

Form 990

Return of Organization Exempt From Income Tax

OMB No. 1545-0047

2005

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

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

A For the 2005 calendar year, or tax year beginning 08/01, 2005, and ending 07/31/2006

- 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

CLEVELAND SCHOLARSHIP PROGRAMS, INC.

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

Room/suite

200 PUBLIC SQUARE, BP TOWER

3820

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

CLEVELAND, OH 44114

D Employer identification number

34-6580096

E Telephone number

(216) 241-5587

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 ▶

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

G Website: WWW.CSPOHIO.ORG

J Organization type (check only one) ☒ 501(c)(3) (insert no) 4947(a)(1) or 527K Check here ☐ if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS, but if the organization chooses to file a return, be sure to file a complete return. Some states require a complete return.

L Gross receipts Add lines 6b, 8b, 9b, and 10b to line 12 ▶ 8,975,271.

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

Revenue	1	Contributions, gifts, grants, and similar amounts received							
	a	Direct public support	1a	5,223,426.					
	b	Indirect public support	1b						
	c	Government contributions (grants)	1c	691,463.					
	d	Total (add lines 1a through 1c) (cash \$ 5,914,889. noncash \$)	1d	5,914,889.					
	2	Program service revenue including government fees and contracts (from Part VII, line 93)	2	421,738.					
	3	Membership dues and assessments	3						
	4	Interest on savings and temporary cash investments	4	130,485.					
	5	Dividends and interest from securities	5	150,271.					
		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	2,158,323.	8a	23,326.			
b		Less cost or other basis and sales expenses	1,737,215.	8b	22,359.				
c		Gain or (loss) (attach schedule)	421,108.	8c	967.				
d		Net gain or (loss) (combine line 8c, columns (A) and (B))	8d	422,075.					
9		Special events and activities (attach schedule). If any amount is from gaming, check here <input type="checkbox"/>							
a		Gross revenue (not including \$ 176,214. of STMT 1 contributions reported on line 1a)	9a						
b	Less direct expenses other than fundraising expenses	9b	40,835.						
c	Net income or (loss) from special events (subtract line 9b from line 9a)	9c	135,379.						
	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	25.					
	12	Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12	7,174,862.					
	13	Program services (from line 44, column (B))	13	5,602,700.					
	14	Management and general (from line 44, column (C))	14	332,956.					
	15	Fundraising (from line 44, column (D))	15	365,789.					
	16	Payments to affiliates (attach schedule)	16						
	17	Total expenses (add lines 13 and 14, column (A))	17	6,301,445.					
Net Assets	18	Excess or (deficit) for the year (subtract line 17 from line 12)	18	873,417.					
	19	Net assets or fund balances at beginning of year (from line 73, column (A))	19	9,594,206.					
	20	Other changes in net assets or fund balances (attach explanation) STMT 3	20	-356,635.					
	21	Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21	10,110,988.					

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

Form 990 (2005)

JSA
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SCANNED JUL 25 2007

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 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 \$ <u>2,886,207.</u> noncash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	2,886,207.	2,886,207.	STMT 4	
23	Specific assistance to individuals (attach schedule)				
24	Benefits paid to or for members (attach schedule)				
25	Compensation of officers, directors, etc	444,209.	231,561.	96,307.	116,341.
26	Other salaries and wages	1,607,764.	1,450,370.	74,061.	83,333.
27	Pension plan contributions				
28	Other employee benefits	225,165.	183,818.	18,503.	22,844.
29	Payroll taxes	150,332.	126,616.	9,086.	14,630.
30	Professional fundraising fees	11,964.	5,336.	4,990.	1,638.
31	Accounting fees	53,110.	44,107.	4,554.	4,449.
32	Legal fees				
33	Supplies	29,224.	23,685.	2,095.	3,444.
34	Telephone	42,897.	36,648.	3,274.	2,975.
35	Postage and shipping	22,189.	16,413.	1,523.	4,253.
36	Occupancy	171,408.	139,789.	16,580.	15,039.
37	Equipment rental and maintenance	54,554.	44,584.	2,526.	7,444.
38	Printing and publications	56,186.	31,812.	6,569.	17,805.
39	Travel	96,931.	42,319.	19,341.	35,271.
40	Conferences, conventions, and meetings				
41	Interest				
42	Depreciation, depletion, etc (attach schedule)	64,024.	47,912.	7,564.	8,548.
43	Other expenses not covered above (itemize)				
a	STMT 5	385,281.	291,523.	65,983.	27,775.
b					
c					
d					
e					
f					
g					
44	Total functional expenses. Add lines 22 through 43. (Organizations completing columns (B)-(D), carry these totals to lines 13-15).	6,301,445.	5,602,700.	332,956.	365,789.

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

If "Yes," enter (i) the aggregate amount of these joint costs \$ _____, (ii) the amount allocated to Program services \$ _____, (iii) the amount allocated to Management and general \$ _____, and (iv) the amount allocated to Fundraising \$ _____.

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

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.

What is the organization's primary exempt purpose? **SEE STATEMENT 6**

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 PROVIDE ACCESS TO HIGHER EDUCATION FOR CAPABLE BUT FINANCIALLY DISADVANTAGED STUDENTS THROUGH ADVISORY SERVICES AND SCHOLARSHIPS. 2,085 STUDENTS RECEIVED SCHOLARSHIPS FOR THE 2005/2006 SCHOOL YEAR.

(Grants and allocations \$ 2,886,207.) If this amount includes foreign grants, check here ☐

5,602,700.

b _____

(Grants and allocations \$ _____) If this amount includes foreign grants, check here ☐

c _____

(Grants and allocations \$ _____) If this amount includes foreign grants, check here ☐

d _____

(Grants and allocations \$ _____) If this amount includes foreign grants, check here ☐

e Other program services (attach schedule)
(Grants and allocations \$ _____) If this amount includes foreign grants, check here ☐

f **Total of Program Service Expenses** (should equal line 44, column (B), Program services). ☐

5,602,700.

Form 990 (2005)

Part IV Balance Sheets (See 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	100.	45	100.
	46 Savings and temporary cash investments	3,120,456.	46	3,368,983.
	47a Accounts receivable	110,039.		
	b Less allowance for doubtful accounts		47b	
		191,016.	47c	110,039.
	48a Pledges receivable	2,066,422.		
	b Less allowance for doubtful accounts		48b	
		1,314,848.	48c	2,066,422.
	49 Grants receivable		49	
	50 Receivables from officers, directors, trustees, and key employees (attach schedule)		50	
	51a Other notes and loans receivable (attach schedule)			
	b Less allowance for doubtful accounts		51b	
			51c	
	52 Inventories for sale or use		52	
	53 Prepaid expenses and deferred charges	STMT. 7. 56,777.	53	48,474.
54 Investments - securities (attach schedule) <input type="checkbox"/> Cost <input type="checkbox"/> FMV		54		
55a Investments - land, buildings, and equipment basis				
b Less accumulated depreciation (attach schedule)		55b		
		55c		
56 Investments - other (attach schedule)	STMT. 8. 6,935,188.	56	6,295,605.	
57a Land, buildings, and equipment basis	57a 555,172.			
b Less accumulated depreciation (attach schedule)		57b		
	381,831.	183,991.	57c	173,341.
58 Other assets (describe <input type="checkbox"/> STMT 9)	38,915.	58	38,125.	
59 Total assets (must equal line 74). Add lines 45 through 58	11,841,291.	59	12,101,089.	
Liabilities	60 Accounts payable and accrued expenses	100,848.	60	165,682.
	61 Grants payable		61	
	62 Deferred revenue	STMT. 10. 43,313.	62	193,176.
	63 Loans from officers, directors, trustees, and key employees (attach schedule)		63	
	64a Tax-exempt bond liabilities (attach schedule)		64a	
	b Mortgages and other notes payable (attach schedule)		64b	
	65 Other liabilities (describe <input type="checkbox"/> STMT 11)	2,102,924.	65	1,631,243.
66 Total liabilities. Add lines 60 through 65	2,247,085.	66	1,990,101.	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74			
	67 Unrestricted	1,393,843.	67	1,217,927.
	68 Temporarily restricted	3,356,857.	68	3,900,759.
	69 Permanently restricted	4,843,506.	69	4,992,302.
	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)	9,594,206.	73	10,110,988.
	74 Total liabilities and net assets/fund balances. Add lines 66 and 73	11,841,291.	74	12,101,089.

Part IV-A Reconciliation of Revenue per Audited Financial Statements With Revenue per Return (See the instructions.)

a	Total revenue, gains, and other support per audited financial statements.	a	6,859,062.
b	Amounts included on line a but not on Part I, line 12		
1	Net unrealized gains on investments	b1	-356,635.
2	Donated services and use of facilities.	b2	
3	Recoveries of prior year grants	b3	
4	Other (specify): <u>SEE STATEMENT 12</u>	b4	40,835.
	Add lines b1 through b4	b	-315,800.
c	Subtract line b from line a	c	7,174,862.
d	Amounts included on Part I, line 12, but not on line a :		
1	Investment expenses not included on Part I, line 6b	d1	
2	Other (specify): _____	d2	
	Add lines d1 and d2	d	
e	Total revenue (Part I, line 12) Add lines c and d	e	7,174,862.

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

a	Total expenses and losses per audited financial statements	a	6,342,280.
b	Amounts included on line a but not on Part I, line 17:		
1	Donated services and use of facilities	b1	
2	Prior year adjustments reported on Part I, line 20	b2	
3	Losses reported on Part I, line 20	b3	
4	Other (specify): <u>SEE STATEMENT 13</u>	b4	40,835.
	Add lines b1 through b4	b	40,835.
c	Subtract line b from line a	c	6,301,445.
d	Amounts included on Part I, line 17, but not on line a :		
1	Investment expenses not included on Part I, line 6b	d1	
2	Other (specify) -----	d2	
	Add lines d1 and d2	d	
e	Total expenses (Part I, line 17) Add lines c and d	e	6,301,445.

Part V **Current Officers, Directors, Trustees, and Key Employees** (List each person who was an officer, director, trustee, or key employee at any time during the year even if they were not compensated) (See the instructions)

[illegible]

Yes	No
-----	----

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75b X

75c	X
-----	---

75d	x
-----	---

Part V-B Former Officers, Directors, Trustees, and Key Employees That Received Compensation or Other Benefits
 (If any former officer, director, trustee, or key employee received compensation or other benefits (described below) during the year, list that person below and enter the amount of compensation or other benefits in the appropriate column. See the instructions.)

[illegible]

Part VI	Other Information (See the instructions)	Yes	No
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76	X
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77		X

78a	X
-----	---

78b	N/A
-----	-----

79	X
----	---

80a	X
-----	---

[illegible]

81b	x
-----	---

Part VI Other Information (continued)

		Yes	No
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	19,500.		
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
83b	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?	N/A	
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less?	N/A	
	If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year		
c	Dues, assessments, and similar amounts from members	85c	N/A
d	Section 162(e) lobbying and political expenditures	85d	N/A
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85e	N/A
f	Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f	N/A
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	85g	N/A
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85h	N/A
86	501(c)(7) 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	88	X
89 a	501(c)(3) organizations. Enter Amount of tax imposed on the organization during the year under section 4911	N/A	
	section 4912	N/A	
	section 4955	N/A	
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	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	OH	
b	Number of employees employed in the pay period that includes March 12, 2005 (See instructions)	90b	62
91 a	The books are in care of	MARIA I. BOSS	
	Telephone no	216-241-5587	
	Located at	200 PUBLIC SQUARE STE 3820 CLEVELAND, OH	
	ZIP + 4	44114	
b	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	91b	X
	If "Yes," enter the name of the foreign country		
	See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		
c	At any time during the calendar year, did the organization maintain an office outside of the United States?	91c	X
	If "Yes," enter the name of the foreign country		
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 - Check here		
	and enter the amount of tax-exempt interest received or accrued during the tax year	92	N/A

Part VII Analysis of Income-Producing Activities (See 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 PARTICIPATION FEE					10,510.
b REIMBURSE SCHOOL					338,310.
c SCHOLAR. ADMIN FEE					72,918.
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	130,485.	
96 Dividends and interest from securities			14	150,271.	
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			18	422,075.	
101 Net income or (loss) from special events					135,379.
102 Gross profit or (loss) from sales of inventory					
103 Other revenue: a					
b OTHER REVENUE			01	25.	
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))				702,856.	557,117.
105 Total (add line 104, columns (B), (D), and (E))					1,259,973.

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 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)
▼	STMT 15

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

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

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See 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: <u>Alenka M. Winslett</u>		Date: <u>6/15/07</u>	
Paid Preparer's Use Only	Type or print name and title: <u>Alenka M. Winslett</u>		Interim President & CEO	
	Preparer's signature: <u>[Signature]</u>	Date: <u>6-15-07</u>	Check if self-employed: <input type="checkbox"/>	Preparer's SSN or PTIN (See Gen. Inst. V): <u>P00069074</u>
Firm's name (or yours if self-employed): <u>HOWARD, WERSHBALE & CO.</u>		EIN: <u>34-1663157</u>		
address, and ZIP + 4: <u>23240 CHAGRIN BLVD.</u>		Phone no: <u>44122-5450</u>		
<u>CLEVELAND, OH</u>			<u>216-831-1200</u>	

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Organization Exempt Under Section 501(c)(3)

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

Supplementary Information - (See separate instructions.)

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

OMB No 1545-0047

2005

Name of the organization

CLEVELAND SCHOLARSHIP PROGRAMS, INC.

Employer identification number

34-6580096

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
SEE STATEMENT 16				
Total number of other employees paid over \$50,000 . . . ►		NONE		

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

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

Part II-B Compensation of the Five Highest Paid Independent Contractors for Other Services
(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter "None." See page 2 of the instructions.)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
Total number of other contractors receiving over \$50,000 for other services ►		NONE

For Paperwork Reduction Act Notice, see the Instructions for Form 990 and Form 990-EZ.

Schedule A (Form 990 or 990-EZ) 2005

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>NONE</u> (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B)	1	X
Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes" must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.		
2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions)		
a Sale, exchange, or leasing of property?	2a	X
b Lending of money or other extension of credit?	2b	X
c Furnishing of goods, services, or facilities?	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
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
c During the year, did the organization receive a contribution of qualified real property interest under section 170(h)?	3c	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 ► _____
- 10 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit Section 170(b)(1)(A)(iv) (Also complete the Support Schedule in Part IV-A)
- 11a ☒ An organization that normally receives a substantial part of its support from a governmental unit or from the general public Section 170(b)(1)(A)(vi). (Also complete the Support Schedule in Part IV-A)
- 11b ☐ A community trust Section 170(b)(1)(A)(vi) (Also complete the Support Schedule in Part IV-A)
- 12 ☐ An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See section 509(a)(2) (Also complete the Support Schedule in Part IV-A)
- 13 ☐ An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in (1) lines 5 through 12 above, or (2) section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2). Check the box that describes the type of supporting organization ► ☐ Type 1 ☐ Type 2 ☐ Type 3

Provide the following information about the supported organizations. (See page 6 of the instructions.)

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

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

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12) **Use cash method of accounting.****Note:** You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting

Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2003	(c) 2002	(d) 2001	(e) Total
15 Gifts, grants, and contributions received (Do not include unusual grants. See line 28)	5,275,632.	5,349,183.	6,340,334.	4,279,217.	21,244,366.
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	785,374.	686,769.	968,393.	858,821.	3,299,357.
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	248,127.	232,241.	240,878.	260,913.	982,159.
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	STMT 18 712.	230.	1,508.	1,145.	3,595.
23 Total of lines 15 through 22	6,309,845.	6,268,423.	7,551,113.	5,400,096.	25,529,477.
24 Line 23 minus line 17.	5,524,471.	5,581,654.	6,582,720.	4,541,275.	22,230,120.
25 Enter 1% of line 23.	63,098.	62,684.	75,511.	54,001.	
26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24 ▶					26a 444,602.
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 2001 through 2004 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts ▶					26b 3,880,437.
c Total support for section 509(a)(1) test. Enter line 24, column (e) ▶					26c 22,230,120.
d Add: Amounts from column (e) for lines 18 982,159. 19 22 3,595. 26b 3,880,437. ▶					26d 4,866,191.
e Public support (line 26c minus line 26d total) ▶					26e 17,363,929.
f Public support percentage (line 26e (numerator) divided by line 26c (denominator)) ▶					26f 78.1099 %
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 NOT APPLICABLE (2004) _____ (2003) _____ (2002) _____ (2001) _____					
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 (2004) _____ (2003) _____ (2002) _____ (2001) _____					
c Add Amounts from column (e) for lines 15 _____ 16 _____ 17 _____ 20 _____ 21 _____ ▶					27c
d Add Line 27a total and line 27b total ▶					27d
e Public support (line 27c total minus line 27d total) ▶					27e
f Total support for section 509(a)(2) test: Enter amount from line 23, column (e) ▶					27f
g Public support percentage (line 27e (numerator) divided by line 27f (denominator)) ▶					27g %
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator)) ▶					27h %
28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2001 through 2004, 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.)

NOT APPLICABLE

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

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

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 9 of the instructions.)(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	NONE
37 Total lobbying expenditures to influence a legislative body (direct lobbying) . . .	37	NONE
38 Total lobbying expenditures (add lines 36 and 37)	38	NONE
39 Other exempt purpose expenditures	39	6,301,445.
40 Total exempt purpose expenditures (add lines 38 and 39)	40	6,301,445.
41 Lobbying nontaxable amount. Enter the amount from the following table -		
If the amount on line 40 is - The lobbying nontaxable amount is -		
Not over \$500,000 20% of the amount on line 40		
Over \$500,000 but not over \$1,000,000 . . . \$100,000 plus 15% of the excess over \$500,000		
Over \$1,000,000 but not over \$1,500,000 . . \$175,000 plus 10% of the excess over \$1,000,000	41	465,072.
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	116,268.
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.)

Lobbying Expenditures During 4-Year Averaging Period					
Calendar year (or fiscal year beginning in) ►	(a) 2005	(b) 2004	(c) 2003	(d) 2002	(e) Total
Lobbying nontaxable amount	465,072.	510,253.	484,445.	466,386.	1,926,156.
Lobbying ceiling amount (150% of line 45(e)) . . .					2,889,234.
47 Total lobbying expenditures	NONE	NONE	NONE	NONE	NONE
Grassroots nontaxable amount	116,268.	127,563.	121,111.	116,597.	481,539.
Grassroots ceiling amount (150% of line 48(e)) . . .					722,309.
49 Grassroots lobbying expenditures	NONE	NONE	NONE	NONE	NONE

Part VI-B Lobbying Activity by Nonelecting Public Charities

NOT APPLICABLE

(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

	Yes	No	Amount
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.

5VB2FP K369 06/12/2007 15:00:08 V05-8.1 119400

FORM 990, PART I - EXCLUDED CONTRIBUTIONS
=====DESCRIPTION
-----AMOUNT

GOLF OUTING

176,214.

TOTAL

176,214.
=====

FORM 990, PART I - SPECIAL FUNDRAISING EVENTS AND ACTIVITIES

DESCRIPTION	DIRECT EXPENSES	NET INCOME
GOLF OUTING	40,835.	135,379.
TOTALS	40,835.	135,379.

FORM 990, PART I - OTHER INCREASES IN FUND BALANCES
=====DESCRIPTION
-----AMOUNT

NET UNREALIZED GAIN ON INVESTMENTS

-356,635.

TOTAL

-356,635.
=====

FORM 990, PART II - GRANTS AND ALLOCATIONS PAID DURING THE YEAR

RELATIONSHIP TO SUBSTANTIAL CONTRIBUTOR

AND

FOUNDATION STATUS OF RECIPIENT

PURPOSE OF GRANT OR CONTRIBUTION

AMOUNT

RECIPIENT NAME AND ADDRESS

GRANTS PAID

VARIOUS

2,886,207.

TOTAL CONTRIBUTIONS PAID

2,886,207.

FORM 990, PART II - OTHER EXPENSES

DESCRIPTION	TOTAL	PROGRAM SERVICES	MANAGEMENT AND GENERAL	FUNDRAISING
STUDENT FEES	25,165.	25,165.		
ADVERTISING EXPENSE	11,339.	5,437.	5,902.	
MANAGEMENT FEES	40,872.		40,872.	
STUDENT ACTIVITIES	194,715.	194,715.		
CONTRACT LABOR	86,898.	48,848.	14,119.	23,931.
MISCELLANEOUS EXPENSE	12,284.	6,082.	3,452.	2,750.
INSURANCE	13,504.	11,276.	1,134.	1,094.
LOSS ON DISPOSAL-FIXED ASSETS	504.		504.	
TOTALS	385,281.	291,523.	65,983.	27,775.

FORM 990, PART III - ORGANIZATION'S PRIMARY EXEMPT PURPOSE
=====

THE MAJOR FUNCTION OF THE CSP IS TO HELP CLEVELAND AREA STUDENTS GAIN ACCESS TO HIGHER EDUCATION. CSP EMPLOYS 20 ADVISORS WHO PROVIDE GUIDANCE AND ASSISTANCE TO STUDENTS IN ALL CLEVELAND MUNICIPAL SCHOOL DISTRICT (CMSD) HIGH SCHOOLS AND IN SEVERAL PAROCHIAL AND SUBURBAN HIGH SCHOOLS. THEY HELP STUDENTS RESEACH COLLEGES AND COMPLETE TESTING ADMISSIONS AND FINANCIAL AID APPLICATIONS. CSP OBTAINS FEE WAIVERS AND PROVIDES APPLICATION AND TESTING FEES FOR STUDENTS WHO CANNOT PAY THEM. TO THE EXTENT RESOURCES PERMIT, CSP ALSO PROVIDES "LAST DOLLAR" GRANTS FOR QUALIFIED STUDENTS TO HELP MAKE UP THE DIFFERENCE BETWEEN AVAILABLE STUDENT FINANCIAL AID AND ACTUAL COLLEGE COSTS. CSP ALSO ADMINISTERS OUTSIDE SCHOLARSHIP PROGRAMS (SPECIAL SCHOLARSHIPS) FOR WHICH ADMINISTRATION FEES ARE CHARGED. SPECIAL SCHOLARSHIPS DISBURSED MAY NOT EQUAL SPECIAL SCHOLARSHIP CONTRIBUTIONS IN ANY GIVEN YEAR IF CONTRIBUTIONS RECEIVED ARE NOT DISBURSED IN THE SAME PERIOD. IN ADDITION, CSP EMPLOYS 20 ADVISORS WHO PROVIDE GUIDANCE AND ASSISTANCE TO MIDDLE SCHOOL STUDENTS IN 55 CLEVELAND MUNICIPAL SCHOOL DISTRICT (CMSD) MIDDLE SCHOOLS. THEY HELP STUDENTS INCREASE THEIR AWARENESS OF THE NEED AND IMPORTANCE OF POST-SECONDARY EDUCATION THROUGH VARIOUS STUDENT ACTIVITIES, CAMPS AND FIELD TRIPS.

FORM 990, PART IV - PREPAID EXPENSES AND DEFERRED CHARGES
=====

DESCRIPTION -----	ENDING BOOK VALUE -----
TOTAL PREPAID EXPENSES	48,474. -----
TOTALS	48,474. =====

FORM 990, PART IV - INVESTMENTS - OTHER

=====

DESCRIPTION -----	ENDING BOOK VALUE -----
CORPORATE STOCKS	4,373,305.
CORPORATE BONDS	1,212,954.
UNITED STATES TREASURY NOTES	553,143.
US GOVERNMENT OBLIGATIONS	156,203.

TOTALS	6,295,605.
	=====

FORM 990, PART IV - OTHER ASSETS

=====

DESCRIPTION	ENDING BOOK VALUE
-----	-----
ACCRUED INTEREST INCOME	35,850.
LEGAL FEES (NET)	2,275.

TOTALS	38,125.
	=====

CLEVELAND SCHOLARSHIP PROGRAMS, INC.

34-6580096

FORM 990, PART IV - DEFERRED REVENUE

=====

DESCRIPTION

ENDING
BOOK VALUE

TOTAL DEFERRED REVENUE

193,176.

TOTALS

193,176.
=====

CLEVELAND SCHOLARSHIP PROGRAMS, INC.

34-6580096

FORM 990, PART IV - OTHER LIABILITIES

=====

DESCRIPTION

ENDING
BOOK VALUE

SCHOLARSHIP AWARDS PAYABLE

1,631,243.

TOTALS

1,631,243.
=====

FORM 990, PART IV-A - OTHER REVENUE ON BOOKS BUT NOT ON RETURN
=====DESCRIPTION
-----AMOUNT

SPECIAL EVENTS

40,835.

TOTAL

40,835.
=====

FORM 990, PART IV-B - OTHER EXPENSES ON BOOKS BUT NOT ON RETURN
=====

DESCRIPTION -----	AMOUNT -----
SPECIAL EVENTS	40,835. -----
TOTAL	40,835. =====

FORM 990, PART V-A - CURRENT OFFICERS, DIRECTORS, AND TRUSTEES

NAME AND ADDRESS	TITLE AND TIME DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
SEE STATEMENT 20		444,209.	41,088.	7,987.
	GRAND TOTALS	444,209.	41,088.	7,987.

FORM 990, PART VIII - ACCOMPLISHMENT OF EXEMPT PURPOSES
=====

LINE NO. ---	EXPLANATION OF HOW EACH ACTIVITY FOR WHICH INCOME IS REPORTED IN COLUMN (E) OF PART VII CONTRIBUTED IMPORTANTLY TO THE ACCOMPLISHMENT OF EXEMPT PURPOSES -----
93A	FEEs ASSESSED TO AREA EMPLOYERS FOR OPPORTUNITIES TO PARTICIPATE IN VARIOUS NETWORKING, PROFESSIONAL WORKSHOPS, AND INTERNSHIP PROGRAMS WITH COLLEGE UNDERGRADUATES IN THE CLEVELAND AREA.
93B	CHARGES ASSESSED TO MIDDLE SCHOOLS AND HIGH SCHOOLS FOR THE USE OF THE ORGANIZATION'S ADVISORS WHICH ASSIST STUDENTS IN THE COLLEGE PREPARATION, SELECTION AND ADMISSION PROCESS.
93C	FEEs ASSESSED TO VARIOUS OTHER ENTITIES TO ASSIST IN THE ADMINISTRATION OF THEIR SCHOLARSHIP PROGRAMS. THESE SERVICES INCLUDE BUT ARE NOT LIMITED TO: DEVELOPING PROGRAMS DESIGNED TO MEET THE SPECIFIC PROBLEMS AND NEEDS OF "FINANCIALLY DISADVANTAGED" YOUNGSTERS WITH POTENTIAL, WHO WISH TO ATTEND COLLEGE, UNIVERSITIES, AND VOCATIONAL AND TECHNICAL INSTITUTIONS BEYOND THE SECONDARY SCHOOL LEVEL.
101	NET INCOME FROM THE GOLF OUTING, A SPECIAL EVENT HELD ANNUALLY TO RAISE SCHOLARSHIP FUNDS.

SCHEDULE A, PART I - COMPENSATION OF THE FIVE HIGHEST PAID EMPLOYEES

NAME AND ADDRESS	TITLE AND TIME DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS
PATRICIA ROSSMAN SKRHA 5100 BROADWAY AVENUE CLEVELAND, OH 44127	SENIOR MANAGER OPS 40+	54,583.	10,405.
MARY LOU NIXON 1666 BELLE LAKEWOOD, OH 44107	STUDENT SUPPORT ADV 40+	52,993.	6,743.
ALFRED BIELSKIS 5516 BRIDGE AVENUE CLEVELAND, OH 44102	MANAGER OF INFO SYS 40+	52,753.	4,143.
TOTAL COMPENSATION		160,329.	21,291.

SCHEDULE A, PART III - EXPLANATION FOR LINE 3A

=====

SEE STATEMENT 22

SCHEDULE A, PART IV-A - OTHER INCOME

DESCRIPTION	2004	2003	2002	2001	TOTAL
MISCELLANEOUS INCOME	712.	230.	1,508.	1,145.	3,595.
TOTALS	712.	230.	1,508.	1,145.	3,595.

SCHEDULE D
(Form 1041)

Department of the Treasury
Internal Revenue Service

Capital Gains and Losses

► Attach to Form 1041, Form 5227, or Form 990-T. See the separate instructions for Form 1041 (also for Form 5227 or Form 990-T, if applicable).

OMB No 1545-0092

2005

Name of estate or trust

Employer identification number

CLEVELAND SCHOLARSHIP PROGRAMS, INC.

34-6580096

Note: Form 5227 filers need to complete **only** Parts I and II

Part I Short-Term Capital Gains and Losses - Assets Held One Year or Less

	(a) Description of property (Example, 100 shares 7% preferred of "Z" Co.)	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Sales price	(e) Cost or other basis (see page 34)	(f) Gain or (Loss) for the entire year (col. (d) less col. (e))
1						
2	Short-term capital gain or (loss) from Forms 4684, 6252, 6781, and 8824					2
3	Net short-term gain or (loss) from partnerships, S corporations, and other estates or trusts					3
4	Short-term capital loss carryover. Enter the amount, if any, from line 9 of the 2004 Capital Loss Carryover Worksheet					4 ()
5	Net short-term gain or (loss). Combine lines 1 through 4 in column (f). Enter here and on line 13, column (3) below					5

Part II Long-Term Capital Gains and Losses - Assets Held More Than One Year

	(a) Description of property (Example, 100 shares 7% preferred of "Z" Co.)	(b) Date acquired (mo., day, yr.)	(c) Date sold (mo., day, yr.)	(d) Sales price	(e) Cost or other basis (see page 34)	(f) Gain or (Loss) for the entire year (col. (d) less col. (e))
6	SEE STATEMENT 1			2,181,649.	1,759,574.	422,075.
7	Long-term capital gain or (loss) from Forms 2439, 4684, 6252, 6781, and 8824					7
8	Net long-term gain or (loss) from partnerships, S corporations, and other estates or trusts					8
9	Capital gain distributions					9
10	Gain from Form 4797, Part I					10
11	Long-term capital loss carryover. Enter the amount, if any, from line 14 of the 2004 Capital Loss Carryover Worksheet					11 ()
12	Net long-term gain or (loss). Combine lines 6 through 11 in column (f). Enter here and on line 14a, column (3) below					12 422,075.

Part III Summary of Parts I and II

Caution: Read the instructions before completing this part.

	(1) Beneficiaries' (see page 36)	(2) Estate's or trust's	(3) Total
13 Net short-term gain or (loss)	13		
14 Net long-term gain or (loss):			
a Total for year	14a		422,075.
b Unrecaptured section 1250 gain (see line 18 of the worksheet on page 35).	14b		
c 28% rate gain or (loss)	14c		
15 Total net gain or (loss). Combine lines 13 and 14a	15		422,075.

Note: If line 15, column (3), is a net gain, enter the gain on Form 1041, line 4. If lines 14a and 15, column (2), are net gains, go to Part V, and do not complete Part IV. If line 15, column (3), is a net loss, complete Part IV and the Capital Loss Carryover Worksheet, as necessary.

For Paperwork Reduction Act Notice, see the Instructions for Form 1041.

Schedule D (Form 1041) 2005

Part IV Capital Loss Limitation**16** Enter here and enter as a (loss) on Form 1041, line 4, the **smaller** of**a** The loss on line 15, column (3) or**b** \$3,000**16** ()*If the loss on line 15, column (3), is more than \$3,000, or if Form 1041, page 1, line 22, is a loss, complete the **Capital Loss Carryover Worksheet** on page 37 of the instructions to determine your capital loss carryover***Part V Tax Computation Using Maximum Capital Gains Rates** (Complete this part **only** if both lines 14a and 15 in column (2) are gains, or an amount is entered in Part I or Part II and there is an entry on Form 1041, line 2b(2), and Form 1041, line 22 is more than zero.)**Note:** If line 14b, column (2) or line 14c, column (2) is more than zero, complete the worksheet on page 38 of the instructions and skip Part V. Otherwise, go to line 17

17	Enter taxable income from Form 1041, line 22	17	
18	Enter the smaller of line 14a or 15 in column (2) but not less than zero	18	
19	Enter the estate's or trust's qualified dividends from Form 1041, line 2b(2)	19	
20	Add lines 18 and 19	20	
21	If the estate or trust is filing Form 4952, enter the amount from line 4g, otherwise, enter -0- . . ▶	21	
22	Subtract line 21 from line 20. If zero or less, enter -0-	22	
23	Subtract line 22 from line 17. If zero or less, enter -0-	23	
24	Enter the smaller of the amount on line 17 or \$2,000	24	
25	Is the amount on line 23 equal to or more than the amount on line 24? <input type="checkbox"/> Yes. Skip lines 25 through 27, go to line 28 and check the "No" box <input type="checkbox"/> No. Enter the amount from line 23	25	
26	Subtract line 25 from line 24	26	
27	Multiply line 26 by 5% (.05)	27	
28	Are the amounts on lines 22 and 26 the same? <input type="checkbox"/> Yes. Skip lines 28 through 31, go to line 32 <input type="checkbox"/> No. Enter the smaller of line 17 or line 22	28	
29	Enter the amount from line 26 (If line 26 is blank, enter -0-)	29	
30	Subtract line 29 from line 28	30	
31	Multiply line 30 by 15% (.15)	31	
32	Figure the tax on the amount on line 23. Use the 2005 Tax Rate Schedule on page 23 of the instructions	32	
33	Add lines 27, 31, and 32	33	
34	Figure the tax on the amount on line 17. Use the 2005 Tax Rate Schedule on page 23 of the instructions	34	
35	Tax on all taxable income. Enter the smaller of line 33 or line 34 here and on line 1a of Schedule G, Form 1041	35	

Schedule D (Form 1041) 2005

Description	Date Acquired	Date Sold	Gross Sales Price	Cost or Other Basis	Long-term Gain/Loss
CAPITAL GAINS (LOSSES) FROM SECURITIES					
KEY BANK MAIN ACCOUNT- SEE STATEMENT	VAR	VAR	1,147,308.	919,947.	227,361.
KEY BANK ENDOWMENT ACCOUNT- SEE STATEMENT 23	VAR	VAR	1,011,015.	817,268.	193,747.
TOTAL CAPITAL GAINS (LOSSES) FROM SECURITIES			2,158,323.	1,737,215.	421,108.
CAPITAL GAINS (LOSSES) FROM OTHER ASSETS					
KEY BANK MAIN ACCOUNT- SEE STATEMENT	VAR	VAR	23,326.	22,359.	967.
TOTAL CAPITAL GAINS (LOSSES) FROM OTHER ASSETS			23,326.	22,359.	967.
Totals			2,181,649.	1,759,574.	422,075.

Cleveland Scholarship Programs, Inc.
Depreciation Schedule
7/31/2006

Part II, Line 42 - Depreciation, depletion, etc.

Part IV, Line 57a - Land, Building and equipment: basis

Part IV, Line 57b - Less: Accumulated depreciation

Description	Cost/ Basis	Beginning Accum. Dep.	C/Y Depreciation	Total Accum. Dep.	Net Book Value
Leasehold Improvements	97,809	24,452	10,131	34,583	63,226
Office furniture & Equipment	148,988	98,919	15,383	114,302	34,686
Computer hardware	187,999	142,926	25,406	168,332	19,667
Computer software	<u>120,376</u>	<u>52,868</u>	<u>13,104</u>	<u>65,972</u>	<u>54,404</u>
Totals	<u>555,172</u>	<u>319,165</u>	<u>64,024</u>	<u>383,189</u>	<u>171,983</u>

CLEVELAND SCHOLARSHIP PROGRAMS, INC

EIN 34-6580096

YEAR ENDED JULY 31, 2006

LIST OF OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES (FORM 990, PART V)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Permitted to vote on organization business	(D) Compensation	(E) Contributions to employee benefit plans & deferred compensation	(F) Expense account and other allowances
MARIA I BOSS 200 PUBLIC SQUARE, SUITE 3820 CLEVELAND, OH 44114	PRESIDENT & CEO 40	NO	174,553	11,504	7,987
ALENKA M WINSLETT 200 PUBLIC SQUARE, SUITE 3820 CLEVELAND, OH 44114	CHIEF FINANCIAL OFFICER 40	NO	91,389	13,632	NONE
MITCHELL WASSERMAN 200 PUBLIC SQUARE, SUITE 3820 CLEVELAND, OH 44114	VICE PRESIDENT OF INSTITUTIONAL ADVANCEMENT 40	NO	123,067	10,281	NONE
JUANITA REYNOLDS 200 PUBLIC SQUARE, SUITE 3820 CLEVELAND, OH 44114	VICE PRESIDENT OF HUMAN RESOURCES 26	NO	55,200	5,671	NONE
HARVEY G OPPMANN 200 PUBLIC SQUARE, SUITE 3820 CLEVELAND, OH 44114	CHAIRMAN 2	YES	NONE	NONE	NONE
REGINALD A WILKINSON 200 PUBLIC SQUARE, SUITE 3820 CLEVELAND, OH 44114	VICE CHAIRMAN 2	YES	NONE	NONE	NONE
BARBARA L HAWLEY 200 PUBLIC SQUARE, SUITE 3820 CLEVELAND, OH 44114	SECRETARY 2	YES	NONE	NONE	NONE
PATRICK S MULLIN 200 PUBLIC SQUARE, SUITE 3820 CLEVELAND, OH 44114	TREASURER 2	YES	NONE	NONE	NONE
BRIAN R ADAMS 200 PUBLIC SQUARE, SUITE 3820 CLEVELAND, OH 44114	TRUSTEE 1	YES	NONE	NONE	NONE
PETER K ANAGNOSTOS 200 PUBLIC SQUARE, SUITE 3820 CLEVELAND, OH 44114	TRUSTEE 1	YES	NONE	NONE	NONE

CLEVELAND SCHOLARSHIP PROGRAMS, INC

EIN 34-6580096

YEAR ENDED JULY 31, 2006

LIST OF OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES (FORM 990, PART V)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Permitted to vote on organization business	(D) Compensation	(E) Contributions to employee benefit plans & deferred compensation	(F) Expense account and other allowances
HARRY CARLSON 200 PUBLIC SQUARE, SUITE 3820 CLEVELAND, OH 44114	TRUSTEE 1	YES	NONE	NONE	NONE
JACQUELINE DALTON 200 PUBLIC SQUARE, SUITE 3820 CLEVELAND, OH 44114	TRUSTEE 1	YES	NONE	NONE	NONE
PAUL J DOLAN 200 PUBLIC SQUARE, SUITE 3820 CLEVELAND, OH 44114	TRUSTEE 1	YES	NONE	NONE	NONE
SAMUEL DOLINSKY 200 PUBLIC SQUARE, SUITE 3820 CLEVELAND, OH 44114	TRUSTEE 1	YES	NONE	NONE	NONE
DAVID B GOLDSTON 200 PUBLIC SQUARE, SUITE 3820 CLEVELAND, OH 44114	TRUSTEE 1	YES	NONE	NONE	NONE
DOMINIC GONNELLA 200 PUBLIC SQUARE, SUITE 3820 CLEVELAND, OH 44114	TRUSTEE 1	YES	NONE	NONE	NONE
BRUCE T GOODE 200 PUBLIC SQUARE, SUITE 3820 CLEVELAND, OH 44114	TRUSTEE 1	YES	NONE	NONE	NONE
BRIAN GOTHOT 200 PUBLIC SQUARE, SUITE 3820 CLEVELAND, OH 44114	TRUSTEE 1	YES	NONE	NONE	NONE
ROBERT L GUIDO 200 PUBLIC SQUARE, SUITE 3820 CLEVELAND, OH 44114	TRUSTEE 1	YES	NONE	NONE	NONE
DAVID S INGLIS 200 PUBLIC SQUARE, SUITE 3820 CLEVELAND, OH 44114	TRUSTEE 1	YES	NONE	NONE	NONE

CLEVELAND SCHOLARSHIP PROGRAMS, INC

EIN 34-6580096

YEAR ENDED JULY 31, 2006

LIST OF OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES (FORM 990, PART V)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Permitted to vote on organization business	(D) Compensation	(E) Contributions to employee benefit plans & deferred compensation	(F) Expense account and other allowances
MARGARET A. KENNEDY 200 PUBLIC SQUARE, SUITE 3820 CLEVELAND, OH 44114	TRUSTEE 1	YES	NONE	NONE	NONE
KAREN R. KLEINHENZ 200 PUBLIC SQUARE, SUITE 3820 CLEVELAND, OH 44114	TRUSTEE 1	YES	NONE	NONE	NONE
RONALD A. KOVACH 200 PUBLIC SQUARE, SUITE 3820 CLEVELAND, OH 44114	TRUSTEE 1	YES	NONE	NONE	NONE
REBECCA S. LOWRY 200 PUBLIC SQUARE, SUITE 3820 CLEVELAND, OH 44114	TRUSTEE 1	YES	NONE	NONE	NONE
JAMES G. LUBETKIN 200 PUBLIC SQUARE, SUITE 3820 CLEVELAND, OH 44114	TRUSTEE 1	YES	NONE	NONE	NONE
WILBUR J. MARKSTROM 200 PUBLIC SQUARE, SUITE 3820 CLEVELAND, OH 44114	TRUSTEE 1	YES	NONE	NONE	NONE
PAUL N. PATTON 200 PUBLIC SQUARE, SUITE 3820 CLEVELAND, OH 44114	TRUSTEE 1	YES	NONE	NONE	NONE
WILLIAM H. ROBERTS 200 PUBLIC SQUARE, SUITE 3820 CLEVELAND, OH 44114	TRUSTEE 1	YES	NONE	NONE	NONE
ROBERT J. SCHNEIDER 200 PUBLIC SQUARE, SUITE 3820 CLEVELAND, OH 44114	TRUSTEE 1	YES	NONE	NONE	NONE
HOWARD A. STEINDLER 200 PUBLIC SQUARE, SUITE 3820 CLEVELAND, OH 44114	TRUSTEE 1	YES	NONE	NONE	NONE
J.D. SULLIVAN 200 PUBLIC SQUARE, SUITE 3820 CLEVELAND, OH 44114	TRUSTEE 1	YES	NONE	NONE	NONE

CLEVELAND SCHOLARSHIP PROGRAMS, INC
EIN 34-6580096

YEAR ENDED JULY 31, 2006
LIST OF OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES (FORM 990, PART V)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Permitted to vote on organization business	(D) Compensation	(E) Contributions to employee benefit plans & deferred compensation	(F) Expense account and other allowances
SUSAN M TYLER 200 PUBLIC SQUARE, SUITE 3820 CLEVELAND, OH 44114	TRUSTEE 1	YES	NONE	NONE	NONE
JEFFREY M WASSERMAN 200 PUBLIC SQUARE, SUITE 3820 CLEVELAND, OH 44114	TRUSTEE 1	YES	NONE	NONE	NONE
DAVID W WHITEHEAD 200 PUBLIC SQUARE, SUITE 3820 CLEVELAND, OH 44114	TRUSTEE 1	YES	NONE	NONE	NONE
MARGARET W WONG 200 PUBLIC SQUARE, SUITE 3820 CLEVELAND, OH 44114	TRUSTEE 1	YES	NONE	NONE	NONE
MARC WYSE 200 PUBLIC SQUARE, SUITE 3820 CLEVELAND, OH 44114	TRUSTEE 1	YES	NONE	NONE	NONE
DR JEANETTE GRASSELLI BROWN 200 PUBLIC SQUARE, SUITE 3820 CLEVELAND, OH 44114	TRUSTEE 1	NO	NONE	NONE	NONE
ROBERT M GINN 200 PUBLIC SQUARE, SUITE 3820 CLEVELAND, OH 44114	TRUSTEE 1	NO	NONE	NONE	NONE
GEORGE M HUMPHREY, II 200 PUBLIC SQUARE, SUITE 3820 CLEVELAND, OH 44114	TRUSTEE 1	NO	NONE	NONE	NONE
LEIGH H PERKINS 200 PUBLIC SQUARE, SUITE 3820 CLEVELAND, OH 44114	TRUSTEE 1	NO	NONE	NONE	NONE
TOTAL	32	\$	\$ 444,209	\$ 41,088	\$ 7,987

Cleveland Scholarship Programs, Inc
EIN 34-6580096
Year Ended 7/31/2006

SCHEDULE A, PART III.
Related Party Transactions

<u>Officer/Board Member</u>	<u>Organization and Address</u>	<u>Amount</u>	<u>Description</u>
David Boss Son of Mana I Boss, President & CEO	N/A	\$ 40,897 66	Compensation as a full-time employee. Went through standard hiring process by completing an employment application and interviewing with program manager and site coordinator
Vanessa Boss Daughter of Mana I Boss, President & CEO	N/A	\$ 4,235 00	Compensation as a part-time, temporary employee performing clerical duties. Completed employment application
Margaret A. Kennedy, Board Member Howard Stendler, Board Member Partners	Benesch, Friedlander, Coplan & Aronoff 2300 BP Tower, 200 Public Square Cleveland, Ohio 44114	\$ 9,782 82	General Legal Expenses

CLEVELAND SCHOLARSHIP PROGRAMS, INC
EIN 34-6580096
YEAR ENDED JULY 31, 2006

SCHEDULE A, PART III
Explanation of Qualifications to Receive Scholarships

Cleveland Scholarship Programs has several types of scholarships and each type has a different set of criteria and requirements. CSP senior advisors currently work in selected high schools in Cuyahoga County – these include the Cleveland Municipal School District (CMSD), parochial and suburban high schools. The advisors work with students throughout their senior year of high school, then recommend them to CSP for scholarship awards. In order to be recommended, the student must have a 2.5 cumulative grade point average, a minimum of either 820 on the SAT or 17 on the ACT, and have a family income based off of the poverty guidelines multiplied by 300 percent. The student must enroll full-time (minimum of 12 credit hours per term) at a Pell-eligible institution in a program leading to an associate's or bachelor's degree. The student must submit all required paperwork (such as an Activity Sheet and a copy of the Free Application for Federal Student Aid) to the CSP advisor. Not all students who are recommended are selected for a CSP scholarship. Selections are made by the Manager of Financial Aid and are based on a variety of factors including, but not limited to: funds available, grades, test scores, financial need, high school, city of residence, intended college, intended major and advisor ranking. Scholarship funds can be completely unrestricted, or can be restricted per a donor's specification (for example, by type of high school, intended college, intended college major, grade point average, test scores, and/or race.)

The second type of scholarship includes donor criteria that differ from CSP's minimum criteria – the 2.5 GPA, 820 SAT or 17 ACT, income cap or degree goal. For example, a donor might want to eliminate the minimum test score, fund students attending a vocational program or require "financial need" without adhering to a specific income cap. Some of these scholarships require an application form and supplemental materials such as an essay or letter of recommendation. Certain scholarship winners are selected by the Manager of Financial Aid, while others utilize a committee format as specified by the donor.

The third type of scholarship is for an organization or employer who would like to award a particular population of students – for example, dependents of employees or members of the organization. Any criteria can be used, be it financial, academic, or otherwise; these funds are designed very specifically to the donor's restrictions. In all cases, an application is required to certify the student's eligibility. In some cases, CSP employs readers to review and rate each applicant. Three reader votes are then tallied and those students with the highest score(s) are selected. The various criteria (such as grades, financial need, or creativity) are weighted more or less heavily depending on donor specifications.

The final type of scholarship is for adult students who want to obtain their first bachelor's or associate's degree; enroll in a vocational program to attain a certificate or license, or pursue a teaching certification (that currently have a bachelor's degree). There is an application that includes academic transcripts, an essay, a letter of recommendation, and a copy of the Student Aid Report (SAR). Three readers review and rate all the applications. We select as many students as we have available scholarship monies. There is a 2.5 minimum grade point average requirement if the adult has been in college within the past five years (and no minimum GPA for those who have been out of school longer) as well as a financial income cap based off of the federal poverty guidelines multiplied by 300 percent. Students may reside in 11 counties in Northeast Ohio. Some scholarship funds are unrestricted, while others are very specific based on factors such as home county, college, intended major, and/or life experiences.

CLEVELAND SCHOLARSHIP PROGRAMS
2005 TAX RETURN
34-6580096



Account Statement

CSP-MAIN ACCOUNT M-T/A 20-24-200-1208160
August 1, 2005 - July 31, 2006

Transaction Detail

Date	Description	Income cash	Principal cash	Tax cost
07/28	MEDTRONIC INC COM DIV PAYABLE 07/28/06 @ 11 A SHR ON 500 SHARES	55 00		
07/28	WINDSTREAM CORP COM CASH IN LIEU OF 177 FRACTIONAL UNITS AT 11 46162		2 03	-1 44
07/31	FOG RESOURCES INC COM DIV PAYABLE 07/31/06 @ 06 A SHR ON 400 SHARES	24 00		
07/31	CONSOLIDATION OF STATEMENT ACI ACTIVITY PURCHASE OF AUTOMATIC CASH INVESTMENT	-58,811 45	-497,092 16	555,903 61
07/31	CONSOLIDATION OF STATEMENT ACI ACTIVITY SALE OF AUTOMATIC CASH INVESTMENT	58,556 02	446,615 60	-505,171 62
	Ending balance on 7/31	\$0.00	\$0.00	\$2,424,891.45

Realized Gain/Loss from Sales

Description	Settle date	Trade date	Units sold	Proceeds	Tax cost	Short-term gain/loss	Long-term gain/loss
LINCOLN NATL CORP IND	11/18	11/15	-800 00	\$40,518 30	-\$28,816 00	\$0 00	\$11,702 30
ALCOA INC	11/22	11/17	-600 00	15,791 33	-20,725 88	0 00	-4,934 55
ANHEUSER BUSCH COS INC	11/22	11/17	-600 00	25,858 91	-18,892 50	0 00	6,966 41
FANNIE MAE	11/22	11/17	-800 00	37,150 44	-46,798 00	0 00	-9,647 56
GANNETT INC	11/22	11/17	-650 00	40,727 29	-49,987 50	0 00	-9,260 21
AVON PRODS INC	1/5	12/30	-1,000 00	28,416 12	-19,384 38	0 00	9,031 74
CUNOCOPHILLIPS	1/5	12/30	-1,000 00	57,948 21	-24,125 00	0 00	33,823 21





Account Statement

CSP-MAIN ACCOUNT M-T/A 20-24-200-1208160
August 1, 2005 - July 31, 2006

Realized Gain/Loss from Sales

Description	Settle date	Trade date	Units sold	Tax cost	Proceeds	Short-term gain/loss	Long-term gain/loss
HCA INC	1/5	12/30	-500.00	-25,520.00	25,219.22	0.00	-300.78
HONEYWELL INTERNATIONAL INC	2/21	2/15	-1,600.00	-56,048.00	64,398.02	0.00	8,350.02
FEDERAL HOME LN BANKS	6/5	6/2	-200,000.00	-198,720.00	199,620.00	0.00	900.00
ABBOTT LABS	6/7	6/2	-450.00	-18,077.45	19,326.90	0.00	1,249.45
ALLTEL CORP	6/7	6/2	-600.00	-32,492.00	38,104.82	0.00	5,612.82
AMERICAN INTL GROUP INC	6/7	6/2	-200.00	-4,690.12	12,175.62	0.00	7,485.50
AUTOMATIC DATA PROCESSING INC	6/7	6/2	-250.00	-14,561.88	11,402.14	0.00	-3,159.74
BANK OF AMERICA CORP	6/7	6/2	-1,000.00	-18,214.87	49,118.49	0.00	30,903.62
CHEVRON CORP	6/7	6/2	-1,078.00	-29,648.75	65,415.02	0.00	35,766.27
CITIGROUP INC	6/7	6/2	-400.00	-20,977.46	20,011.38	0.00	-966.08
COLGATE PALMOLIVE CO	6/7	6/2	-300.00	-16,527.00	17,936.44	1,409.44	0.00
EMERSON FFC CO	6/7	6/2	-900.00	-31,657.00	74,017.68	0.00	42,360.68
GENERAL ELEC CO	6/7	6/2	-650.00	-12,588.30	22,398.31	0.00	9,810.01
INTEL CORP	6/7	6/2	-900.00	-59,268.75	16,271.49	0.00	-42,997.26
INTERNATIONAL BUSINESS MACHS	6/7	6/2	-350.00	-28,837.81	27,743.64	0.00	-1,094.17
JOHNSON & JOHNSON	6/7	6/2	-150.00	-8,842.50	9,095.72	0.00	253.22
LOWES COS INC	6/7	6/2	-200.00	-4,306.00	12,605.61	0.00	8,299.61
MCDONALDS CORP	6/7	6/2	-1,000.00	-23,250.00	33,371.97	0.00	10,121.97
MEDTRONIC INC	6/7	6/2	-100.00	-3,423.75	5,106.84	0.00	1,683.09
MICROSOFT CORP	6/7	6/2	-200.00	-5,512.00	4,527.86	0.00	-984.14
PEPSICO INC	6/7	6/2	-500.00	-22,291.00	30,159.07	0.00	7,868.07
PFIZER INC	6/7	6/2	-1,300.00	-39,182.50	31,316.03	0.00	-7,866.47
PROCTER & GAMBLE CO	6/7	6/2	-100.00	-5,832.00	5,389.83	-442.17	0.00
SIGMA ALDRICH CORP	6/7	6/2	-350.00	-11,243.75	24,516.74	0.00	13,272.99
TARGET CORP	6/7	6/2	-1,100.00	-6,714.59	53,882.39	0.00	47,167.80
VERIZON COMMUNICATIONS INC	6/7	6/2	-500.00	-19,723.10	15,914.51	0.00	-3,808.59
WAGHORIA CORP	6/7	6/2	-145.00	-3,872.64	7,984.90	0.00	4,112.26



Account Statement
CSP-MAIN ACCOUNT M-T/A 20-24-200-1208160
August 1, 2005 - July 31, 2006

Realized Gain/Loss from Sales

Description	Settle date	Trade date	Units sold	Tax cost	Proceeds	Short-term gain/loss	Long-term gain/loss
WELLS FARGO COMPANY	6/7	6/2	-400.00	-11,551.93	27,191.16	0.00	15,639.23
WINDSTREAM CORP	7/28	7/28	-0.18	-1.44	2.03	0.00	0.59
Total Realized Gain/Loss from Sales				-\$942,305.85	\$1,170,634.43	\$967.27	\$227,381.31

This is for informational purposes only and is not tax advice. Please see your tax advisor for tax advice.



Account Statement

CSP-ENDOW CAMPAIGN SUB FD M-T/A 20-24-200-1208161
August 1, 2005 - July 31, 2006

Transaction Detail

Date	Description	Income cash	Principal cash	Tax cost
07/28	MEDTRONIC INC COM DIV PAYABLE 07/28/06 @ 11 A SHR ON 600 SHARES	66 00		
07/28	WINDSTREAM CORP COM CASH IN LIEU OF 355 FRACTIONAL UNITS AT 11 46162		4 07	-3 29
07/31	EOG RESOURCES INC COM DIV PAYABLE 07/31/06 @ 06 A SHR ON 600 SHARES	36 00		
07/31	CONSOLIDATION OF STATEMENT ACI ACTIVITY PURCHASE OF AUTOMATIC CASH INVESTMENT	-145,071 47	-941,057 83	1,086,129 30
07/31	CONSOLIDATION OF STATEMENT ACI ACTIVITY SALE OF AUTOMATIC CASH INVESTMENT	289 08	654,999 52	-655,288 60
	Ending balance on 7/31	\$0.00	\$0.00	\$4,611,150 91

Realized Gain/Loss from Sales

Description	Settle date	Trade date	Units sold	Tax cost	Proceeds	Short-term gain/loss	Long-term gain/loss
LINCOLN NAT'L CORP IND	11/18	11/15	-800.00	-\$28,824 00	\$40,518 30	\$0.00	\$11,694 30
ALCOA INC	11/22	11/17	-700 00	-23,174 30	18,402 22	0 00	-4,772 08
ANHEUSER BUSCH COS INC	11/22	11/17	-950 00	-42,511 00	40,933 78	0 00	-1,577 22
FANNIE MAE	11/22	11/17	-900.00	-52,368 75	41,812 25	0 00	-10,556 50
GANNETT INC	11/22	11/17	-800 00	-60,448 00	50,129 90	0 00	-10,318 10
BIOMET INC	1/5	12/30	-1,000 00	-23,259 00	36,468 97	0 00	13,209 97
CONOCOPHILLIPS	1/5	12/30	-2,000 00	-47,760 00	116,136 43	0 00	68,376 43



Account Statement

CSP-ENDOW CAMPAIGN SUB FD M-T/A 20-24-200-1208161
August 1, 2005 - July 31, 2006

Realized Gain/Loss from Sales

Description	Settle date	Trade date	Units sold	Tax cost	Proceeds	Short-term gain/loss	Long-term gain/loss
KIMBERLY CLARK CORP	1/5	12/30	-900.00	-54,562.41	53,710.34	0.00	-852.07
HONEYWELL INTERNATIONAL INC	2/21	2/15	-2,000.00	-52,560.00	80,497.52	0.00	27,937.52
INTERPUBLIC GROUP COS INC	4/12	4/7	-14.00	0.00	131.17	131.17	0.00
ALLTEL CORP	6/14	6/9	-400.00	-22,724.00	24,447.24	0.00	1,723.24
AMERICAN INTL GROUP INC	6/14	6/9	-400.00	-26,745.29	24,091.25	0.00	-2,654.04
BANK OF AMERICA CORP	6/14	6/9	-800.00	-23,718.70	39,150.79	0.00	15,432.09
CHEVRON CORP	6/14	6/9	-500.00	-17,198.05	28,774.11	0.00	11,576.06
CITIGROUP INC	6/14	6/9	-200.00	-10,855.99	9,965.69	0.00	-890.30
EMERSON ELEC CO	6/14	6/9	-450.00	-30,210.50	36,052.89	0.00	5,842.39
EXXON MOBIL CORP	6/14	6/9	-200.00	-8,353.75	11,757.63	0.00	3,403.88
GENERAL ELEC CO	6/14	6/9	-300.00	-15,691.67	10,214.68	0.00	-5,476.99
GOLDMAN SACHS GROUP INC	6/14	6/9	-100.00	-8,465.00	15,006.53	0.00	6,541.53
HOMF DEPOT INC	6/14	6/9	-1,000.00	-39,800.00	36,998.86	0.00	-2,801.14
INTERNATIONAL BUSINESS MACHS	6/14	6/9	-250.00	-32,725.00	19,479.40	0.00	-13,245.60
LOWES COS INC	6/14	6/9	-500.00	-14,138.13	31,104.04	0.00	16,965.91
MCDONALDS CORP	6/14	6/9	-2,200.00	-52,074.00	73,785.73	0.00	21,711.73
PEPSICO INC	6/14	6/9	-300.00	-12,894.00	17,999.44	0.00	5,105.44
PFIZER INC	6/14	6/9	-1,200.00	-41,822.45	28,287.09	0.00	-13,535.36
SIGMA ALDRICH CORP	6/14	6/9	-800.00	-36,586.50	54,952.31	0.00	18,365.81
TARGET CORP	6/14	6/9	-400.00	-13,557.50	19,443.40	0.00	5,885.90
WACHOVIA CORP	6/14	6/9	-935.00	-24,782.75	50,890.48	0.00	26,107.73
WALGREEN CO	6/14	6/9	-200.00	-8,862.18	8,537.73	-324.45	0.00
WINDSTREAM CORP	7/28	7/28	-0.35	-3.29	4.07	0.00	0.78
Total Realized Gain/Loss from Sales				-\$826,676.21	\$1,019,684.24	-\$193.28	\$193,201.31

This is for informational purposes only and is not tax advice. Please see your tax advisor for tax advice.

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

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

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

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

Type or print File by the extended due date for filing the return. See instructions	Name of Exempt Organization	Employer identification number
	CLEVELAND SCHOLARSHIP PROGRAMS, INC.	34-6580096
	Number, street, and room or suite no. If a P.O. box, see instructions	For IRS use only
	200 PUBLIC SQUARE, BP TOWER	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions	
	CLEVELAND, OH 44114	

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

RECEIVED

MAR 19 2007

ATTORNEY GENERAL
CHARITABLE LAW SECTION

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

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

- The books are in the care of **MARIA I. BOSS**
Telephone No. **216 241-5587** FAX No. _____
- If the organization does **not** have an office or place of business in the United States, check this box. ☐
- If this is for a **Group Return**, enter the organization's four digit Group Exemption Number (GEN) _____ If this is for the **whole group**, check this box ☐ If it is for **part** of the group, check this box ☐ and attach a list with the names and EINs of all members the extension is for

- I request an additional 3-month extension of time until **06/15/2007**
- For calendar year _____, or other tax year beginning **08/01/2005** and ending **07/31/2006**
- If this tax year is for less than 12 months, check reason ☐ Initial return ☐ Final return ☐ Change in accounting period
- State in detail why you need the extension **WE ARE AWAITING INFORMATION FROM A THIRD PARTY NECESSARY TO COMPLETE AN ACCURATE RETURN.**

- If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions. \$ _____
- If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868. \$ _____
- Balance Due.** Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions. \$ _____

Signature and Verification

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

Signature *Mary Eileen Vitale CPA* Title *CPA* Date *3/14/07*

Notice to Applicant - To Be Completed by the IRS

- ☐ We have approved this application. Please attach this form to the organization's return.
- ☐ We have not approved this application. However, we have granted a 10-day grace period from the later of the date shown below or the due date of the organization's return (including any prior extensions). This grace period is considered to be a valid extension of time for elections otherwise required to be made on a timely return. Please attach this form to the organization's return.
- ☐ We have not approved this application. After considering the reasons stated in item 7, we cannot grant your request for an extension of time to file. We are not granting a 10-day grace period.
- ☐ We cannot consider this application because it was filed after the extended due date of the return for which an extension was requested.
- ☐ Other _____

Director _____ By _____ Date _____

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

Type or print	Name
	HOWARD, WERSHBALE & CO.
	Number and street (include suite, room, or apt. no.) or a P.O. box number
	23240 CHAGRIN BLVD.
	City or town, province or state, and country (including postal or ZIP code)
	CLEVELAND, OH 44122-5450