6a)	6c		0	
7 Other investment income (describe ▶ _____)	7		0		
8 a Gross amount from sales of assets other than inventory	(A) Securities		(B) Other		
	0	8a	0		
	0	8b	0		
	173,388	8c	0		
d Net gain or (loss) (combine line 8c, columns (A) and (B))	8d		173,388		
9 Special events and activities (attach schedule) If any amount is from gaming, check here <input type="checkbox"/>	a Gross revenue (not including \$ <u>2,710,000</u> of contributions reported on line 1a)	9a	497,870		
	b Less direct expenses other than fundraising expenses	9b	497,870		
	c Net income or (loss) from special events (subtract line 9b from line 9a)	9c		0	
10 a Gross sales of inventory, less returns and allowances	10a	121,272			
	b Less cost of goods sold	10b	37,452		
c Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	10c		83,820		
11 Other revenue (from Part VII, line 103)	11		0		
12 Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12		12,734,888		
Expenses	13 Program services (from line 44, column (B))	13		8,128,366	
	14 Management and general (from line 44, column (C))	14		726,136	
	15 Fundraising (from line 44, column (D))	15		2,051,425	
	16 Payments to affiliates (attach schedule)	16		0	
	17 Total expenses (add lines 16 and 44, column (A))	17		10,905,927	
Net Assets	18 Excess or (deficit) for the year (subtract line 17 from line 12)	18		1,828,961	
	19 Net assets or fund balances at beginning of year (from line 73, column (A))	19		15,680,245	
	20 Other changes in net assets or fund balances (attach explanation)	20		123,841	
	21 Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21		17,633,047	



REVENUE SCANNED DEC 21 2005

Part II Statement of Functional Expenses

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others. (See page 22 of the instructions.)

* 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 \$ 0 noncash \$ 0)	0	0		
23	Specific assistance to individuals (attach schedule)	0	0		
24	Benefits paid to or for members (attach schedule)	0	0		
25	Compensation of officers, directors, etc	234,050	165,777	19,567	48,706
26	Other salaries and wages	6,174,692	4,454,015	443,479	1,277,198
27	Pension plan contributions	647,033	446,533	67,144	133,356
28	Other employee benefits	620,618	401,616	80,524	138,478
29	Payroll taxes	573,722	358,735	83,834	131,153
30	Professional fundraising fees	0	0	0	0
31	Accounting fees	58,332	37,213	8,901	12,218
32	Legal fees	0	0	0	0
33	Supplies	172,251	172,101	0	150
34	Telephone	171,800	160,245	0	11,555
35	Postage and shipping	160,017	127,261	0	32,756
36	Occupancy	314,457	296,545	5,476	12,436
37	Equipment rental and maintenance	55,765	53,828	235	1,702
38	Printing and publications	239,272	137,691	0	101,581
39	Travel	465,679	408,475	33	57,171
40	Conferences, conventions, and meetings	103,907	103,907	0	0
41	Interest	0	0	0	0
42	Depreciation, depletion, etc (attach schedule)	132,255	97,087	10,754	24,414
43	Other expenses not covered above (itemize) a Misc Expense	57,893	43,584	6,059	8,250
	b Professional Services	570,452	548,599	130	21,723
	c AV & Library Expense	44,326	44,326	0	0
	d Events Non-food	109,406	70,828	0	38,578
	e				
	f				
44	Total functional expenses (add lines 22 through 43) Organizations completing columns (B)-(D), carry these totals to lines 13-15	10,905,927	8,128,366	726,136	2,051,425

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 \$ 0, (ii) the amount allocated to Program services \$ 0, (iii) the amount allocated to Management and general \$ 0, and (iv) the amount allocated to Fundraising \$ 0

Part III Statement of Program Service Accomplishments (See page 25 of the instructions)

What is the organization's primary exempt purpose? <input checked="" type="checkbox"/> Not for profit-education	Program Service Expenses (Required for 501(c)(3) and (4) orgs and 4947(a)(1) trusts but optional for others)
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.)	
a Facing History and Ourselves is a educational and professional development organization whose mission is to engage students of diverse backgrounds in an examination of racism, prejudice and antisemitism in order to promote the development of a more humane and informed citizenry. By studying the historical development and the lessons of the Holocaust and other (Grants and allocations \$)	8,128,366
b examples of genocide, students make the essential connection between history and the moral choices they confront in their own lives. (Grants and allocations \$)	0
c (Grants and allocations \$)	0
d (Grants and allocations \$)	0
e Other program services (attach schedule) (Grants and allocations \$)	0
f Total of Program Service Expenses (should equal line 44, column (B), Program services)	8,128,366

Part IV Balance Sheets (See page 25 of the instructions)

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	1,146,470	45	1,176,897	
	46 Savings and temporary cash investments	2,610,875	46	2,028,762	
	47 a Accounts receivable	323,249			
	b Less allowance for doubtful accounts	1,588	285,752	47c	321,661
	48 a Pledges receivable	7,057,330			
	b Less allowance for doubtful accounts	461,492	7,217,253	48c	6,595,838
	49 Grants receivable		0	49	966,111
	50 Receivables from officers, directors, trustees, and key employees (attach schedule)		0	50	0
	51 a Other notes and loans receivable (attach schedule)	0			
	b Less allowance for doubtful accounts	0	0	51c	0
	52 Inventories for sale or use		39,570	52	55,721
	53 Prepaid expenses and deferred charges		93,951	53	269,022
	54 Investments—securities (attach schedule) ▶ <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV		4,159,685	54	6,223,554
	55 a Investments—land, buildings, and equipment basis	0			
	b Less accumulated depreciation (attach schedule)	0	0	55c	0
	56 Investments—other (attach schedule)		0	56	0
	57 a Land, buildings, and equipment: basis	2,580,907			
	b Less accumulated depreciation (attach schedule)	2,449,513	183,852	57c	131,394
	58 Other assets (describe ▶ Interest Receivable)		17,166	58	7,782
59 Total assets (add lines 45 through 58) (must equal line 74)		15,754,574	59	17,776,742	
Liabilities	60 Accounts payable and accrued expenses	66,767	60	132,070	
	61 Grants payable	0	61	0	
	62 Deferred revenue	7,562	62	11,625	
	63 Loans from officers, directors, trustees, and key employees (attach schedule)		0	63	0
	64 a Tax-exempt bond liabilities (attach schedule)		0	64a	0
	b Mortgages and other notes payable (attach schedule)		0	64b	0
	65 Other liabilities (describe ▶)		0	65	0
66 Total liabilities (add lines 60 through 65)		74,329	66	143,695	
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	5,504,537	67	5,645,140	
	68 Temporarily restricted	7,775,535	68	9,427,234	
	69 Permanently restricted	2,340,173	69	2,360,673	
	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	0	70	0	
	71 Paid-in or capital surplus, or land, building, and equipment fund	0	71	0	
	72 Retained earnings, endowment, accumulated income, or other funds	0	72	0	
73 Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72, column (A) must equal line 19, column (B) must equal line 21)		15,680,245	73	17,633,047	
74 Total liabilities and net assets / fund balances (add lines 66 and 73)		15,754,574	74	17,776,742	

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-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return (See page 27 of the instructions)

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

a	Total revenue, gains, and other support per audited financial statements	a	13,055,593	a	Total expenses and losses per audited financial statements	a	11,226,632
b	Amounts included on line a but not on line 12, Form 990			b	Amounts included on line a but not on line 17, Form 990		
(1)	Net unrealized gains on investments	\$	0	(1)	Donated services and use of facilities	\$	283,253
(2)	Donated services and use of facilities	\$	283,253	(2)	Prior year adjustments reported on line 20, Form 990	\$	0
(3)	Recoveries of prior year grants	\$	0	(3)	Losses reported on line 20, Form 990	\$	0
(4)	Other (specify)			(4)	Other (specify)		
	0	\$	0		Cost Bks Sold	\$	37,452
	0	\$	0			\$	0
	Add amounts on lines (1) through (4)	b	283,253		Add amounts on lines (1) through (4)	b	320,705
c	Line a minus line b	c	12,772,340	c	Line a minus line b	c	10,905,927
d	Amounts included on line 12, Form 990 but not on line a:			d	Amounts included on line 17, Form 990 but not on line a:		
(1)	Investment expenses not included on line 6b, Form 990	\$	0	(1)	Investment expenses not included on line 6b, Form 990	\$	0
(2)	Other (specify)			(2)	Other (specify)		
	Cost Bks Sold	\$	-37,452			\$	0
		\$	0			\$	0
	Add amounts on lines (1) and (2)	d	-37,452		Add amounts on lines (1) and (2)	d	0
e	Total revenue per line 12, Form 990 (line c plus line d)	e	12,734,888	e	Total expenses per line 17, Form 990 (line c plus line d)	e	10,905,927

Part V List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated, see page 27 of the instructions)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (If not paid, enter -0-.)	(D) Contributions to employee benefit plans & deferred compensation	(E) Expense account and other allowances
Name Margot S. Strom Str 16 Hurd Rd City Brookline ST MA ZIP 02445	Title President/Exec Hr/WK 35	243,050	24,305	0
Name Seth Klarman 16 hurd Rd City Brookline ST MA 02445	Title Chair-Bd Dir Hr/WK 0	0	0	0
Name Ronald G. Casty Str 16 Hurd Rd City Brookline ST MA ZIP 02445	Title Vice-Ch Dir Hr/WK 0	0	0	0
Name Ellen M. Poss Str 16 Hurd Rd City Brookline ST MA ZIP 02445	Title Vice-Ch Dir Hr/WK 0	0	0	0
Name Karen Sulzberger Str 16 Hurd Rd City Brookline ST MA ZIP 02445	Title Vice-Ch Dir Hr/WK 0	0	0	0
Name Elizabeth E. Zick Str 16 Hurd Rd City Brookline ST MA ZIP 02445	Title Treasurer Hr/WK 0	0	0	0
Name Sandra P. Gordon Str 16 Hurd Road City Brookline ST MA 02445	Title Secretary Hr/WK 0	0	0	0
Name D. Tananbaum Str 16 Hurd Rd City Brookline ST MA ZIP 02445	Title Ch Bd Trustees Hr/WK 0	0	0	0
Name Beth Klarman Str 16 Hurd Rd City Brookline ST MA ZIP 02445	Title ViceCh Trustees Hr/WK 0	0	0	0
Name Zquette Larsen Str 16 Hurd Rd City Brookline ST MA ZIP 02445	Title ViceCh Trustees Hr/WK 0	0	0	0

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? Yes No
If "Yes," attach schedule—see page 28 of the instructions

Part VI Other Information (See page 28 of the instructions)

		Yes	No
76	Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity		X
77	Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes.		X
78 a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?		X
b	If "Yes," has it filed a tax return on Form 990-T for this year?		X
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement		X
80 a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization?	X	
b	If "Yes," enter the name of the organization Friends of Facing History And Ourselves and check whether it is <input checked="" type="checkbox"/> exempt or <input type="checkbox"/> nonexempt.		
81 a	Enter direct and indirect political expenditures. See line 81 instructions 81a 0		
b	Did the organization file Form 1120-POL for this year?		X
82 a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	X	
b	If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.) 82b 283,253		
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	X	
84 a	Did the organization solicit any contributions or gifts that were not tax deductible?		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		N/A
85	501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members?		
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.		
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
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?		N/A
86	501(c)(7) orgs. 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) orgs. 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		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) orgs. Did the organization engage in any section 4956 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction		X
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 N/A		
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization N/A		
90 a	List the states with which a copy of this return is filed Ma, NY		
b	Number of employees employed in the pay period that includes March 12, 2004 (See instructions.) 90b 103		
91	The books are in care of Name Margot Stern Strom Telephone no 617-735-1627 Located at 16 Hurd Road City Brookline ST MA ZIP + 4 02445-6919		
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041—Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the tax year 92 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 Fees (Workshops)					365,809
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			14	231,241	
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			18	173,388	
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					83,820
103 Other revenue: a					
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))		0		404,629	449,629
105 Total (add line 104, columns (B), (D), and (E))					854,258

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)
93a	Fees to provide teacher training, workshops, resource materials and speakers in conjunction with a curriculum development and teacher training.
102	Sale of Resource Books part of teacher training.

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	%		0	0
	%		0	0
	%		0	0
	%		0	0

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).

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Please

[Signature]

11/21/14 x 05
Date

or

SCHEDULE A
(Form 990 or 990-EZ)

Organization Exempt Under Section 501(c)(3)

OMB No 1545-0047

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

2004

Supplementary Information—(See separate instructions.)

Department of the Treasury
Internal Revenue Service

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

Name of the organization

Employer identification number

Facing History And Ourselves National Foundation, Inc

04-2761636

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
Name Bonnie Meltzer Str 16 Hurd Road City Brookline ST MA Zip 02445 Country	Title VP-Development Avg hr/wk 35	135,470	13,547	0
Name Marc Skvirsky Str 16 Hurd Road City Brookline ST MA Zip 02445 Country	Title VP-Program Avg hr/wk 35	135,470	13,547	0
Name Michael Durney Str 16 Hurd Road City Brookline ST MA Zip 02445 Country	Title Dir Tech Avg hr/wk 35	135,470	13,547	0
Name Martin Sleeper Str 16 Hurd Road City Brookline ST MA Zip 02445 Country	Title Dir Operations Avg hr/wk 35	128,170	12,817	0
Name Terry Tollefson Str 16 Hurd Road City Brookline ST MA Zip 02445 Country	Title Dir Admin Avg hr/wk 35	110,000	11,000	0
Total number of other employees paid over \$50,000	48			

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
Name _____ Check here if a business <input type="checkbox"/> Str None City _____ ST _____ Country _____		
Name _____ Check here if a business <input type="checkbox"/> Str _____ City _____ ST _____ Country _____		
Name _____ Check here if a business <input type="checkbox"/> Str _____ City _____ ST _____ ZIP _____ Country _____		
Name _____ Check here if a business <input type="checkbox"/> Str _____ City _____ ST _____ ZIP _____ Country _____		
Name _____ Check here if a business <input type="checkbox"/> Str _____ City _____ ST _____ ZIP _____ Country _____		
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 ▶ \$ <u>0</u> (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B) Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes" must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.		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)? Comp Officers	2d	X
e	Transfer of any part of its income or assets?	2e	X
3a	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
4a	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 ▶ _____ City _____ ST _____ Country _____
- 10 An organization operated for the benefit of a college or university owned or operated by a governmental unit Section 170(b)(1)(A)(iv) (Also complete the **Support Schedule** in Part IV-A)
- 11 a An organization that normally receives a substantial part of its support from a governmental unit or from the general public Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV-A)
- 11 b A community trust Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV-A)
- 12 An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See section 509(a)(2) (Also complete the **Support Schedule** in Part IV-A)
- 13 An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in (1) lines 5 through 12 above, or (2) section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2) (See section 509(a)(3).)

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

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

- 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)	15,232,531	10,247,519	8,806,099	9,138,341	43,424,490
16 Membership fees received	0	0	0	0	0
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose	453,604	524,205	395,657	556,297	1,929,763
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	288,613	350,953	268,794	290,023	1,198,383
19 Net income from unrelated business activities not included in line 18	0	0	0	0	0
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf	0	0	0	0	0
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge	0	0	0	0	0
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets	0	0	0	0	0
23 Total of lines 15 through 22	15,974,748	11,122,677	9,470,550	9,984,661	46,552,636
24 Line 23 minus line 17	15,521,144	10,598,472	9,074,893	9,428,364	44,622,873
25 Enter 1% of line 23	159,747	111,227	94,706	99,847	

26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24	26a	892,457
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	2,812,999
c Total support for section 509(a)(1) test. Enter line 24, column (e)	26c	44,622,873
d Add Amounts from column (e) for lines 18 <u>1,198,383</u> 19 <u>0</u>		
22 <u>0</u> 26b <u>2,812,999</u>	26d	4,011,382
e Public support (line 26c minus line 26d total)	26e	40,611,491
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))	26f	91.01%

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

(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

(2003) _____ (2002) _____ (2001) _____ (2000) _____

c Add Amounts from column (e) for lines 15 <u>0</u> 16 <u>0</u>		
17 <u>0</u> 20 <u>0</u> 21 <u>0</u>	27c	0
d Add. Line 27a total <u>0</u> and line 27b total <u>0</u>	27d	0
e Public support (line 27c total minus line 27d total)	27e	0
f Total support for section 509(a)(2) test: Enter amount from line 23, column (e)	27f	0
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))	27g	0.00%
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))	27h	0.00%

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.)

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

N/A

	Yes	No
29 Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?		
30 Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
31 Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe, if "No," please explain (If you need more space, attach a separate statement) ----- ----- -----		
32 Does the organization maintain the following:		
a Records indicating the racial composition of the student body, faculty, and administrative staff?		
b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?		
c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?		
d Copies of all material used by the organization or on its behalf to solicit contributions? If you answered "No" to any of the above, please explain (If you need more space, attach a separate statement) ----- -----		
33 Does the organization discriminate by race in any way with respect to		
a Students' rights or privileges?		
b Admissions policies?		
c Employment of faculty or administrative staff?		
d Scholarships or other financial assistance?		
e Educational policies?		
f Use of facilities?		
g Athletic programs?		
h Other extracurricular activities? If you answered "Yes" to any of the above, please explain (If you need more space, attach a separate statement) ----- ----- -----		
34 a Does the organization receive any financial aid or assistance from a governmental agency?		
b Has the organization's right to such aid ever been revoked or suspended? If you answered "Yes" to either 34a or b, please explain using an attached statement		
35 Does the organization certify that it has complied with the applicable requirements of sections 4 01 through 4 05 of Rev Proc 75-50, 1975-2 C B 587, covering racial nondiscrimination? If "No," attach an explanation		

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

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

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

4-Year Averaging Period Under Section 501(h)

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

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 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)

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
	X	
	X	
	X	
	X	
	X	
	X	
	X	
	X	
		0

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

Line 1a (990) - Direct public support

1	Contributions	1	9,170,630
2	Non Cash Contributions	2	
3	Membership dues and assessments (contributions from the public)	3	
4	Government contributions (grants)	4	
5	Commercial co-venture	5	
6	Special events contributions (Line 9 - Special Events)	6	0
7	Annual Dinners (Boston, Chicago, Los Angeles, Memphis, San Francisco)	7	2,710,000
8		8	
9		9	
10	Total	10	11,880,630

Line 20 (990) - Other changes in net assets or fund balances

1	Change in net unrealized gains and losses on investments	1	
2	Jewish Community Endowment Pool, LLP-Endowment-Unrealized Gain	2	72,716
3	Jewish Community Endowment Pool, LLP-Unrest. 2-Unrealized Gain	3	63,239
4	Vanguard Admiral Funds-Unrealized Gain (Loss)	4	-12,114
5		5	
6		6	
7		7	
8		8	
9		9	
10	Total	10	123,841

Line 47 (990) - Accounts receivable

		Accounts receivable		Allowance for doubtful accounts		
		Beginning	End	Beginning	End	
1	Accounts Receivable	1	77,881	65,625	1,588	1,588
2	AR-Development	2	207,000	237,500	0	0
3	AR-Other	3	871	873	0	0
4	AR-FHAO Ltd -UK	4	0	17,663	0	0
5		5				
6		6				
7		7				
8		8				
9		9				
10		10				
11	Total accounts receivable	11	285,752	321,661	1,588	1,588

Line 48 (990) - Pledges receivable

		Pledges receivable		Allowance for doubtful accounts		
		Beginning	End	Beginning	End	
1	Pledge Receivable-Unrestricted	1	5,819,098	5,643,125		
2	Pledge Receivable-Temp Restricted	2	1,739,558	1,414,205		
3	Pledge Allow/Discount-Unrestricted	3			-251,762	-351,828
4	Pledge Allow/Discount-Temp Restricted	4			-89,641	-99,664
5		5				
6		6				
7		7				
8		8				
9		9				
10		10				
11	Total pledges receivable	11	7,558,656	7,057,330	-341,403	-461,492

Facing History And Oursevles National Foundation, Inc.
04-2761636
Form 990 2004-05

Part I, Line 10b: Cost of Books Sold

Gross revenue from the sale of assets held for inventory in the course of rendering program services during the Fiscal Year ending 06/30/2005 totaled \$121,272. The Cost of Goods Sold expense directly related to the production of such service was \$37,452 and reported in Part I, Line 10b.

3820 Books sold at a cost of \$3.19	\$12,185.80
2066 Books sold at a cost of \$3.23	\$6,673.18
820 Books sold at a cost of \$2.57	\$2,107.40
782 Books sold at a cost of \$.98	\$766.36
782 Books sold at a cost of \$.88	\$688.16
450 Books sold at a cost of \$3.29	\$1,480.50
2016 Books sold at a cost of \$3.53	\$7,116.48
2626 Books sold at a cost of \$2.45	\$6,433.70
Total Costs of Books Sold	<u>\$37,451.58</u>

Line 54 (990) - Investments - Securities

Check one box below to indicate how securities are report

Cost

End of year market value (FMV)

	Number of shares/ face value	Value at time of donation	Beginning balance book value FMV	Ending balance book value FMV
Securities at end of year				
1 Jewish Community Endow Pool-Rest			2,150,173	2,534,467
2 Jewish Community Endow Pool-Unrest			2,000,000	3,689,087
3			0	0
4			0	0
5			0	0
6			0	0
7			0	0
8			0	0
9			0	0
10			0	0
11			0	0
12			0	0
13			0	0
14			0	0
15			0	0
16			0	0
17			0	0
18			0	0
19			0	0
20			0	0
21 Totals	21	0	4,150,173	6,223,554

Line 57 (990) - Land, buildings, and equipment

Land (net of any amortization)		Land (net of any amortization)	
		Beginning	End
1	.....	1	
2	.....	2	
3	.....	3	
4	.....	4	
5	.....	5	
6	Total land (net of any amortization)	6	0

Buildings and equipment		Buildings and equipment		Accumulated depreciation		
		Beginning	End	Beginning	End	
7	Equipment	7	1,433,072	1,512,869	1,334,259	1,398,767
8	Leasehold Improvements	8	1,068,038	1,068,038	982,999	1,050,746
9	.....	9				
10	.....	10				
11	.....	11				
12	.....	12				
13	.....	13				
14	.....	14				
15	.....	15				
16	.....	16				
17	Total buildings and equipment	17	2,501,110	2,580,907	2,317,258	2,449,513
18	Buildings and equipment (less accumulated depreciation)	18			183,852	131,394
19	Total land, buildings and equipment	19			183,852	131,394

Category or Item		Cost/Other Basis	Accumulated Depreciation	Book Value
1	.....	1		
2	.....	2		
3	.....	3		
4	.....	4		
5	.....	5		
6	.....	6		
7	.....	7		
8	.....	8		
9	.....	9		
10	.....	10		
11	Total	11	0	0

DEPRECIATION SCHEDULE

FIXED ASSETS		Facing History and Ourselves-04-2761636		Year End June 30, 2005				
ASSET CLASSIFICATION	Capital Cost		Accumulated Depreciation					
	Beginning Balance	Ending Balance	Beginning Balance	Depreciation	Disposals	Ending Balance	6/30/05 N.B.V.	6/30/04 N.B.V.
Office equipment	981,631	1,061,428	894,926	52,400		947,326	114,103	86,706
Leasehold improvements	1,068,038	1,068,038	982,999	67,747		1,050,746	17,292	85,039
Traveling exhibits	451,441	451,441	439,333	12,108		451,441	-	12,108
Balance per Financial Statements	2,501,110	2,580,907	2,317,258	132,255	-	2,449,513	131,394	183,852

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Bingham McCutchen LLP
Boston, Massachusetts

Gerald M. Stern
Board Member, Oceania Cruises, Inc
Washington, D.C.

Kenneth A. Sweder
Partner
Sweder & Ross, LLP
Boston, Massachusetts

Susan W. Tofias, MSW
Tutor, Jewish Community Relations Board
Wellesley, Massachusetts

Jay Veevers
Marketing Consultant, Veevers Associates
Board, Brookline Greenspace Alliance
Board, Mass College of Art
Board, Provincetown Art Association and
Museum
Board, Urban Arts
Advisory Council, Arnold Arboretum
Advisory Council, Gateway Arts
Board Member, Brookline Arts Center
Brookline, Massachusetts

A. Jane Walters
Principal, Grizzlies Academy
Memphis, Tennessee

Judy Wise
Senior Director, International & Chicago, Facing
History & Ourselves
Board Member, Business & Professional People
for the Public Interest
Chicago Executive Committee, Human Rights
Watch
Chicago, Illinois

**FACING HISTORY AND OURSELVES
NATIONAL FOUNDATION, INC.**

Financial Statements

June 30, 2005 and 2004

**FACING HISTORY AND OURSELVES
NATIONAL FOUNDATION, INC.**

Financial Statements

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Independent Auditors' Report

Board of Trustees
Facing History and Ourselves National Foundation, Inc.
Brookline, Massachusetts

We have audited the accompanying statements of financial position of Facing History and Ourselves National Foundation, Inc. ("Facing History"), as of June 30, 2005, and the related statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of Facing History's management. Our responsibility is to express an opinion on these financial statements based on our audit. The financial statements of Facing History as of and for the year ended June 30, 2004, were audited by other auditors whose report, dated September 22, 2004, expressed an unqualified opinion on those statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the 2005 financial statements present fairly, in all material respects, the financial position of Facing History as of June 30, 2005, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

A handwritten signature in black ink that reads 'Tofigian PC'.

August 8, 2005
Cambridge, Massachusetts

FACING HISTORY AND OURSELVES NATIONAL FOUNDATION, INC.

Statements of Financial Position

	<i>June 30,</i>	
	<i>2005</i>	<i>2004</i>
Assets		
Cash and cash equivalents	\$ 1,176,897	\$ 1,146,470
Investments	8,252,316	6,770,560
Accounts receivable - less allowance for doubtful accounts of \$1,588 in 2005 and 2004	321,661	285,752
Prepaid expenses and other assets	332,525	150,687
Pledges receivable - net	6,595,838	7,217,253
Grants receivable - net	966,111	-
Office equipment, leasehold improvements and traveling exhibits - net	131,394	183,852
Total assets	\$ 17,776,742	\$ 15,754,574
Liabilities and net assets		
Liabilities:		
Accounts payable and accrued expenses	\$ 132,070	\$ 66,767
Deferred revenue	11,625	7,562
Total liabilities	143,695	74,329
Net assets:		
Unrestricted:		
Undesignated	5,745,140	5,464,537
Board designated	100,000	100,000
Total unrestricted net assets	5,845,140	5,564,537
Temporarily restricted	9,427,234	7,775,535
Permanently restricted	2,360,673	2,340,173
Total net assets	17,633,047	15,680,245
Total liabilities and net assets	\$ 17,776,742	\$ 15,754,574

FACING HISTORY AND OURSELVES NATIONAL FOUNDATION, INC.

Statements of Activities

Years Ended June 30,

	2005			2004	
	<i>Unrestricted</i>	<i>Temporarily Restricted</i>	<i>Permanently Restricted</i>	<i>Total</i>	<i>Total</i>
Support and revenue					
Contributions and special event revenue	\$ 6,020,754	\$ 6,337,246	\$ 20,500	\$ 12,378,500	\$ 15,369,076
Less: Costs of direct benefits to donors	(497,870)	-	-	(497,870)	(453,112)
Total contributions and special event revenue, net	5,522,884	6,337,246	20,500	11,880,630	14,915,964
Contributions in-kind	283,253	-	-	283,253	316,567
Fees	365,809	-	-	365,809	355,775
Sales of books and materials	121,272	-	-	121,272	97,829
Interest, dividends and realized gains	404,629	-	-	404,629	288,613
Net assets released from restrictions - satisfaction of time and purpose restrictions	4,821,502	(4,821,502)	-	-	-
Total support and revenue	11,519,349	1,515,744	20,500	13,055,593	15,974,748
Expenses					
Program services	8,402,787	-	-	8,402,787	7,521,386
General administration	726,136	-	-	726,136	660,257
Fund-raising	2,097,709	-	-	2,097,709	1,937,607
Total expenses	11,226,632	-	-	11,226,632	10,119,250
Change in net assets before unrealized gains (losses) on investments	292,717	1,515,744	20,500	1,828,961	5,855,498
Net unrealized gains (losses) on investments	(12,114)	135,955	-	123,841	(58,962)
Change in net assets	280,603	1,651,699	20,500	1,952,802	5,796,536
Net assets - beginning of year	5,564,537	7,775,535	2,340,173	15,680,245	9,883,709
Net assets, end of year	\$ 5,845,140	\$ 9,427,234	\$ 2,360,673	\$ 17,633,047	\$ 15,680,245

See accompanying notes to the financial statements

FACING HISTORY AND OURSELVES NATIONAL FOUNDATION, INC.

Statements of Activities

	<i>Year Ended June 30, 2004</i>			
	<i>Unrestricted</i>	<i>Temporarily Restricted</i>	<i>Permanently Restricted</i>	<i>Total</i>
Support and revenue				
Contributions and special event revenue	\$ 9,140,673	\$ 6,218,403	\$ 10,000	\$ 15,369,076
Less: Costs of direct benefits to donors	<u>(453,112)</u>	<u>-</u>	<u>-</u>	<u>(453,112)</u>
Total contributions and special event revenue, net	8,687,561	6,218,403	10,000	14,915,964
Contributions in-kind	316,567	-	-	316,567
Fees	355,775	-	-	355,775
Sales of books and materials	97,829	-	-	97,829
Interest, dividends and realized gains	288,613	-	-	288,613
Net assets released from restrictions - satisfaction of time and purpose restrictions	1,617,640	(1,617,640)	-	-
Net assets released from restrictions - Board appropriation of appreciation to be used for operations	<u>87,550</u>	<u>(87,550)</u>	<u>-</u>	<u>-</u>
Total support and revenue	<u>11,451,535</u>	<u>4,513,213</u>	<u>10,000</u>	<u>15,974,748</u>
Expenses				
Program services	7,521,386	-	-	7,521,386
General administration	660,257	-	-	660,257
Fund-raising	<u>1,937,607</u>	<u>-</u>	<u>-</u>	<u>1,937,607</u>
Total expenses	<u>10,119,250</u>	<u>-</u>	<u>-</u>	<u>10,119,250</u>
Change in net assets before				
unrealized gains (losses) on investments	1,332,285	4,513,213	10,000	5,855,498
Transfer due to donor intent	(180,000)	-	180,000	-
Net unrealized gains (loss) in investments	<u>(348,581)</u>	<u>289,619</u>	<u>-</u>	<u>(58,962)</u>
Change in net assets	803,704	4,802,832	190,000	5,796,536
Net assets - beginning of year	<u>4,760,833</u>	<u>2,972,703</u>	<u>2,150,173</u>	<u>9,883,709</u>
Net assets - end of year	<u>\$ 5,564,537</u>	<u>\$ 7,775,535</u>	<u>\$ 2,340,173</u>	<u>\$ 15,680,245</u>

See accompanying notes to the financial statements

FACING HISTORY AND OURSELVES NATIONAL FOUNDATION, INC.

Statements of Functional Expenses

Years Ended June 30,

	2005				2004
	<i>Program Services</i>	<i>General Administration</i>	<i>Fund- Raising</i>	<i>Total</i>	<i>Total</i>
Salaries, payroll taxes and employee benefits	\$ 5,884,546	\$ 694,548	\$ 1,728,891	\$ 8,307,985	\$ 7,478,205
Professional services	576,695	130	21,723	598,548	484,941
Cost of text sales	37,452	-	-	37,452	38,346
Audiovisual and books	44,326	-	-	44,326	50,567
Depreciation and amortization	97,087	10,754	24,414	132,255	146,623
Travel and hosting	416,389	33	57,171	473,593	337,969
Rent and utilities	358,303	5,476	12,436	376,215	352,668
Office supplies and expenses	177,650	-	150	177,800	152,839
Printing	137,691	-	101,581	239,272	239,005
Accounting and legal	112,995	8,901	12,218	134,114	140,591
Communications	160,245	-	11,555	171,800	177,733
Institute/workshop expenses	103,907	-	-	103,907	115,656
Postage and shipping	127,261	-	32,756	160,017	179,110
Machine maintenance	53,828	235	1,702	55,765	55,801
Event services	70,828	-	84,862	155,690	116,730
Miscellaneous	43,584	6,059	8,250	57,893	52,466
Total	\$ 8,402,787	\$ 726,136	\$ 2,097,709	\$ 11,226,632	\$ 10,119,250

FACING HISTORY AND OURSELVES NATIONAL FOUNDATION, INC.

Statements of Functional Expenses

	<i>Year Ended June 30, 2004</i>			
	<i>Program Services</i>	<i>General Administration</i>	<i>Fund- Raising</i>	<i>Total</i>
Salaries, payroll taxes and employee benefits	\$ 5,296,813	\$ 625,178	\$ 1,556,214	\$ 7,478,205
Professional services	477,657	1,821	5,463	484,941
Cost of text sales	38,346	-	-	38,346
Audiovisual and books	50,567	-	-	50,567
Depreciation and amortization	110,976	10,406	25,241	146,623
Travel and hosting	300,816	277	36,876	337,969
Rent and utilities	340,265	3,785	8,618	352,668
Office supplies and expenses	149,312	1,568	1,959	152,839
Printing	121,905	-	117,100	239,005
Accounting and legal	123,412	7,024	10,155	140,591
Communications	170,539	-	7,194	177,733
Institute/workshop expenses	115,656	-	-	115,656
Postage and shipping	112,133	-	66,977	179,110
Machine maintenance	53,784	233	1,784	55,801
Event services	23,500	-	93,230	116,730
Miscellaneous	35,705	9,965	6,796	52,466
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total	\$ <u>7,521,386</u>	\$ <u>660,257</u>	\$ <u>1,937,607</u>	\$ <u>10,119,250</u>

FACING HISTORY AND OURSELVES NATIONAL FOUNDATION, INC.

Statements of Cash Flows

	<i>Years Ended June 30,</i>	
	<i>2005</i>	<i>2004</i>
Cash flows from operating activities:		
Change in net assets	\$ 1,952,802	\$ 5,796,536
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation and amortization	132,255	146,623
Realized (gains) losses on investments	(173,388)	53,014
Unrealized (gains) on investments	(123,841)	(58,962)
Changes in:		
Accounts receivable	(35,909)	(239,891)
Prepaid expenses and other assets	(181,838)	145,219
Pledges receivable	621,415	(4,449,505)
Grants receivable	(966,111)	-
Accounts payable and accrued expenses	65,303	(3,384)
Deferred revenue	4,064	(13,123)
	<u>1,294,752</u>	<u>1,376,527</u>
Net cash provided by operating activities	1,294,752	1,376,527
Cash flows from investing activities:		
Purchase of investments	(5,113,881)	(650,028)
Proceeds from sale of investments	3,929,353	-
Purchases of office equipment, leasehold improvements and traveling exhibits	(79,797)	(39,554)
	<u>(1,264,325)</u>	<u>(689,582)</u>
Net cash used in investing activities	(1,264,325)	(689,582)
Net increase in cash and cash equivalents	30,427	686,945
Cash and cash equivalents, beginning of year	<u>1,146,470</u>	<u>459,525</u>
Cash and cash equivalents, end of year	\$ <u>1,176,897</u>	\$ <u>1,146,470</u>

**FACING HISTORY AND OURSELVES
NATIONAL FOUNDATION, INC.**

Notes to Financial Statements

Note 1 - Description of organization and summary of significant accounting policies

Facing History and Ourselves is an educational and professional development organization whose mission is to engage students of diverse backgrounds in an examination of racism, prejudice and anti-Semitism in order to promote the development of a more humane and informed citizenry. By studying the historical development and lessons of the Holocaust and other examples of genocide, students make the essential connection between history and the moral choices they confront in their own lives. Financial support is provided primarily by grants from public and private organizations, donations from private individuals and earned income for services provided.

Since its founding in 1976, Facing History has created professional development models for educators. This adaptable model incorporates unique elements shaped to best serve teachers and their students. Facing History gives students a lens to examine the past that offers them an opportunity to recognize bigotry and indifference in their schools and neighborhoods. As the 21st century begins, the global context that has always been a part of Facing History's framework becomes critical, helping teachers and students examine how the perspectives of memory and legacy can lead to prevention. Facing History educates young people to recognize that the challenge for all democracies is to sustain civil society within a global context.

Financial statement presentation

Facing History's financial statements are presented in three net asset classes: unrestricted, temporarily restricted and permanently restricted. These categories allow for the presentation and use of resources consistent with the array of stipulations that donors impose over the use of funds from contributions and pledges. The categories are defined as follows.

Unrestricted These resources carry no donor restrictions and may be used to carry out any of Facing History's objectives.

Temporarily restricted These resources carry a donor imposed restriction relative to time and/or purpose. Pledges made that are to be paid by the donor in the future are recognized as contribution revenue with restrictions relative to time and are included in Temporarily Restricted Net Assets. Payment of the pledge by the donor removes the time restriction and the amount paid is then reclassified from Temporarily Restricted Net Assets to Unrestricted Net Assets. Similarly, when the proceeds of a grant are used for the purpose to which the grant award was restricted, the amount used is also reclassified to Unrestricted Net Assets. In each case the amounts reclassified are presented as "net assets released from restrictions".

Permanently restricted These resources carry a donor imposed restriction that resources must be invested in perpetuity. Generally, these funds allow for the use of a portion of investment income to support operations and often further direct the use of the income to a specified purpose.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

**FACING HISTORY AND OURSELVES
NATIONAL FOUNDATION, INC.**

Notes to Financial Statements

Note 1 - Description of organization and summary of significant accounting policies (continued)

Cash equivalents

For the purposes of cash flows, the Organization considers all highly liquid debt securities purchased with a maturity of three month or less to be cash equivalents. Cash equivalents include investments in overnight repurchase agreements and money market accounts and are recorded at cost, which approximates market value.

Investments and investment income

Investments are reported at fair value based on quoted market prices. Gifts of investments are recorded at fair market value on the date of the gift. Investment income or loss (including interest and dividends) and realized and unrealized gains and losses are recorded when earned as unrestricted revenue unless their use is temporarily or permanently restricted by the donor or law, in which case such income is reported as an increase in the restricted assets.

Pledges and grants receivable and contributions

Pledges and grants are recorded as contribution revenue when verifiably committed by the donor. Pledges and grants that are expected to be collected within one year are recorded at their estimated net realizable value while pledges and grants that are expected to be collected in future years are recorded at the present value of estimated future cash flows. All other gifts are recorded as contribution revenue upon receipt. Present values are computed using a risk-free interest rate for an instrument of similar term in the year in which the promise is received. Amortization of the discount is included in contribution revenue. Conditional promises to give are not included as support until such time as the conditions are substantially met.

Office equipment, leasehold improvements and traveling exhibits

Office equipment, leasehold improvements and traveling exhibits are stated at cost or, in the case of gifts, at fair market value at the date of the gift. Expenditures for maintenance, repairs and renewals are charged to expense as incurred, whereas major betterments are capitalized as additions to leasehold improvements or increases to traveling exhibits. Depreciation of office equipment is computed using the straight-line method over three to five years. Amortization of leasehold improvements is computed using the straight-line method over the shorter of the remaining lease term or the life of the asset. Depreciation of the traveling exhibits is computed using the straight-line method over three years.

Spending policy

Facing History currently allocates all interest, dividends and realized gains on investments to unrestricted net assets to be used for operations. Facing History has interpreted state law as requiring realized and unrealized gains of permanently restricted net assets to be retained in a restricted net asset classification until appropriated by the Board of Trustees and expended. State law allows the Board of Trustees to appropriate as much of net appreciation of permanently restricted net assets as is prudent considering Facing History's long and short-term needs, present and anticipated financial requirements, expected total return on its investments, price-level trends and general economic conditions subject to any donor stipulations.

**FACING HISTORY AND OURSELVES
NATIONAL FOUNDATION, INC.**

Notes to Financial Statements

Note 1 - Description of organization and summary of significant accounting policies (continued)

Fund-raising dinners

The proceeds from fund-raising dinners are reported in the statement of activities under Contributions with the revenue recognized reduced by the amount of the dinner costs that are direct benefit to the donors. The remaining expenses of the fund-raising dinners are reported in the statements of activities under Fund-raising expense. Contributions received for events are recorded when received.

In-kind contributions

Significant donated services are recorded as in-kind contributions if a fair value is clearly measurable and there is an objective basis of determining the value.

Significant donated and contributed services are recorded as contributions in-kind if:

- a. The service would have been performed by salaried personnel if donated services were not available.
- b. The services require specialized skills and are provided by individuals with those skills.
- c. Facing History controls the employment and duties of the donors.

Services are recorded at the estimated cost of employing someone to perform the same service

Tax status

Facing History is recognized by the Internal Revenue Service as a tax-exempt organization described in Section 501(c)(3) of the Internal Revenue Code (the "Code") and a nonprivate foundation pursuant to Code Sections 509(a)(1) and 170(b)(1)(A)(vi). Accordingly, Facing History is exempt from federal income taxes. As such, no provision for income taxes has been recorded in the accompanying financial statements.

Reclassifications

Certain 2004 amounts have been reclassified to conform to the 2005 presentation

Note 2 - Investments

Investments of the following at June 30.

	<i>2005</i>	<i>2004</i>
Vanguard Admiral Fund-Intermediate term		
U.S. Treasury Mutual Fund	\$ 2,028,762	\$ 2,610,876
Jewish Community Endowment Pool LLC ("JCEP")	<u>6,223,554</u>	<u>4,159,684</u>
Investments	<u>\$ 8,252,316</u>	<u>\$ 6,770,560</u>

**FACING HISTORY AND OURSELVES
NATIONAL FOUNDATION, INC.**

Notes to Financial Statements

Note 2 - Investments (continued)

Facing History's investment in JCEP represents a proportional interest of approximately 1% in 2005 and 2004. JCEP's investments consist primarily of equities, fixed income securities and cash equivalents

Investment activities consisted of the following for the years ended June 30:

	<i>2005</i>	<i>2004</i>
Investment at beginning of year	\$ 6,770,560	\$ 6,114,584
Additions to the investment fund	953,286	426,325
Interest and dividend income	231,241	235,599
Realized gains on investments, net of fees	173,388	53,014
Change in net unrealized gains and losses on investments	<u>123,841</u>	<u>(58,962)</u>
Total investment	<u>\$ 8,252,316</u>	<u>\$ 6,770,560</u>

Note 3 - Pledges receivable

Pledges receivable are as follows at June 30.

	<i>2005</i>	<i>2004</i>
Due in less than one year	\$ 2,148,209	\$ 2,077,912
Due in one to five years	<u>4,909,121</u>	<u>5,480,744</u>
	7,057,330	7,558,656
Present value adjustment	<u>(461,492)</u>	<u>(341,403)</u>
Pledges receivable - net	<u>\$ 6,595,838</u>	<u>\$ 7,217,253</u>

**FACING HISTORY AND OURSELVES
NATIONAL FOUNDATION, INC.**

Notes to Financial Statements

Note 4 - Grants receivable

Grants receivable are as follows at June 30, 2005:

Due in less than one year	\$	615,463
Due in one to five years		<u>381,195</u>
		996,658
Present value adjustment		<u>(30,547)</u>
Grants receivable - net	\$	<u>966,111</u>

Note 5 - Office equipment, leasehold improvements and traveling exhibits

Office equipment, leasehold improvements and traveling exhibits are as follows at June 30:

	<i>2005</i>	<i>2004</i>
Office equipment	\$ 1,061,428	\$ 981,631
Leasehold improvements	1,068,038	1,068,038
Traveling exhibits	<u>451,441</u>	<u>451,441</u>
	2,580,907	2,501,110
Accumulated depreciation and amortization	<u>(2,449,513)</u>	<u>(2,317,258)</u>
Office equipment, leasehold improvements and traveling exhibits - net	\$ <u>131,394</u>	\$ <u>183,852</u>

Note 6 - Retirement plan

FACING HISTORY provides retirement benefits by purchasing individual annuities for its employees. An employee becomes eligible to participate in the retirement plan following the completion of three months of service. Contributions to the plan are equal to 10% of the employee's base salary for 2005 and 2004. Benefit costs under this program were approximately \$647,000 and \$541,000 for the years ended June 30, 2005 and 2004, respectively

**FACING HISTORY AND OURSELVES
NATIONAL FOUNDATION, INC.**

Notes to Financial Statements

Note 7 - Lease commitments

Facing History leases its primary and satellite office facilities under noncancelable operating leases expiring through 2012. Under the terms of the leases, increases in operating costs are the responsibility of Facing History. Rent expense under these leases aggregated approximately \$319,000 and \$274,000 for the years ended June 30, 2005 and 2004, respectively.

Minimum lease payments under noncancelable operating leases are as follows for the years ending June 30:

2006	\$	338,110
2007		308,670
2008		288,162
2009		297,462
2010		258,962
Thereafter		<u>125,648</u>
Total	\$	<u>1,617,014</u>

Note 8 - Temporarily and permanently restricted net assets

Temporarily restricted net assets, including accumulated net gains on permanently restricted net assets that are available for Board appropriation in accordance with state law, are available for the following purposes at June 30, 2005 and 2004:

	<i>2005</i>	<i>2004</i>
Unrestricted pledges receivable - net of discount (time restricted)	\$ 5,281,298	\$ 5,567,336
Restricted grants receivable - net of discount (time and purpose restricted)	996,658	-
Restricted pledges receivable - net of discount (time and purpose restricted)	<u>1,304,517</u>	<u>1,649,917</u>
Total pledges and grants receivable	7,582,473	7,217,253
Contributions designated for a specific purpose	1,708,806	356,213
Accumulated gains available for Board appropriation	<u>135,955</u>	<u>202,069</u>
Temporarily restricted net assets	\$ <u>9,427,234</u>	\$ <u>7,775,535</u>

**FACING HISTORY AND OURSELVES
NATIONAL FOUNDATION, INC.**

Notes to Financial Statements

Note 8 - Temporarily and permanently restricted net assets (continued)

Upon receipt of pledges, unrestricted pledges receivable will be included in unrestricted net assets, and restricted pledges receivable will remain in temporarily restricted net assets until the donor restriction is met.

Permanently restricted net assets are restricted to the following at June 30, 2005 and 2004:

	<i>2005</i>	<i>2004</i>
Investments to be held in perpetuity, the income from which is expendable for general operating support	\$ <u>2,360,673</u>	\$ <u>2,340,173</u>