

Return of Organization Exempt From Income Tax

OMB No 1545-0047

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

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

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

C Name of organization

MARION COMMUNITY FOUNDATION

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

504 S. STATE STREET

City or town

State or country

ZIP + 4

MARION

OH

43302

D Employer identification number

31-4446189

E Telephone number

740-387-9704

F Accounting method: ☐ Cash ☒ Accrual☐ Other (specify) ▶

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

H and I are not applicable to section 527 organizations**H(a)** Is this a group return for affiliates? ☐ Yes ☒ No**H(b)** If "Yes," enter number of affiliates ▶**H(c)** Are all affiliates included? ☐ Yes ☐ No

(If "No," attach a list. See instructions.)

H(d) Is this a separate return filed by an organization covered by a group ruling? ☐ Yes ☒ No**I** Group Exemption Number ▶**G Website:** ▶ www.marioncommunityfoundation.org**J Organization type** (check only one) ▶ ☒ 501(c) (3) ◀ (insert no) ☐ 4947(a)(1) or ☐ 527**K** Check here ☐ if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS, but if the organization received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return.**M** Check ☐ if the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF)**L** Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 ▶ 1,468,361**Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances** (See page 18 of the instructions.)

1	Contributions, gifts, grants, and similar amounts received.			
a	Direct public support	1a	592,978	
b	Indirect public support	1b		
c	Government contributions (grants)	1c		
d	Total (add lines 1a through 1c) (cash \$ noncash \$)	1d		592,978
2	Program service revenue including government fees and contracts (from Part VII, line 93)	2		
3	Membership dues and assessments	3		
4	Interest on savings and temporary cash investments	4		1,747
5	Dividends and interest from securities	5		359,178
6a	Gross rents	6a		
b	Less: rental expenses	6b		
c	Net rental income or (loss) (subtract line 6b from line 6a)	6c		
7	Other investment income (describe)	7		
8a	Gross amount from sales of assets other than inventory	(A) Securities		(B) Other
b	Less: cost or other basis and sales expenses	506,104	8a	
c	Gain or (loss) (attach schedule)	116,523	8b	
d	Net gain or (loss) (combine line 8c, columns (A) and (B))	389,581	8c	
8d				389,581
9	Special events and activities (attach schedule) If any amount is from gaming, check here <input type="checkbox"/>			
a	Gross revenue (not including \$ 592,978 of contributions reported on line 1a)	9a		
b	Less: direct expenses other than fundraising expenses	9b		
c	Net income or (loss) from special events (subtract line 9b from line 9a)	9c		
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		8,354
12	Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12		1,351,838
13	Program services (from line 44, column (B))	13		286,389
14	Management and general (from line 44, column (C))	14		63,901
15	Fundraising (from line 44, column (D))	15		105,296
16	Payments to affiliates (attach schedule)	16		
17	Total expenses (add lines 16 and 44, column (A))	17		455,586
18	Excess or (deficit) for the year (subtract line 17 from line 12)	18		896,252
19	Net assets or fund balances at beginning of year (from line 73, column (A))	19		11,175,892
20	Other changes in net assets or fund balances (attach explanation)	20		-10,000
21	Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21		12,062,144

913-17

5

SCANNED MAR 07 2006 Revenue

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 \$ _____ noncash \$ _____)	22	241,919	241,919		
23	Specific assistance to individuals (attach schedule)	23				
24	Benefits paid to or for members (attach schedule)	24				
25	Compensation of officers, directors, etc	25	69,591	13,918	41,755	
26	Other salaries and wages	26	29,020	5,804	17,412	
27	Pension plan contributions	27				
28	Other employee benefits	28	8,691	1,738	5,215	
29	Payroll taxes	29	7,676	1,535	4,606	
30	Professional fundraising fees	30				
31	Accounting fees	31	22,184	1,000	2,040	
32	Legal fees	32				
33	Supplies	33	5,490	1,830	1,830	
34	Telephone	34	3,060	1,020	1,020	
35	Postage and shipping	35				
36	Occupancy	36	14,477	2,898	8,684	
37	Equipment rental and maintenance	37				
38	Printing and publications	38	2,660	1,197	260	
39	Travel	39	1,760	1,760		
40	Conferences, conventions, and meetings	40	4,586	917	2,752	
41	Interest	41				
42	Depreciation, depletion, etc (attach schedule)	42	2,014	2,014		
43	Other expenses not covered above (itemize) a Dues/Mbrshps	43a	4,248	850	2,548	
	b Marketing & Promotion	43b	27,053	10,821	16,232	
	c Insurance	43c	8,331	8,331		
	d Other Misc Expenses	43d	2,826	942	942	
	e	43e				
	f	43f				
44	Total functional expenses (add lines 22 through 43). Organizations completing columns (B)-(D), carry these totals to lines 13—15	44	455,586	286,389	63,901	105,296

Joint Costs. Check ☐ if you are following SOP 98-2Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? ☐ Yes ☒ No

If "Yes," enter (i) the aggregate amount of these joint costs \$ _____, (ii) the amount allocated to Program services \$ _____,

(iii) the amount allocated to Management and general \$ _____, and (iv) the amount allocated to Fundraising \$ _____

Part III**Statement of Program Service Accomplishments** (See page 25 of the instructions.)What is the organization's primary exempt purpose? ☐ see attached statement

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 Marion Community Foundation made 18 charitable grants and 29 scholarships.	
	(Grants and allocations \$ _____)	286,389
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)	286,389

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

		(A) Beginning of year		(B) End of year
Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.				
Assets	45 Cash—non-interest-bearing	47,935	45	34,897
	46 Savings and temporary cash investments		46	
	47 a Accounts receivable	47a		
	b Less: allowance for doubtful accounts	47b	47c	
	48 a Pledges receivable	48a		
	b Less: allowance for doubtful accounts	48b	48c	
	49 Grants receivable		49	
	50 Receivables from officers, directors, trustees, and key employees (attach schedule)		50	
	51 a Other notes and loans receivable (attach schedule)	51a		
	b Less: allowance for doubtful accounts	51b	8,000	51c
	52 Inventories for sale or use		52	
	53 Prepaid expenses and deferred charges	6,588	53	6,643
	54 Investments—securities (attach schedule) <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV	11,809,579	54	12,876,871
	55 a Investments—land, buildings, and equipment: basis	55a		
	b Less: accumulated depreciation (attach schedule)	55b	55c	
56 Investments—other (attach schedule)		56		
57 a Land, buildings, and equipment: basis	57a	17,489		
b Less: accumulated depreciation (attach schedule)	57b	7,020	57c	10,469
58 Other assets (describe)		58		
59 Total assets (add lines 45 through 58) (must equal line 74)	11,876,388	59	12,928,880	
Liabilities	60 Accounts payable and accrued expenses	7,561	60	8,438
	61 Grants payable	462,815	61	406,838
	62 Deferred revenue		62	
	63 Loans from officers, directors, trustees, and key employees (attach schedule)		63	
	64 a Tax-exempt bond liabilities (attach schedule)		64a	
	b Mortgages and other notes payable (attach schedule)		64b	
	65 Other liabilities (describe agency liabilities)	230,120	65	451,459
66 Total liabilities (add lines 60 through 65)	700,496	66	866,735	
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	11,175,892	67	12,062,145
	68 Temporarily restricted		68	
	69 Permanently restricted		69	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74.			
	70 Capital stock, trust principal, or current funds		70	
	71 Paid-in or capital surplus, or land, building, and equipment fund		71	
	72 Retained earnings, endowment, accumulated income, or other funds		72	
	73 Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72, column (A) must equal line 19; column (B) must equal line 21)	11,175,892	73	12,062,145
74 Total liabilities and net assets / fund balances (add lines 66 and 73)	11,876,388	74	12,928,880	

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.)

a	Total revenue, gains, and other support per audited financial statements	a	1,468,361
b	Amounts included on line a but not on line 12, Form 990:		
(1)	Net unrealized gains on investments		
(2)	Donated services and use of facilities		
(3)	Recoveries of prior year grants		
(4)	Other (specify):		
	Add amounts on lines (1) through (4)	b	
c	Line a minus line b	c	1,468,361
d	Amounts included on line 12, Form 990 but not on line a:		
(1)	Investment expenses not included on line 6b, Form 990		
(2)	Other (specify):		
	Add amounts on lines (1) and (2)	d	
e	Total revenue per line 12, Form 990 (line c plus line d)	e	1,468,361

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

a	Total expenses and losses per audited financial statements	a	572,108
b	Amounts included on line a but not on line 17, Form 990:		
(1)	Donated services and use of facilities		
(2)	Prior year adjustments reported on line 20, Form 990		
(3)	Losses reported on line 20, Form 990		
(4)	Other (specify):		
	Add amounts on lines (1) through (4)	b	
c	Line a minus line b	c	572,108
d	Amounts included on line 17, Form 990 but not on line a:		
(1)	Investment expenses not included on line 6b, Form 990		
(2)	Other (specify):		
	Add amounts on lines (1) and (2)	d	
e	Total expenses per line 17, Form 990 (line c plus line d)	e	572,108

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 <u>see attachment</u> Str City ST ZIP	Title Hr/WK			
Name Str City ST ZIP	Title Hr/WK			
Name Str City ST ZIP	Title Hr/WK			
Name Str City ST ZIP	Title Hr/WK			
Name Str City ST ZIP	Title Hr/WK			
Name Str City ST ZIP	Title Hr/WK			
Name Str City ST ZIP	Title Hr/WK			
Name Str City ST ZIP	Title Hr/WK			
Name Str City ST ZIP	Title Hr/WK			
Name Str City ST ZIP	Title Hr/WK			

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	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 _____ _____ and check whether it is <input type="checkbox"/> exempt or <input type="checkbox"/> nonexempt.		
81 a Enter direct and indirect political expenditures. See line 81 instructions	81a	
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? If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.	85b N/A	
c Dues, assessments, and similar amounts from members	85c	
d Section 162(e) lobbying and political expenditures	85d	
e Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85e	
f Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f	
g Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	85g 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) orgs. Enter: a Initiation fees and capital contributions included on line 12.	86a	
b Gross receipts, included on line 12, for public use of club facilities	86b	
87 501(c)(12) orgs. Enter: a Gross income from members or shareholders	87a	
b Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)	87b	
88 At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX	88	X
89 a 501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 _____; section 4912 _____; section 4955 _____		
b 501(c)(3) and 501(c)(4) orgs. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction	89b	X
c Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958		
d Enter: Amount of tax on line 89c, above, reimbursed by the organization		
90 a List the states with which a copy of this return is filed	OH	
b Number of employees employed in the pay period that includes March 12, 2004 (See instructions.)	90b	2
91 The books are in care of	Name BRADLEY BEBOUT	Telephone no. 740-387-9704
Located at	504 S STATE STREET	City MARION ST OH ZIP + 4 43302
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					
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	1,747	
96 Dividends and interest from securities			14	359,178	
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory			14	389,581	
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue a Misc Income			14	699	
b Inc from discontinued operations			14	7,655	
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))				758,860	
105 Total (add line 104, columns (B), (D), and (E))					758,860

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)
103b	Income less expenses from discontinued operations regarding patient accounts receivable when entity was operating as a hospital.

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See page 34 of the instructions.)

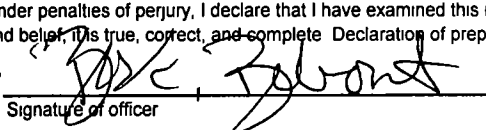
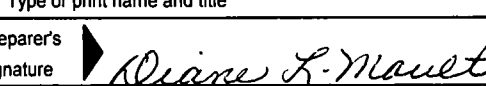
(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
N/A				

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See page 34 of the instructions.)

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

(b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? ☐ Yes ☒ No

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

Please Sign Here	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.			
	Signature of officer 		Date 2-13-06	
	BRADLEY C. BEBOUT, PRESIDENT Type or print name and title			
Paid Preparer's Use Only	Preparer's signature 	Date 2/9/2006	Check if self-employed <input checked="" type="checkbox"/>	Preparer's SSN or PTIN (See Gen. Inst. W) P00238265
	Firm's name (or yours if self-employed), address, and ZIP + 4 DLM & ASSOCIATES 2705 MARION WALDO RD, MARION, OH 43302	EIN 31-1026695	Phone no 740-389-2435	

SCHEDULE A
(Form 990 or 990-EZ)Department of the Treasury
Internal Revenue Service

Name of the organization

Organization Exempt Under Section 501(c)(3)(Except Private Foundation) and Section 501(e), 501(f), 501(k),
501(n), or Section 4947(a)(1) Nonexempt Charitable Trust**Supplementary Information—(See separate instructions.)**

OMB No 1545-0047

2004▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

MARION COMMUNITY FOUNDATION

Employer identification number

31-4446189

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 NONE				
Str				
City	Title			
ST	Avg hr/wk			
Zip				
Country				
Name				
Str				
City	Title			
ST	Avg hr/wk			
Zip				
Country				
Name				
Str				
City	Title			
ST	Avg hr/wk			
Zip				
Country				
Name				
Str				
City	Title			
ST	Avg hr/wk			
Zip				
Country				
Name				
Str				
City	Title			
ST	Avg hr/wk			
Zip				
Country				
Total number of other employees paid over \$50,000				

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 NONE		
Check here if a business		
Str		
City		
ST		
ZIP		
Country		
Name		
Check here if a business		
Str		
City		
ST		
ZIP		
Country		
Name		
Check here if a business		
Str		
City		
ST		
ZIP		
Country		
Name		
Check here if a business		
Str		
City		
ST		
ZIP		
Country		
Name		
Check here if a business		
Str		
City		
ST		
ZIP		
Country		
Total number of others receiving over \$50,000 for professional services		

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	
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 ► _____ 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

- 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)	557,328	431,911	141,990	284,724	1,415,953
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			7,230	577,234	584,464
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	325,284	300,178	351,445	498,144	1,475,051
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					
23 Total of lines 15 through 22	882,612	732,089	500,665	1,360,102	3,475,468
24 Line 23 minus line 17	882,612	732,089	493,435	782,868	2,891,004
25 Enter 1% of line 23	8,826	7,321	5,007	13,601	
26 Organizations described on lines 10 or 11:					
a Enter 2% of amount in column (e), line 24					26a
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 gift amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts					26b
c Total support for section 509(a)(1) test. Enter line 24, column (e)					26c
d Add. Amounts from column (e) for lines:					
18 _____ 19 _____					
22 _____ 26b _____					26d
e Public support (line 26c minus line 26d total)					26e
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					26f
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 1,415,953 16 _____					
17 584,464 20 _____ 21 _____					27c 2,000,417
d Add: Line 27a total _____ and line 27b total _____					27d _____
e Public support (line 27c total minus line 27d total)					27e 2,000,417
f Total support for section 509(a)(2) test. Enter amount from line 23, column (e)					27f 3,475,468
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))					27g 57.56%
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					27h 42.44%
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)

	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)	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—														
<table border="0"> <tr> <td>If the amount on line 40 is—</td> <td>The lobbying nontaxable amount is—</td> </tr> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 40</td> </tr> <tr> <td>Over \$500,000 but not over \$1,000,000</td> <td>\$100,000 plus 15% of the excess over \$500,000</td> </tr> <tr> <td>Over \$1,000,000 but not over \$1,500,000</td> <td>\$175,000 plus 10% of the excess over \$1,000,000</td> </tr> <tr> <td>Over \$1,500,000 but not over \$17,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000</td> </tr> <tr> <td>Over \$17,000,000</td> <td>\$1,000,000</td> </tr> </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		
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				
	(a) 2004	(b) 2003	(c) 2002	(d) 2001	(e) Total
45	Lobbying nontaxable amount				
46	Lobbying ceiling amount (150% of line 45(e))				
47	Total lobbying expenditures				
48	Grassroots nontaxable amount				
49	Grassroots ceiling amount (150% of line 48(e))				
50	Grassroots lobbying expenditures				

Part VI-B Lobbying Activity by Nonelecting Public Charities

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

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of.

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

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

Yes	No	Amount

Line 1a (990) - Direct public support

1	Contributions	1	592,978
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	
7	-----	7	
8	-----	8	
9	-----	9	
10	Total	10	592,978

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

1	Reclassification of contribution received to agency liability -----	1	-10,000
2	-----	2	
3	-----	3	
4	-----	4	
5	-----	5	
6	-----	6	
7	-----	7	
8	-----	8	
9	-----	9	
10	Total	10	-10,000

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 Cost	Ending balance book value Cost
Securities at end of year				
1			11,809,579	12,876,871
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
21 Totals	21		11,809,579	12,876,871

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					

Buildings and equipment				Buildings and equipment				Accumulated depreciation			
				Beginning		End		Beginning		End	
7	.....	7		9,784		17,489		5,498		7,020	
8	.....	8									
9	.....	9									
10	.....	10									
11	.....	11									
12	.....	12									
13	.....	13									
14	.....	14									
15	.....	15									
16	.....	16									
17	Total buildings and equipment	17		9,784		17,489		5,498		7,020	
18	Buildings and equipment (less accumulated depreciation)	18						4,286		10,469	
19	Total land, buildings and equipment	19						4,286		10,469	

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							

Line 65 (990) - Other liabilities

				Beginning		End	
1	agency liabilities	1		230,120		451,459	
2	.....	2					
3	.....	3					
4	.....	4					
5	.....	5					
6	.....	6					
7	.....	7					
8	.....	8					
9	.....	9					
10	.....	10					
11	Total other liabilities	11		230,120		451,459	

Marion Community Foundation

31-4446189

Form 990

Part V

List of Officers, Directors, Trustees and Key Employees

Name & Address	Title/hrs per week	Compensation	Benefit Plan	Expense Allowance
A. Davey 504 S. State Street Marion, Oh 43302	Trustee 1 hr	0	0	0
B. Harraman 504 S. State Street Marion, Oh 43302	Trustee 1 hr	0	0	0
P. Hall 504 S. State Street Marion, Oh 43302	Trustee 1 hr	0	0	0
R. Cramer 504 S. State Street Marion, Oh 43302	Trustee 1 hr	0	0	0
H. Heinzmann 504 S. State St. Marion, Oh 43302	Trustee 1 hr	0	0	0
G. Sims 504 S. State Street Marion, Oh 43302	Trustee 1 hr	0	0	0
R. Vanover 504 S. State Street Marion, Oh 43302	Trustee 1 hr	0	0	0
E. Manter 504 S. State Street Marion, Oh 43302	Trustee 1 hr	0	0	0
T. McKinniss 504 S. State Street Marion, Oh 43302	Trustee 1 hr	0	0	0
D. Shade 504 S. State Street Marion, Oh 43302	Trustee 1 hr	0	0	0
T. Johnson 504 S. State Street Marion, Oh 43302	Trustee 1 hr	0	0	0
J. Nutter 504 S. State Street Marion, Oh 43302	Trustee 1 hr	0	0	0
D. Alspach 504 S. State Street Marion, Oh 43302	Trustee 1 hr	0	0	0
S. Drew 504 S. Stte Street Marion, Oh 43302	Trustee 1 hr	0	0	0
P. Butterworth 504 S. State Street Marion, Oh 43302	Trustee 1 hr	0	0	0
B. Bebout 504 S. State St. Marion, Oh 43302	President 40 hrs	69,591	840	0

ATTACHMENT

Form 990

Marion Community Foundation

31-4446189

Part III

Marion Community Foundation ("Foundation") makes grants only to 501(c)(3) or equivalent organizations. The Foundation conducts a grant application process administered and monitored by the Foundation's Grants Committee. Grants from the individual component funds are made in accordance with the charitable mission and purpose of the fund. The Foundation's Board of Trustees decides all grants

The Foundation also has a scholarship program that is administered and monitored by the Foundation's Scholarship Committee. Scholarships are awarded based upon the criteria of the individual scholarship funds. Scholarship recipients must be registered to attend an accredited college or university, which normally maintains a regular faculty and curriculum and normally has a regularly enrolled body of pupils or students in attendance at the place where its educational activities are regularly carried on for a course of study that will prepare them for a career. Scholarship award payments are made directly to the college or university. The Foundation's Board of Trustees decides all scholarship awards. Scholarships are not awarded to members of the Foundation's Board of Trustees, Foundation's employees, or close relatives of either group. The Foundation does not consider scholarship applicants' race, age, religion, sex, national origin, ethnicity or disabilities.

SCHEDULE OF SUPPORTING STATEMENTS

PART 1 LINE 20

PRIOR PERIOD ADJUSTMENT TO CONTRIBUTIONS	\$10,000
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PART III STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS

**THE MARION COMMUNITY FOUNDATION FOSTERS PHILANTHROPY,
PROVIDING A VEHICLE FOR PLANNED GIVING THROUGH ACCEPTANCE
MANAGEMENT, AND DISTRIBUTION OF ENDOWED FUNDS.**

PART IV LINE 54

LONG-TERM SECURITIES AND CASH INVESTMENTS AT FAIR MARKET VALUE	\$12,876,871
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Marion Community Foundation
Depreciation Schedule

	Date	Method/Yrs	Cost Basis	06/30/03	Accu Depr	06/30/04	Accu Depr	06/30/05	Accu Depr	06/30/06	Accu Depr	Book Value
Computer	10/1998	sl/7	1,834	264	1,207	264	1,471	264	1,735	99	1,834	0
Conference Table	11/1998	sl/7	969	144	594	144	738	144	882	87	969	0
Conference Room Chairs	10/1998	sl/7	522	48	227	48	275	48	323	48	371	151
Computer	03/1999	sl/7	1,736	252	1,084	252	1,336	252	1,588	148	1,736	0
Office Equipment	01/2000	sl/7	550	79	268	79	347	79	426	79	505	45
Phone System	09/2001	sl/7	1,378	197	295	197	492	197	689	197	886	492
LCD Projector	06/2003	sl/7	2,795	280	280	559	839	559	1,398	559	1,957	838
Totals			9,784	1,264	3,955	1,543	5,498	1,543	7,041	1,217	8,258	1,526