CitizenAudit.org

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

2002

Open to Public Inspection

A For the 2002 calendar year, or tax year beginning , 2002, and ending ,

B Check if applicable:
- [ ] Address change
- [ ] Name change
- [ ] Initial return
- [ ] Final return
- [X] Amended return
- [ ] Application pending

Please use IRS label or print or type. See specific instructions.

C Name of organization: THOMAS B. FORDHAM INSTITUTE

Number, street (or P.O. box if mail is not delivered to street addr): 1627 K STREET, NW — Room/suite: 600

City, town or country: WASHINGTON — State: DC — ZIP code + 4: 20006

D Employer identification number: 31-1816446

E Telephone number: (202) 223-5452

F Accounting method: [X] 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 [X] 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 [X] No

G Web site: ► EDEXCELLENCE.NET/TBFINSTITUTE

J Organization type (check only one) ► [X] 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.**

I Enter 4-digit GEN ►

M Check ► [ ] if the organization is not required to attach Schedule B (Form 990, 990-EZ, or 990-PF)

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 ► 8,259,464.

SCANNED DEC 01 2005

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NOV 14 2005
330 IRS-OSC
OGDEN, UT

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

REVENUE	1	Contributions, gifts, grants, and similar amounts received:			
	a	Direct public support	1a	200,000.	
	b	Indirect public support	1b		
	c	Government contributions (grants)	1c		
	d	Total (add lines 1a through 1c) (cash $ 200,000. noncash $ 0.)			1d 200,000.
	2	Program service revenue including government fees and contracts (from Part VII, line 93)			2 102,843.
	3	Membership dues and assessments			3
	4	Interest on savings and temporary cash investments			4 338.
	5	Dividends and interest from securities			5 78,017.
	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	8a	7,878,266.	
	b	Less: cost or other basis and sales expenses	8b	7,972,322.	
	c	Gain or (loss) (attach schedule) See L-8 Stmt	8c	-94,056.	
	d	Net gain or (loss) (combine line 8c, columns (A) and (B)) — (B) Other			8d -94,056.
	9	Special events and activities (attach schedule)			
	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		
	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
	12	**Total revenue** (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)			12 287,142
EXPENSES	13	Program services (from line 44, column (B))			13 202,624.
	14	Management and general (from line 44, column (C))			14 71,302.
	15	Fundraising (from line 44, column (D))			15 28,912.
	16	Payments to affiliates (attach schedule)			16
	17	**Total expenses** (add lines 16 and 44, column (A))			17 302,838
NET ASSETS	18	Excess or (deficit) for the year (subtract line 17 from line 12)			18 -15,696
	19	Net assets or fund balances at beginning of year (from line 73, column (A))			19 3,582,237.
	20	Other changes in net assets or fund balances (attach explanation)			20 -458,131.
	21	Net assets or fund balances at end of year (combine lines 18, 19, and 20)			21 3,108,410.

83 913-14

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.

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 (att sch) (cash $ _____ non-cash $ _____)	22				
23 Specific assistance to individuals (att sch)	23				
24 Benefits paid to or for members (att sch)	24				
25 Compensation of officers, directors, etc	25	27,169.	19,013.	785.	7,371.
26 Other salaries and wages	26	36,647.	25,645.	1,060.	9,942.
27 Pension plan contributions	27	2,595.	1,816.	75.	704.
28 Other employee benefits	28	10,534.	7,371.	305.	2,858.
29 Payroll taxes	29	1,773.	1,241.	51.	481.
30 Professional fundraising fees	30				
31 Accounting fees	31	5,620.	0.	5,620.	0.
32 Legal fees	32	52,196.	0.	52,196.	0.
33 Supplies	33	2,368.	1,723.	194.	451.
34 Telephone	34	2,144.	1,560.	176.	408.
35 Postage and shipping	35	157.	115.	13.	29.
36 Occupancy	36	6,415.	4,669.	526.	1,220.
37 Equipment rental and maintenance	37	1,484.	1,080.	122.	282.
38 Printing and publications	38	17.	17.	0.	0.
39 Travel	39	4,778.	3,478.	391.	909.
40 Conferences, conventions, and meetings	40	4,240.	3,086.	347.	807.
41 Interest	41				
42 Depreciation, depletion, etc (attach schedule)	42				
43 Other expenses not covered above (itemize):					
a WEBSITE	43a	1,659.	1,161.	48.	450.
b BANK FEES	43b	86.	0.	86.	0.
c BROKERAGE FEES	43c	6,481.	0.	6,481.	0.
d LICENSES	43d	6.	0.	6.	0.
e See Other Expenses Stmt	43e	136,469.	130,649.	2,820.	3,000.
44 Total functional expenses (add lines 22 - 43). Organizations completing columns (B) - (D), carry these totals to lines 13 - 15	44	302,838.	202,624.	71,302.	28,912.

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? ► NATIONAL EDUCATION RESEARCH AND POLICY ANALYSIS

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) & (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants & allocations to others.)

Program Service Expenses (Required for 501(c)(3) and (4) organizations and 4947(a)(1) trusts, but optional for others.)

a SEE ATTACHED SCHEDULE

(Grants and allocations $ 0.) 202,624.

b _____ (Grants and allocations $ _____)

c _____ (Grants and allocations $ _____)

d _____ (Grants and allocations $ _____)

e Other program services (Grants and allocations $ _____)

f **Total of Program Service Expenses** (should equal line 44, column (B), program services) ► 202,624

Part IV Balance Sheets (See Instructions)

Note: *Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.*		(A) Beginning of year		(B) End of year
ASSETS	45 Cash – non-interest-bearing	1,391.	45	2,254.
	46 Savings and temporary cash investments		46	155,139.
	47a Accounts receivable 47a			
	b Less: allowance for doubtful accounts 47b		47c	
	48a Pledges receivable 48a			
	b Less: allowance for doubtful accounts 48b		48c	
	49 Grants receivable		49	
	50 Receivables from officers, directors, trustees, and key employees (attach schedule)		50	
	51a Other notes & loans receivable (attach sch) 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 (attach schedule) . L-54 Stmt ► ☐ Cost ☒ FMV	3,580,846.	54	2,951,017.
	55a Investments – land, buildings, & equipment: basis 55a			
	b Less accumulated depreciation (attach schedule) 55b		55c	
	56 Investments – other (attach schedule)		56	
	57a Land, buildings, and equipment: basis 57a			
	b Less accumulated depreciation (attach schedule) 57b		57c	
	58 Other assets (describe ►)		58	
	59 **Total assets** (add lines 45 through 58) (must equal line 74)	3,582,237.	59	3,108,410.
LIABILITIES	60 Accounts payable and accrued expenses		60	
	61 Grants payable		61	
	62 Deferred revenue		62	
	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 ►)		65	
	66 **Total liabilities** (add lines 60 through 65)	0.	66	0.
NET ASSETS OR FUND BALANCES	**Organizations that follow SFAS 117, check here** ► ☐ and complete lines 67 through 69 and lines 73 and 74.			
	67 Unrestricted		67	
	68 Temporarily restricted		68	
	69 Permanently restricted		69	
	Organizations that do not follow SFAS 117, check here ► ☒ and complete lines 70 through 74			
	70 Capital stock, trust principal, or current funds	3,582,237.	70	3,582,237.
	71 Paid-in or capital surplus, or land, building, and equipment fund		71	
	72 Retained earnings, endowment, accumulated income, or other funds		72	-473,827
	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)	3,582,237.	73	3,108,410.
	74 **Total liabilities and net assets/fund balances** (add lines 66 and 73)	3,582,237.	74	3,108,410.

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

BAA

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

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

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

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

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

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans and deferred compensation	(E) Expense account and other allowances
SEE ATTACHED SCHEDULE		27,169.	2,795.	1,632.

75 Did any officer, director, trustee, or key employee receive aggregate compensation of more than $100,000 from your organization and all related organizations, of which more than $10,000 was provided by the related organizations?

If 'Yes,' attach schedule – see instructions

► [X] Yes [ ] No

Part VI Other Information (See instructions.)

			Yes	No
76	Did the organization engage in any activity not previously reported to the IRS? If 'Yes,' attach a detailed description of each activity	76		X
77	Were any changes made in the organizing or governing documents but not reported to the IRS? If 'Yes,' attach a conformed copy of the changes.	77		X
78a	Did the organization have unrelated business gross income of $1,000 or more during the year covered by this return?	78a		X
b	If 'Yes,' has it filed a tax return on **Form 990-T** for this year?	78b	N/A	
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If 'Yes,' attach a statement	79		X
80a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc, to any other exempt or nonexempt organization?	80a	X	
b	If 'Yes,' enter the name of the organization ► THOMAS B. FORDHAM FOUNDATION and check whether it is [X] exempt or [ ] nonexempt.			
81a	Enter direct or indirect political expenditures. See line 81 instructions 81a 0.			
b	Did the organization file **Form 1120-POL** for this year?	81b		X
82a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	82a		X
b	If 'Yes,' you may indicate the value of these items here Do not include this amount as revenue in Part I or as an expense in Part II (See instructions in Part III) 82b N/A			
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	83a	X	
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	83b	N/A	
84a	Did the organization solicit any contributions or gifts that were not tax deductible?	84a		X
b	If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	84b	N/A	
85	*501(c)(4), (5), or (6) organizations.* a Were substantially all dues nondeductible by members?	85a	N/A	
b	Did the organization make only in-house lobbying expenditures of $2,000 or less?	85b	N/A	
	If 'Yes' was answered to either 85a or 85b, **do not** complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.			
c	Dues, assessments, and similar amounts from members 85c N/A			
d	Section 162(e) lobbying and political expenditures 85d N/A			
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices 85e N/A			
f	Taxable amount of lobbying and political expenditures (line 85d less 85e) 85f N/A			
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	85g	N/A	
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85h	N/A	
86	*501(c)(7) organizations.* Enter: a Initiation fees and capital contributions included on line 12 86a N/A			
b	Gross receipts, included on line 12, for public use of club facilities 86b N/A			
87	*501(c)(12) organizations.* Enter: a Gross income from members or shareholders 87a N/A			
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.) 87b N/A			
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? If 'Yes,' complete Part IX	88		X
89a	*501(c)(3) organizations* Enter: Amount of tax imposed on the organization during the year under: section 4911 ► 0. ; section 4912 ► 0. , section 4955 ► 0.			
b	*501(c)(3) and 501(c)(4) organizations* Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If 'Yes,' attach a statement explaining each transaction	89b		X
c	Enter Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 ► 0.			
d	Enter Amount of tax on line 89c, above, reimbursed by the organization ► 0.			
90a	List the states with which a copy of this return is filed ► OHIO, WASHINGTON D.C.			
b	Number of employees employed in the pay period that includes March 12, 2002 (See instructions)	90b	6	
91	The books are in care of ► FORDHAM INSTITUTE Telephone number ► (202) 223-5452 Located at ► 1627 K STREET, NW, SUITE 600 WASHINGTON, DC ZIP + 4 ► 20006			
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 instructions.)

Note: *Enter gross amounts unless otherwise indicated.*	Unrelated business income (A) Business code	Unrelated business income (B) Amount	Excluded by section 512, 513, or 514 (C) Exclusion code	Excluded by section 512, 513, or 514 (D) Amount	(E) Related or exempt function income
93 Program service revenue:					
a BROAD FOUNDATION					83,400.
b EDUCATION LEADERS COUNCIL					19,443.
c					
d					
e					
f Medicare/Medicaid payments					
g Fees & contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings & temporary cash invmnts			14	338.	
96 Dividends & interest from securities			14	78,017.	
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 pers prop					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory			18	-94,056.	
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue: a					
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))				-15,701.	102,843.
105 **Total** (add line 104, columns (B), (D), and (E))				►	87,142.

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 instructions)

Line No. ▼	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes)
93a	REIMBURSEMENT OF EXPENSES INCURRED IN PRODUCTION OF PUBLICATION ON SCHOOL LEADERSHIP.
93b	REIMBURSEMENT OF EXPENSES FOR ADMINISTRATION AND DELIVERY OF THE FOLLOWING LEADERS PROJECT.

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See instructions) N/A

(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 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: 11/9/05

► Chester E. Finn, Jr. President
Type or print name and title

Paid Preparer's Use Only

Preparer's signature ►	Robt E. Lane	Date 11/7/05	Check if self-employed ► ☐	Preparer's SSN or PTIN (see General Instruction W)
Firm's name (or yours if self-employed) address, and ZIP + 4 ►	Lane & Company, CPA's 1920 N Street NW, Suite 725 Washington DC 20036		EIN ► Phone no ►	

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

2002

Name of the organization: THOMAS B. FORDHAM INSTITUTE

Employer identification number: 31-1816446

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees

(See 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 and deferred compensation	(e) Expense account and other allowances
NONE				
Total number of other employees paid over $50,000 ►	None			

Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services

(See 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
PORTER, WRIGHT, MORRIS & ARTHUR ONE SOUTH MAIN ST. DAYTON, OH 45402	LEGAL	52,196.
Total number of others receiving over $50,000 for professional services ► None		

Part III Statements About Activities (See instructions.)

		Yes	No
1 During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If 'Yes,' enter the total expenses paid or incurred in connection with the lobbying activities ..... ► $ _____ _____ **(Must equal amounts on line 38,** Part VI-A, or line I of Part VI-B.)	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
See Part V, Form 990			
d Payment of compensation (or payment or reimbursement of expenses if more than $1,000)?	2d	X	
e Transfer of any part of its income or assets?	2e		X
3 Does the organization make grants for scholarships, fellowships, student loans, etc? (See **Note** below.)	3		X
4 Do you have a section 403(b) annuity plan for your employees?	4		X

Note: *Attach a statement to explain how the organization determines that individuals or organizations receiving grants or loans from it in furtherance of its charitable programs 'qualify' to receive payments*

Part IV Reason for Non-Private Foundation Status (See 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 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 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) 2001	(b) 2000	(c) 1999	(d) 1998	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	0.	0.	0.	0.	0.
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					
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					
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets					
23 Total of lines 15 through 22	0.	0.	0.	0.	0.
24 Line 23 minus line 17	0.	0.	0	0.	0.
25 Enter 1% of line 23	0.	0.	0.	0.	

26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24	► 26a	0.
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 1998 through 2001 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts	► 26b	
c Total support for section 509(a)(1) test: Enter line 24, column (e)	► 26c	0.
d Add: Amounts from column (e) for lines: 18 _____ 19 _____ 22 _____ 26b _____	► 26d	
e Public support (line 26c minus line 26d total)	► 26e	0.
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))	► 26f	%

27 Organizations described on line 12:

a For amounts included in lines 15, 16, and 17 that were received from a 'disqualified person,' prepare a list for your records to show the name of, and total amounts received in each year from, each 'disqualified person.' **Do not file this list with your return.** Enter the sum of such amounts for each year:

(2001) _____ (2000) _____ (1999) _____ (1998) _____

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.

(2001) _____ (2000) _____ (1999) _____ (1998) _____

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 1998 through 2001, 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 instructions.)
(To be completed ONLY by schools that checked the box on line 6 in Part IV)

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

Part VI-A Lobbying Expenditures by Electing Public Charities (See instructions.)

(To be completed **ONLY** by an eligible organization that filed Form 5768)

N/A

Check ► a ☐ if the organization belongs to an affiliated group. Check ► b ☐ if you checked 'a' and 'limited control' provisions apply.

Limits on Lobbying Expenditures (The term 'expenditures' means amounts paid or incurred.)		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
36 Total lobbying expenditures to influence public opinion (grassroots lobbying)	36		
37 Total lobbying expenditures to influence a legislative body (direct lobbying)	37		
38 Total lobbying expenditures (add lines 36 and 37)	38		
39 Other exempt purpose expenditures	39		
40 Total exempt purpose expenditures (add lines 38 and 39)	40		
41 Lobbying nontaxable amount. Enter the amount from the following table — **If the amount on line 40 is —** / **The lobbying nontaxable amount is —**: Not over $500,000 — 20% of the amount on line 40; Over $500,000 but not over $1,000,000 — $100,000 plus 15% of the excess over $500,000; Over $1,000,000 but not over $1,500,000 — $175,000 plus 10% of the excess over $1,000,000; Over $1,500,000 but not over $17,000,000 — $225,000 plus 5% of the excess over $1,500,000; Over $17,000,000 — $1,000,000	41		
42 Grassroots nontaxable amount (enter 25% of line 41)	42		
43 Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36	43		
44 Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38	44		
Caution: *If there is an amount on either line 43 or line 44, you must file Form 4720*			

4-Year Averaging Period Under Section 501(h)

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

	Lobbying Expenditures During 4-Year Averaging Period				
Calendar year (or fiscal year beginning in) ►	(a) 2002	(b) 2001	(c) 2000	(d) 1999	(e) Total
45 Lobbying nontaxable amount					
46 Lobbying ceiling amount (150% of line 45(e))					
47 Total lobbying expenditures					
48 Grassroots nontaxable amount					
49 Grassroots ceiling amount (150% of line 48(e))					
50 Grassroots lobbying expenditures					

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See 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.)			

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

Part VII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations (See instructions)

51 Did the reporting organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?

		Yes	No
a Transfers from the reporting organization to a noncharitable exempt organization of:			
(i) Cash	51 a (i)		X
(ii) Other assets	a (ii)		X
b Other transactions:			
(i) Sales or exchanges of assets with a noncharitable exempt organization	b (i)		X
(ii) Purchases of assets from a noncharitable exempt organization	b (ii)		X
(iii) Rental of facilities, equipment, or other assets	b (iii)		X
(iv) Reimbursement arrangements	b (iv)		X
(v) Loans or loan guarantees	b (v)		X
(vi) Performance of services or membership or fundraising solicitations	b (vi)		X
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees	c		X

d If the answer to any of the above is 'Yes,' complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting organization. If the organization received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements

52a Is the organization directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ► ☐ Yes ☒ No

b If 'Yes,' complete the following schedule:

(a) Name of organization	(b) Type of organization	(c) Description of relationship

Form 990
Line 8(A) and 8(B)
Statement

Schedule of Gains and Losses from Sale of Assets Other than Inventory

► Attach to return

2002

Name	Employer Identification Number
THOMAS B. FORDHAM INSTITUTE	31-1816446

Part I, Line 8, Column (A) — Securities

Public Securities

Description	Gross Sales Price	Basis	
Publicly Traded Securities	7,878,266.	Cost	7,972,322.
		Selling Expenses	
		Basis	7,972,322.

Nonpublic Securities

Description	Date Acquired and Method	Date Sold and to Whom	Gross Sales Price	Cost, other basis or FMV when donated (State which on top)

Total Securities	7,878,266.	7,972,322.
Gain or (Loss) from Sale of Securities		-94,056.

Part I, Line 8, Column (B) — Other Assets

Description	Date Acquired and Method	Date Sold and to Whom	Gross Sales Price	Cost, other basis or FMV when donated	
				Cost	
				Depreciation	
				Basis	
				Donation FMV	
				Cost	
				Depreciation	
				Basis	
				Donation FMV	
				Cost	
				Depreciation	
				Basis	
				Donation FMV	
				Cost	
				Depreciation	
				Basis	
				Donation FMV	

Total Other Assets			
Gain or (Loss) from Sale of Other Assets			

Form 990, Page 2, Part II, Line 43
Other Expenses Stmt

Other expenses not covered above (itemize):	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
INSURANCE	2,501.	0.	2,501.	0.
MISCELLANEOUS	8,592.	6,013.	248.	2,331.
TEMPS/INTERNS	2,466.	1,726.	71.	669.
CONTRACTS	122,910.	122,910.	0.	0.
Total	136,469.	130,649.	2,820.	3,000.

Form 990, Page 3, Part IV, Line 54
Investments - Securities Statement

Line 54 — Investments - Securities:	**Beginning of Year**	**End of Year**
GOVERNMENT SECURITIES	0.	636,483.
MUTUAL FUNDS	1,150,903.	2,314,534.
BONDS	2,429,943.	0.
Total	3,580,846.	2,951,017.

Supporting Statement of:

Form 990 p 1/Line 20

Description	Amount
UNREALIZED LOSS ON INVESTMENTS	-458,131.
Total	-458,131.

Thomas B. Fordham Institute
2004 Form 990, Page 2, Part III
December 31, 2002

EIN #31-1816446

Statement of Program Service Accomplishments

A. **Preparation of *Better Leaders for America's Schools: A Manifesto*:** Evaluated state laws and practices related to principal and superintendent recruiting, hiring and training processes. Held conference to gather expert opinions in preparation for report release in 2003.

Grants and Allocations: *$0* *Program Service Expenses:* *$108,222*

B. **Preparation of *Charter School Authorizing: Are States Making the Grade?*:** Evaluated state laws and practices related to charter school authorizing process. Surveyed schools, officials, and charter school authorizers in preparation for report release in 2003.

Grants and Allocations: *$0* *Program Service Expenses:* *$80,845*

C. **Work preparing evaluation of Following the Leaders:** Conducted initial evaluation of Following the Leaders program to determine feasibility of a two-year evaluation project examining the effectiveness of Following the Leaders. Two-year evaluation report is expected to be released in 2005.

Grants and Allocations: *$0* *Program Service Expenses:* *$13,557*

Total of Program Service Expenses: ***$202,624***

Thomas B. Fordham Institute
Form 990, Page 4, Part V
December 31, 2002

EIN #: 31-1816446

Name and Address	Title	Compensation	Contributions to Employee Pension Plan	Expense Account (primarily travel reimbursements to Employee)
Chester E. Finn 1627 K Street, NW #600 Washington, DC 20006	Trustee 1 hr/week	$450	$0	$329
Chester E. Finn, Jr. 1627 K Street, NW #600 Washington, DC 20006	President and Trustee 6 hours/week	$24,769	$2,795	$502
Thomas A. Holton 1627 K Street, NW #600 Washington, DC 20006	Secretary - Treasurer and Trustee 1 hr/week	$450	$0	$169
Bruce Kovner 1627 K Street, NW #600 Washington, DC 20006	Trustee 1 hr/week	$300	$0	$0
Bruno V. Manno 1627 K Street, NW #600 Washington, DC 20006	Trustee 1 hr/week	$450	$0	$212
David Ponitz 1627 K Street, NW #600 Washington, DC 20006	Vice President and Trustee 1 hr/week	$450	$0	$278
Diane Ravitch 1627 K Street, NW #600 Washington, DC 20006	Trustee 1 hr/week	$300	$0	$142
	TOTAL	**$27,169**	**$2,795**	**$1,632**

NOTE: During the year ended December 31, 2002, the Organization retained a law firm affiliated with a member of the Organization's Board of Trustees. The Organization paid $52,196 in fees to this firm in 2002.

Thomas B. Fordham Institute
Form 990, page 4, line 75
December 31, 2002

EIN #: 31-1816446

Officer: Chester E. Finn, Jr.

Compensation From Related Organization:
Thomas B. Fordham Foundation
EIN #31-6032844

Compensation	Cont. to Employee Benefit Plan	Expense Account
$ 140,359	$ 15,838	$ 2,843

Compensation from Institute:
Thomas B. Fordham Institute
EIN #31-1816446

Compensation	Cont. to Employee Benefit Plan	Expense Account
$ 24,769	$ 2,795	$ 502

Total Compensation:

Compensation	Cont. to Employee Benefit Plan	Expense Account
$ 165,128	$ 18,633	$ 3,345