



## Chapter 1

### Basic Facts about the Filer

At the top of page 1 of the Form 990 several basic facts about the filer are reported.

Form <b>990</b>	<b>Return of Organization Exempt From Income Tax</b>	OMB No. 1545-0047
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)	<b>2010</b> <b>Open to Public Inspection</b>
▶ The organization may have to use a copy of this return to satisfy state reporting requirements.		
<b>A</b> For the 2010 calendar year, or tax year beginning	, 2010, and ending	, 20
<b>B</b> Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	<b>C</b> Name of organization Doing Business As Number and street (or P.O. box if mail is not delivered to street address) Room/suite City or town, state or country, and ZIP + 4	<b>D</b> Employer identification number <b>E</b> Telephone number <b>G</b> Gross receipts \$
<b>I</b> Tax-exempt status: <input type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) ( ) ◀ (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527	<b>F</b> Name and address of principal officer:	<b>H(a)</b> Is this a group return for affiliates? <input type="checkbox"/> Yes <input type="checkbox"/> No <b>H(b)</b> Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions)
<b>J</b> Website: ▶	<b>H(c)</b> Group exemption number ▶	
<b>K</b> Form of organization: <input type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶	<b>L</b> Year of formation:	<b>M</b> State of legal domicile:

At Line C you can find out its official name and address. Line E reports its telephone number and Line F the name and address of its principal officer. The Instructions state that the term 'principal officer' "means a person who, regardless of title, has ultimate responsibility for implementing the decisions of the organization's governing body [board], or for supervising the management, administration, and operation of the organization." In most cases this would be the filer's executive director. Line J provides the URL for the filer's website. Line L reports the year of the filer's formation so you can tell how many years it has been in existence. If the filer is on the calendar year, Line A indicates that fact and, if not, it indicates its tax (fiscal) year, showing the date of its beginning and ending.<sup>1</sup>

<sup>1</sup> In prior years before the expansion, at the top of the first page of the Form 990 there was a line where the filer was asked to indicate what accounting method it used (e.g., cash or accrual). This information is now elicited at Part XII of the core Form 990 on page 12. Line 1 of Part XII asks whether the filer used the cash, accrual of some other method of accounting. Line 2 asks about the filer's financial statements. Line 2a asks whether the filer's financial statements were compiled or reviewed by an independent accountant and Line 2b asks whether they were audited by an independent accountant. (Compiled financial

Line K tells you whether the filer is a corporation or trust or some other type of organization. Line I indicates its tax status such as whether the filer is a 501(c)(3) – a charity – or a 501(c)(6) – trade association, etc. Line M reports on the legal domicile of the filer. For a nonprofit corporation the state in which it was incorporated would be its legal domicile. For a trust it would be the state whose laws govern its internal affairs. If the filer is part of a group return this would be reported at Line H. Line D provides the filer’s employer identification number. Line G reports the filer’s gross receipts. Gross receipts are the total amounts the filer receives from all sources during its fiscal year without subtracting any costs of expenses. This value is used for determining whether the filer can file the short-form Form 990-EZ. (Generally it can use the Form 990-EZ if it receives \$200,000 or less of gross receipts and has total assets of less than \$500,000). Tax-exempt nonprofits with gross receipts of \$25,000 or less need only submit Form 990-N, Electronic Notice (e-Postcard) for Tax-Exempt Organizations Not Required to File Form 990 or 990-EZ.

Part I is a summary of information found elsewhere in the Form 990 to give the reader a snapshot of the filer.

<b>Part I</b>		<b>Summary</b>	
<b>Activities &amp; Governance</b>	<b>1</b>	Briefly describe the organization’s mission or most significant activities:	
	<b>2</b>	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.	
	<b>3</b>	Number of voting members of the governing body (Part VI, line 1a)	<b>3</b>
	<b>4</b>	Number of independent voting members of the governing body (Part VI, line 1b)	<b>4</b>
	<b>5</b>	Total number of individuals employed in calendar year 2010 (Part V, line 2a)	<b>5</b>
	<b>6</b>	Total number of volunteers (estimate if necessary)	<b>6</b>
	<b>7a</b>	Total unrelated business revenue from Part VIII, column (C), line 12	<b>7a</b>
	<b>b</b>	Net unrelated business taxable income from Form 990-T, line 34	<b>7b</b>

On Line 1 of Part I (Summary) on page 1 the filer is instructed to describe the filer’s mission or its most significant activities, so here you can find out right away generally what the filer does. Line 3 reports the filer’s number of board members and Line 5 its number of employees (a rough proxy of size).

statements are statements that have been prepared by the management of the filer and have not been reviewed or audited by an independent accountant. Financial statements that have been reviewed by an independent accountant are statements that have been assessed to see whether they are plausible without the extensive testing and external validation procedures used in an audit by an independent accountant.) Line 2c asks in effect whether the filer had an audit committee.

## How big is the filer?

Part I is divided into four sub-parts: “Activities and Governance,” “Revenue,” “Expenses,” and “Net Assets or Fund Balances.” The Revenue sub-part reports a filer’s total revenue at Line 12 (Total revenue). By going directly to Line 12, you can find out how much total income the filer received during the year. This will give you some idea of the size of the filer’s operation. However, this may be misleading, since in a banner year a filer may have received a greater amount of income than it needed to defray expenses for that year, or, as we shall see below, it may have received income that is, from a non-accounting perspective, not attributable to the year. Revenue is discussed in some detail in Chapter 4. Thus, in many cases the dimension of a filer’s activities may be better reflected by considering its total expenses for the year. This amount can be found at Line 18 (Total expenses) in the Expenses subpart just below the Revenue subpart.

		Prior Year	Current Year
Revenue	8	Contributions and grants (Part VIII, line 1h) . . . . .	
	9	Program service revenue (Part VIII, line 2g) . . . . .	
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d) . . . . .	
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) . . . . .	
	12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1–3) . . . . .	
	14	Benefits paid to or for members (Part IX, column (A), line 4) . . . . .	
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	
	16a	Professional fundraising fees (Part IX, column (A), line 11e) . . . . .	
	b	Total fundraising expenses (Part IX, column (D), line 25) ▶	
	17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f) . . . . .	
	18	Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25) . . . . .	
	19	Revenue less expenses. Subtract line 18 from line 12 . . . . .	

When considering size, you might also look above at Line 5 in the Activities & Governance subpart, which indicates how many employees the filer engages. (The following line (Line 6) reports on the number of people who volunteer with the filer.) Also an indication of size may be garnered from Line 2 of Part VII (page 8) which asks the filer to report the number of individuals who received more than \$100,000 in reportable compensation<sup>2</sup> from the filer.

## Does the Filer Operate Abroad?

Part IV Questions 14-16 on page 3 ask whether the filer carried on any activities abroad (e.g. maintained an office outside the U.S. (Question 14a) or incurred expenses outside of the U. S. (Question 14b)). Question 15 asks

<sup>2</sup> Reportable income is the income an employee receives that is reportable on his or her W-2.

whether the filer made any grants to organizations located outside of the U.S. Question 16 asks whether the filer made any grants to individuals located outside of the U.S. If the filer answers any of these questions "Yes," it is required to complete Schedule F where it provides somewhat detailed information about these activities. If a reader is concerned about activities the filer may be carrying on in foreign countries, Schedule F is the place to look at.