

Form **990**Department of the Treasury  
Internal Revenue Service**Return of Organization Exempt From Income Tax**Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung  
benefit trust or private foundation)

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

OMB No. 1545-0047

**2004**Open to Public  
Inspection**A** For the 2004 calendar year, or tax year beginning **JUL 1, 2004** and ending **JUN 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**ARKANSAS ARTS CENTER FOUNDATION**

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

**MAC ARTHUR PARK**

Room/suite

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

**LITTLE ROCK, AR 72203****D** Employer identification number**23-7337495****E** Telephone number**(501) 372-4000****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).

Hand I are not applicable to section 527 organizations.

**H(a)** Is this a group return for affiliates? ☐ Yes ☒ No**H(b)** If "Yes," enter number of affiliates ▶**H(c)** Are all affiliates included? **N/A** ☐ Yes ☐ No  
(If "No," attach a list.)**H(d)** Is this a separate return filed by an organization covered by a group ruling? ☒ Yes ☐ No**I** Group Exemption Number ▶ **N/A****G** Website: ▶ **N/A****J** Organization type (check only one) ☒ 501(c) ( 3 ) (insert no.) ☐ 4947(a)(1) or ☐ 527**K** Check here ☐ if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS; but if the organization received a Form 990 Package in the mail, it should file a return without financial data. **Some states require a complete return.****L** Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 ▶ **14,077,807.****M** Check ☐ if the organization is **not** required to attach Sch. B (Form 990, 990-EZ, or 990-PF).**Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances**

Revenue	1	Contributions, gifts, grants, and similar amounts received:				
	a	Direct public support	1a	4,735,398.		
	b	Indirect public support	1b			
	c	Government contributions (grants)	1c			
	d	Total (add lines 1a through 1c) (cash \$ 4,735,398. noncash \$ )	1d	4,735,398.		
	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	163,254.
	5	Dividends and interest from securities			5	398,917.
	6a	Gross rents	6a			
	6b	Less: rental expenses	6b			
	6c	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	8,747,321.	8a	
	b	Less: cost or other basis and sales expenses	8,569,114.	8b		
	c	Gain or (loss) (attach schedule)	178,207.	8c		
	d	Net gain or (loss) (combine line 8c, columns (A) and (B))	STMT 1	8d	178,207.	
	9	Special events and activities (attach schedule). If any amount is from gaming, check here <input type="checkbox"/>				
	a	Gross revenue (not including \$ 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			
	10b	Less: cost of goods sold	10b			
10c	Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)			10c		
Expenses	11	Other revenue (from Part VII, line 103)			11	32,917.
	12	Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)			12	5,508,693.
	13	Program services (from line 44, column (B))			13	2,127,152.
	14	Management and general (from line 44, column (C))			14	
	15	Fundraising (from line 44, column (D))			15	
	16	Payments to affiliates (attach schedule)			16	
	17	Total expenses (add lines 16 and 44, column (A))			17	2,127,152.
	18	Excess or (deficit) for the year (subtract line 17 from line 12)			18	3,381,541.
	19	Net assets or fund balances at beginning of year (from line 73, column (A))			19	25,942,241.
	20	Other changes in net assets or fund balances (attach explanation) SEE STATEMENT 2			20	537,817.
Net Assets	21	Net assets or fund balances at end of year (combine lines 18, 19, and 20)			21	29,861,599.

423001  
01-13-05

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

Form 990 (2004)

## ARKANSAS ARTS CENTER FOUNDATION

23-7337495

**Part II Statement of Functional Expenses**

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

Page 2

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22	Grants and allocations (attach schedule) ..... (cash \$ <b>1,354,465.</b> noncash \$ )	22 1,354,465.	1,354,465.	<b>STATEMENT 4</b>	
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 0.	0.		
26	Other salaries and wages .....	26			
27	Pension plan contributions .....	27			
28	Other employee benefits .....	28			
29	Payroll taxes .....	29			
30	Professional fundraising fees .....	30			
31	Accounting fees .....	31 22,975.	22,975.		
32	Legal fees .....	32			
33	Supplies .....	33			
34	Telephone .....	34			
35	Postage and shipping .....	35			
36	Occupancy .....	36			
37	Equipment rental and maintenance .....	37			
38	Printing and publications .....	38			
39	Travel .....	39			
40	Conferences, conventions, and meetings .....	40			
41	Interest .....	41			
42	Depreciation, depletion, etc. (attach schedule) ...	42 441,240.	441,240.	<b>SEE STATEMENT B</b>	
43	Other expenses not covered above (itemize):				
a	<b>TRUSTEE AND INVESTMENT</b>	43a			
b	<b>FEE</b>	43b 140,676.	140,676.		
c	<b>INSURANCE</b>	43c 58,311.	58,311.		
d	<b>RETIREMENT</b>	43d 84,349.	84,349.		
e	<b>MISCELLANEOUS</b>	43e 25,136.	25,136.		
44	Total functional expenses (add lines 22 through 43). Organizations completing columns (B)-(D), carry these totals to lines 13-15.	44 2,127,152.	2,127,152.	0.	0.

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

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

(iii) the amount allocated to Management and general \$ \_\_\_\_\_; and (iv) the amount allocated to Fundraising \$ \_\_\_\_\_

**Part III Statement of Program Service Accomplishments**What is the organization's primary exempt purpose? **SEE STATEMENT 3**

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	<b>THE ARKANSAS ARTS CENTER FOUNDATION'S MISSION IS TO SUPPORT THE OPERATION OF AND TO PROVIDE A STABLE SOURCE OF INCOME TO THE ARKANSAS ARTS CENTER.</b>	(Grants and allocations \$ 1,354,465.)	2,127,152.
b		(Grants and allocations \$ )	
c		(Grants and allocations \$ )	
d		(Grants and allocations \$ )	
e	Other program services (attach schedule)	(Grants and allocations \$ )	
f	<b>Total of Program Service Expenses</b> (should equal line 44, column (B), Program services)		<b>2,127,152.</b>

**Part IV Balance Sheets**

**Note:** Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.

		(A) Beginning of year		(B) End of year
<b>Assets</b>	45 Cash - non-interest-bearing .....	75,835.	45	2,875.
	46 Savings and temporary cash investments .....	829,739.	46	1,546,361.
	47 a Accounts receivable ..... 47a 292,000.			
	b Less: allowance for doubtful accounts ..... 47b	2,000.	47c	292,000.
	48 a Pledges receivable ..... 48a			
	b Less: allowance for doubtful accounts ..... 48b	8,656.	48c	
	49 Grants receivable .....		49	
	50 Receivables from officers, directors, trustees, and key employees .....		50	
	51 a Other notes and loans receivable ..... 51a			
	b Less: allowance for doubtful accounts ..... 51b		51c	
	52 Inventories for sale or use .....		52	
	53 Prepaid expenses and deferred charges .....		53	
	54 Investments - securities ..... <input type="checkbox"/> Cost <input type="checkbox"/> FMV		54	
	55 a Investments - land, buildings, and equipment: basis ..... 55a			
	b Less: accumulated depreciation ..... 55b		55c	SEE STATEMENT B
56 Investments - other ..... SEE STATEMENT 5	16,539,904.	56	20,021,366.	
57 a Land, buildings, and equipment: basis ..... 57a 13,083,127.				
b Less: accumulated depreciation ..... 57b 3,450,866.	10,073,502.	57c	9,632,261.	
58 Other assets (describe ► SEE STATEMENT 6)	765,248.	58	776,603.	
59 <b>Total assets</b> (add lines 45 through 58) (must equal line 74) .....	28,294,884.	59	32,271,466.	
<b>Liabilities</b>	60 Accounts payable and accrued expenses .....		60	
	61 Grants payable .....	1,014,213.	61	1,173,219.
	62 Deferred revenue .....		62	
	63 Loans from officers, directors, trustees, and key employees .....		63	
	64 a Tax-exempt bond liabilities .....		64a	
	b Mortgages and other notes payable .....		64b	
	65 Other liabilities (describe ► SEE STATEMENT 7)	1,338,430.	65	1,236,648.
66 <b>Total liabilities</b> (add lines 60 through 65) .....	2,352,643.	66	2,409,867.	
<b>Net Assets or Fund Balances</b>	<b>Organizations that follow SFAS 117, check here</b> <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.			
	67 Unrestricted .....	21,086,698.	67	25,194,308.
	68 Temporarily restricted .....	1,000,854.	68	769,548.
	69 Permanently restricted .....	3,854,689.	69	3,897,743.
	<b>Organizations that do not follow SFAS 117, check here</b> <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 <b>Total net assets or fund balances</b> (add lines 67 through 69 or lines 70 through 72; column (A) must equal line 19; column (B) must equal line 21) .....	25,942,241.	73	29,861,599.
	74 <b>Total liabilities and net assets / fund balances</b> (add lines 66 and 73) .....	28,294,884.	74	32,271,466.

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.

<b>Part IV-B</b>	<b>Reconciliation of Expenses per Audited Financial Statements with Expenses per Return</b>
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<b>a</b>	Total expenses and losses per audited financial statements	<b>a</b>	2,267,956.
<b>b</b>	Amounts included on line <b>a</b> 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):		
	<b>STMT 9</b> \$ 140,804.		
	Add amounts on lines (1) through (4) ...	<b>b</b>	140,804.
<b>c</b>	Line <b>a</b> minus line <b>b</b>	<b>c</b>	2,127,152.
<b>d</b>	Amounts included on line 17, Form 990 but not on line <b>a</b> :		
(1)	Investment expenses not included on line 6b, Form 990 ... \$		
(2)	Other (specify):		
	\$		
	Add amounts on lines (1) and (2) ...	<b>d</b>	0.
<b>e</b>	Total expenses per line 17, Form 990 (line <b>c</b> plus line <b>d</b> )	<b>e</b>	2,127,152.

[illegible]☐ Yes ☒ No

**Part VI Other Information**

	Yes	No
<b>76</b> Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity	<b>76</b>	<b>X</b>
<b>77</b> 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.	<b>77</b>	<b>X</b>
<b>78 a</b> Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	<b>78a</b>	<b>X</b>
<b>b</b> If "Yes," has it filed a tax return on <b>Form 990-T</b> for this year? <b>N/A</b>	<b>78b</b>	
<b>79</b> Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement	<b>79</b>	<b>X</b>
<b>80 a</b> 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?	<b>80a</b>	<b>X</b>
<b>b</b> If "Yes," enter the name of the organization <b>▶ ARKANSAS ARTS CENTER</b> and check whether it is <input checked="" type="checkbox"/> exempt or <input type="checkbox"/> nonexempt.		
<b>81 a</b> Enter direct or indirect political expenditures. See line 81 instructions <b>81a</b> <b>0.</b>		
<b>b</b> Did the organization file <b>Form 1120-POL</b> for this year?	<b>81b</b>	<b>X</b>
<b>82 a</b> 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?	<b>82a</b>	<b>X</b>
<b>b</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.) <b>82b</b>		
<b>83 a</b> Did the organization comply with the public inspection requirements for returns and exemption applications?	<b>83a</b>	<b>X</b>
<b>b</b> Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	<b>83b</b>	<b>X</b>
<b>84 a</b> Did the organization solicit any contributions or gifts that were not tax deductible?	<b>84a</b>	<b>X</b>
<b>b</b> If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? <b>N/A</b>	<b>84b</b>	
<b>85 501(c)(4), (5), or (6) organizations. a</b> Were substantially all dues nondeductible by members? <b>N/A</b>	<b>85a</b>	
<b>b</b> Did the organization make only in-house lobbying expenditures of \$2,000 or less? <b>N/A</b> If "Yes" was answered to either 85a or 85b, <b>do not</b> complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.	<b>85b</b>	
<b>c</b> Dues, assessments, and similar amounts from members <b>85c</b> <b>N/A</b>		
<b>d</b> Section 162(e) lobbying and political expenditures <b>85d</b> <b>N/A</b>		
<b>e</b> Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices <b>85e</b> <b>N/A</b>		
<b>f</b> Taxable amount of lobbying and political expenditures (line 85d less 85e) <b>85f</b> <b>N/A</b>		
<b>g</b> Does the organization elect to pay the section 6033(e) tax on the amount on line 85f? <b>N/A</b>	<b>85g</b>	
<b>h</b> 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? <b>N/A</b>	<b>85h</b>	
<b>86 501(c)(7) organizations. Enter: a</b> Initiation fees and capital contributions included on line 12 <b>86a</b> <b>N/A</b>		
<b>b</b> Gross receipts, included on line 12, for public use of club facilities <b>86b</b> <b>N/A</b>		
<b>87 501(c)(12) organizations. Enter: a</b> Gross income from members or shareholders <b>87a</b> <b>N/A</b>		
<b>b</b> Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.) <b>87b</b> <b>N/A</b>		
<b>88</b> 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	<b>88</b>	<b>X</b>
<b>89 a 501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 ▶ <b>0.</b>; section 4912 ▶ <b>0.</b>; section 4955 ▶ <b>0.</b></b>		
<b>b 501(c)(3) and 501(c)(4) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction</b>	<b>89b</b>	<b>X</b>
<b>c</b> Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 ▶ <b>0.</b>		
<b>d</b> Enter: Amount of tax on line 89c, above, reimbursed by the organization ▶ <b>0.</b>		
<b>90 a</b> List the states with which a copy of this return is filed <b>▶ ARKANSAS</b>		
<b>b</b> Number of employees employed in the pay period that includes March 12, 2004 <b>90b</b> <b>0</b>		
<b>91</b> The books are in care of <b>▶ ROCKY NICKLES</b> Telephone no. <b>▶ (501) 372-4000</b>		

Located at **▶ ARKANSAS ARTS CENTER, LITTLE ROCK, AR**ZIP + 4 **▶ 72203**

**92** Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041- Check here ☐  
and enter the amount of tax-exempt interest received or accrued during the tax year **▶ 92** **N/A**

**Part VII Analysis of Income-Producing Activities** (See page 33 of the instructions.)

**Note:** Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclu- sion code	(D) Amount	
<b>93</b> Program service revenue:					
a _____					
b _____					
c _____					
d _____					
e _____					
f Medicare/Medicaid payments .....					
g Fees and contracts from government agencies .....					
<b>94</b> Membership dues and assessments .....					
<b>95</b> Interest on savings and temporary cash investments ...			14	163,254.	
<b>96</b> Dividends and interest from securities .....			14	398,917.	
<b>97</b> Net rental income or (loss) from real estate:					
a debt-financed property .....					
b not debt-financed property .....					
<b>98</b> Net rental income or (loss) from personal property .....					
<b>99</b> Other investment income .....					
<b>100</b> Gain or (loss) from sales of assets other than inventory .....			18	178,207.	
<b>101</b> Net income or (loss) from special events .....					
<b>102</b> Gross profit or (loss) from sales of inventory .....					
<b>103</b> Other revenue:					
a <b>PERPETUAL TRUST INCOME</b> .....			03	32,917.	
b _____					
c _____					
d _____					
e _____					
<b>104</b> Subtotal (add columns (B), (D), and (E)) .....		0.		773,295.	0.
<b>105</b> <b>Total</b> (add line 104, columns (B), (D), and (E)) .....					773,295.

**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).

**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	Type or print name and title.
Paid Preparer's Use Only	Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	Preparer's SSN or PTIN
	Firm's name (or yours if self-employed), address, and ZIP + 4			EIN
423161 01-13-05			Phone no. (501) 227-5800	

**SCHEDULE A**  
**(Form 990 or 990-EZ)**

Department of the Treasury  
Internal Revenue Service

**Organization Exempt Under Section 501(c)(3)**

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

**Supplementary Information-(See separate instructions.)**

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

OMB No. 1545-0047

**2004**

Name of the organization

ARKANSAS ARTS CENTER FOUNDATION

Employer identification number

23 7337495

**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
NONE				
Total number of other employees paid over \$50,000	0			

**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
STEPHENS, INC.		
111 CENTER STREET, LITTLE ROCK, AR 72201	INVESTMENT SERVICE	140,676.
REBSAMEN INSURANCE		
1500 RIVERFRONT DRIVE, LITTLE ROCK, AR 72203	FINE ART INSURANCE	58,311.
Total number of others receiving over \$50,000 for professional services	0	

**Part III** **Statements About Activities** (See page 2 of the instructions.)

	Yes	No
<b>1</b> 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 <b>►</b> \$ _____ \$ _____ (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.	<b>1</b>	<b>X</b>
<b>2</b> 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.)		
<b>a</b> Sale, exchange, or leasing of property? .....	<b>2a</b>	<b>X</b>
<b>b</b> Lending of money or other extension of credit? .....	<b>2b</b>	<b>X</b>
<b>c</b> Furnishing of goods, services, or facilities? .....	<b>2c</b>	<b>X</b>
<b>d</b> Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? .....	<b>2d</b>	<b>X</b>
<b>e</b> Transfer of any part of its income or assets? .....	<b>2e</b>	<b>X</b>
<b>3 a</b> 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.) .....	<b>3a</b>	<b>X</b>
<b>b</b> Do you have a section 403(b) annuity plan for your employees? .....	<b>3b</b>	<b>X</b>
<b>4 a</b> Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds? .....	<b>4a</b>	<b>X</b>
<b>b</b> Do you provide credit counseling, debt management, credit repair, or debt negotiation services? .....	<b>4b</b>	<b>X</b>

**Part IV** **Reason for Non-Private Foundation Status** (See pages 3 through 6 of the instructions.)The organization is not a private foundation because it is: (Please check only **ONE** applicable box.)

- 5** ☐ A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
- 6** ☐ A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)
- 7** ☐ A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).
- 8** ☐ A Federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).
- 9** ☐ A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state **►** \_\_\_\_\_
- 10** ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the **Support Schedule** in Part IV-A.)
- 11a** ☒ An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 11b** ☐ A community trust. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 12** ☐ An organization that normally receives: **(1) more than 33 1/3%** of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions - subject to certain exceptions, and **(2) no more than 33 1/3%** of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Also complete the **Support Schedule** in Part IV-A.)
- 13** ☐ An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in: **(1)** lines 5 through 12 above; or **(2)** section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2). (See section 509(a)(3).)

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

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

- 14** ☐ An organization organized and operated to test for public safety. Section 509(a)(4). (See page 5 of the instructions.)



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

Calendar year (or fiscal year beginning in) ▶	(a) 2003	(b) 2002	(c) 2001	(d) 2000	(e) Total
<b>15</b> Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	207,323.	444,436.	1,060,887.	1,148,555.	2,861,201.
<b>16</b> Membership fees received					
<b>17</b> 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					
<b>18</b> 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	397,454.	359,796.	510,406.	766,791.	2,034,447.
<b>19</b> Net income from unrelated business activities not included in line 18					
<b>20</b> Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
<b>21</b> 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					
<b>22</b> Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets	24,832.	21,926.	SEE STATEMENT 11 24,925.	10,735.	82,418.
<b>23</b> Total of lines 15 through 22	629,609.	826,158.	1,596,218.	1,926,081.	4,978,066.
<b>24</b> Line 23 minus line 17	629,609.	826,158.	1,596,218.	1,926,081.	4,978,066.
<b>25</b> Enter 1% of line 23	6,296.	8,262.	15,962.	19,261.	
<b>26 Organizations described on lines 10 or 11:</b> a Enter 2% of amount in column (e), line 24 ▶					<b>26a</b> 99,561.
b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2000 through 2003 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts ▶					<b>26b</b> 407,178.
c Total support for section 509(a)(1) test: Enter line 24, column (e) ▶					<b>26c</b> 4,978,066.
d Add: Amounts from column (e) for lines: 18 2,034,447. 19 407,178. 22 82,418. 26b 407,178. ▶					<b>26d</b> 2,524,043.
e Public support (line 26c minus line 26d total) ▶					<b>26e</b> 2,454,023.
f Public support percentage (line 26e (numerator) divided by line 26c (denominator)) ▶					<b>26f</b> 49.2967%
<b>27 Organizations described on line 12:</b> a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." Do not file this list with your return. Enter the sum of such amounts for each year: N/A (2003) (2002) (2001) (2000)					
b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year: N/A (2003) (2002) (2001) (2000)					
c Add: Amounts from column (e) for lines: 15 16 17 20 21 ▶					<b>27c</b> N/A
d Add: Line 27a total and line 27b total ▶					<b>27d</b> N/A
e Public support (line 27c total minus line 27d total) ▶					<b>27e</b> N/A
f Total support for section 509(a)(2) test: Enter amount on line 23, column (e) ▶					<b>27f</b> N/A
g Public support percentage (line 27e (numerator) divided by line 27f (denominator)) ▶					<b>27g</b> N/A %
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator)) ▶					<b>27h</b> N/A %

**28 Unusual Grants:** For an organization described in line 10, 11, or 12 that received any unusual grants during 2000 through 2003, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.

NONE

**Part V Private School Questionnaire** (See page 7 of the instructions.)**N/A****(To be completed ONLY by schools that checked the box on line 6 in Part IV)**

		Yes	No
<b>29</b>	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? .....		
<b>30</b>	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? .....		
<b>31</b>	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.)		
<b>32</b>	Does the organization maintain the following:		
<b>a</b>	Records indicating the racial composition of the student body, faculty, and administrative staff? .....		
<b>b</b>	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis? .....		
<b>c</b>	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships? .....		
<b>d</b>	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.)		
<b>33</b>	Does the organization discriminate by race in any way with respect to:		
<b>a</b>	Students' rights or privileges? .....		
<b>b</b>	Admissions policies? .....		
<b>c</b>	Employment of faculty or administrative staff? .....		
<b>d</b>	Scholarships or other financial assistance? .....		
<b>e</b>	Educational policies? .....		
<b>f</b>	Use of facilities? .....		
<b>g</b>	Athletic programs? .....		
<b>h</b>	Other extracurricular activities? .....		
	If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.)		
<b>34 a</b>	Does the organization receive any financial aid or assistance from a governmental agency? .....		
<b>b</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.		
<b>35</b>	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 .....		

Schedule A (Form 990 or 990-EZ) 2004

**Part VI-A Lobbying Expenditures by Electing Public Charities** (See page 9 of the instructions.)**N/A**(To be completed **ONLY** by an eligible organization that filed Form 5768)Check **a** ☐ if the organization belongs to an affiliated group. Check **b** ☐ if you checked "a" and "limited control" provisions apply.

<b>Limits on Lobbying Expenditures</b> (The term "expenditures" means amounts paid or incurred.)		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
		<b>N/A</b>	
36	Total lobbying expenditures to influence public opinion (grassroots lobbying) .....	36	
37	Total lobbying expenditures to influence a legislative body (direct lobbying) .....	37	
38	Total lobbying expenditures (add lines 36 and 37) .....	38	
39	Other exempt purpose expenditures .....	39	
40	Total exempt purpose expenditures (add lines 38 and 39) .....	40	
41	Lobbying nontaxable amount. Enter the amount from the following table -		
If the amount on line 40 is -                      The lobbying nontaxable amount is -			
Not over \$500,000 ..... 20% of the amount on line 40 .....			
Over \$500,000 but not over \$1,000,000 ..... \$100,000 plus 15% of the excess over \$500,000 .....			
Over \$1,000,000 but not over \$1,500,000 ..... \$175,000 plus 10% of the excess over \$1,000,000 .....		41	
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	
<b>Caution:</b> If there is an amount on either line 43 or line 44, you must file Form 4720.			

**4-Year Averaging Period Under Section 501(h)**

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

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

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

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

**N/A**

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:	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.) .....			0.
If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities.			



**Schedule B**  
(Form 990, 990-EZ, or  
990-PF)

Department of the Treasury  
Internal Revenue Service

**Schedule of Contributors**

Supplementary Information for  
line 1 of Form 990, 990-EZ, and 990-PF (see instructions)

OMB No. 1545-0047

**2004**

Name of organization

Employer identification number

ARKANSAS ARTS CENTER FOUNDATION

23-7337495

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

☒ 501(c)( 3 ) (enter number) organization

☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

☐ 527 political organization

Form 990-PF

☐ 501(c)(3) exempt private foundation

☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation

☐ 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**. (Note: Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule-see instructions.)

**General Rule-**

☐ For organizations filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. (Complete Parts I and II.)

**Special Rules-**

☒ For a section 501(c)(3) organization filing Form 990, or Form 990-EZ, that met the 33 1/3% support test of the regulations under sections 509(a)(1)/170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of \$5,000 or 2% of the amount on line 1 of these forms. (Complete Parts I and II.)

☐ For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, aggregate contributions or bequests of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. (Complete Parts I, II, and III.)

☐ For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, some contributions for use *exclusively* for religious, charitable, etc., purposes, but these contributions did not aggregate to more than \$1,000. (If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Do not complete any of the Parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year.) ..... ► \$ .....

**Caution:** Organizations that are not covered by the General Rule and/or the Special Rules do not file Schedule B (Form 990, 990-EZ, or 990-PF), but they **must** check the box in the heading of their Form 990, Form 990-EZ, or on line 2 of their Form 990-PF, to certify that they do not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

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

Schedule B (Form 990, 990-EZ, or 990-PF) (2004)

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FORM 990	GAIN (LOSS) FROM NON-PUBLICLY TRADED SECURITIES	STATEMENT	1
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DESCRIPTION	DATE ACQUIRED	DATE SOLD	METHOD ACQUIRED	
SEE STATEMENT	VARIOUS	VARIOUS	PURCHASED	
NAME OF BUYER	GROSS SALES PRICE	COST OR OTHER BASIS	EXPENSE OF SALE	NET GAIN OR (LOSS)
SEE STATEMENT A	8,747,321.	8,569,114.	0.	178,207.
TOTAL TO FM 990, PART I, LN 8	8,747,321.	8,569,114.	0.	178,207.

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FORM 990	OTHER CHANGES IN NET ASSETS OR FUND BALANCES	STATEMENT	2
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DESCRIPTION	AMOUNT
ACQUISITIONS OF WORKS OF ART	-140,804.
UNREALIZED GAINS IN ACCORDANCE WITH FAS 124	641,586.
GAIN FROM PERPETUAL TRUST	2,064.
INTEREST INCREASE IN PERPETUAL TRUST	5,911.
INTEREST INCREASE IN CARRIE REMMEL DICKINSON CRAT	29,060.
TOTAL TO FORM 990, PART I, LINE 20	537,817.

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FORM 990	STATEMENT OF ORGANIZATION'S PRIMARY EXEMPT PURPOSE	STATEMENT	3
	PART III		

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EXPLANATION

THE ARKANSAS ARTS CENTER FOUNDATION WAS CREATED BY THE ARKANSAS ARTS CENTER IN 1972 TO MANAGE AND ADMINISTER AN ENDOWMENT FUND FOR THE BENEFIT OF THE CENTER AND TO HOLD LEGAL TITLE TO THE COLLECTION OF ART OBJECTS.



FORM 990

CASH GRANTS AND ALLOCATIONS

STATEMENT

4

CLASSIFICATION	DONEE'S NAME	DONEE'S ADDRESS	DONEE'S RELATIONSHIP	AMOUNT
PUBLIC CHARITY	ARKANSAS ARTS CENTER	MACARTHUR PARK, LITTLE ROCK, AR 72203	SUPPORTED ORGANIZATION	1354465.
TOTAL INCLUDED ON FORM 990, PART II, LINE 22				1354465.

FORM 990	OTHER INVESTMENTS	STATEMENT	5
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DESCRIPTION	VALUATION METHOD	AMOUNT
U.S. GOVERNMENT OBLIGATIONS (SEE STATEMENTS C AND D)	MARKET VALUE	3,606,168.
MUTUAL FUNDS (SEE STATEMENTS C AND D)	MARKET VALUE	15,816,519.
CORPORATE OBLIGATIONS (SEE STATEMENTS C AND D)	MARKET VALUE	597,650.
EQUITIES (SEE STATEMENTS C AND D)	MARKET VALUE	1,029.
TOTAL TO FORM 990, PART IV, LINE 56, COLUMN B		20,021,366.

FORM 990	OTHER ASSETS	STATEMENT	6
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DESCRIPTION	AMOUNT
CSV OF LIFE INSURANCE POLICY	17,883.
INTEREST IN PERPETUAL TRUSTS	758,720.
TOTAL TO FORM 990, PART IV, LINE 58, COLUMN B	776,603.

FORM 990	OTHER LIABILITIES	STATEMENT	7
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DESCRIPTION	AMOUNT
OBLIGATIONS UNDER SPLIT - INTEREST AGREEMENT	0.
RETIREMENT OBLIGATION	1,236,648.
TOTAL TO FORM 990, PART IV, LINE 65, COLUMN B	1,236,648.

FORM 990	OTHER REVENUE NOT INCLUDED ON FORM 990	STATEMENT	8
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DESCRIPTION	AMOUNT
GAIN FROM PERPETUAL TRUST	2,064.
INTEREST INCREASE IN PERPETUAL TRUST	5,911.
INTEREST INCREASE IN CARRIE REMMEL DICKINSON CRAT	29,060.
TOTAL TO FORM 990, PART IV-A	37,035.

FORM 990	OTHER EXPENSES NOT INCLUDED ON FORM 990	STATEMENT	9
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DESCRIPTION	AMOUNT
ACQUISITIONS OF WORKS OF ART	140,804.
TOTAL TO FORM 990, PART IV-B	140,804.

FORM 990

PART V - LIST OF OFFICERS, DIRECTORS,  
TRUSTEES AND KEY EMPLOYEES

STATEMENT 10

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
WARREN STEPHENS 111 CENTER STREET LITTLE ROCK, AR 72201	CHAIRMAN 1	0.	0.	0.
MARY LYNN DUDLEY 1900 COUNTRY CLUB LANE LITTLE ROCK, AR 72207	VICE-CHAIRMAN 1	0.	0.	0.
GEORGE O'CONNOR 401 W. CAPITOL, SUITE 345 LITTLE ROCK, AR 72201	TREASURER 1	0.	0.	0.
ELLEN PLUMMER P.O. BOX 2137 LITTLE ROCK, AR 72203	SECRETARY 1	0.	0.	0.
DOUG BUFORD 425 W. CAPITOL, SUITE 1800 LITTLE ROCK, AR 72201	DIRECTOR 1	0.	0.	0.
WILLIAM CLARK P.O. BOX 686 LITTLE ROCK, AR 72203	DIRECTOR 1	0.	0.	0.
JAMES DYKE 309 CENTER STREET LITTLE ROCK, AR 72201	DIRECTOR 1	0.	0.	0.
CURTIS FINCH JR. #6 RIVER GLEN CIRCLE LITTLE ROCK, AR 72202	DIRECTOR 1	0.	0.	0.
ROBYN HORN P.O. BOX 17252 LITTLE ROCK, AR 72222	DIRECTOR 1	0.	0.	0.
BEN HUSSMAN #1 SUNSET POINT LITTLE ROCK, AR 72207	DIRECTOR 1	0.	0.	0.
DON MUNRO P.O. BOX 1157 HOT SPRINGS, AR 71902	DIRECTOR 1	0.	0.	0.

ARKANSAS ARTS CENTER FOUNDATION

23-7337495

WINTHROP ROCKEFELLER  
P.O. BOX 1280  
LITTLE ROCK, AR 72203

DIRECTOR  
1

0. 0. 0.

JOHN SELIG  
425 W. CAPITOL, SUITE 1800  
LITTLE ROCK, AR 72201

DIRECTOR  
1

0. 0. 0.

TOTALS INCLUDED ON FORM 990, PART V

0. 0. 0.



SCHEDULE A	OTHER INCOME			STATEMENT 11
DESCRIPTION	2003 AMOUNT	2002 AMOUNT	2001 AMOUNT	2000 AMOUNT
OTHER INCOME	24,832.	21,926.	24,925.	10,735.
TOTAL TO SCHEDULE A, LINE 22	24,832.	21,926.	24,925.	10,735.