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GOVERNMENT COPY

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.

<i>Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.</i>	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22 Grants and allocations (attach schedule) ... (cash \$ <u>110,372.</u> noncash \$ <u>0.</u>) If this amount includes foreign grants, check here <input type="checkbox"/>	22 110,372.	110,372.	STATEMENT 3	
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 12,000.	0.	12,000.	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 1,500.		1,500.	
32 Legal fees	32			
33 Supplies	33 176.	154.	22.	
34 Telephone	34 8.		8.	
35 Postage and shipping	35 792.		675.	117.
36 Occupancy	36			
37 Equipment rental and maintenance	37			
38 Printing and publications	38 1,304.	355.	161.	788.
39 Travel	39			
40 Conferences, conventions, and meetings ...	40			
41 Interest	41			
42 Depreciation, depletion, etc. (attach schedule)	42 216.		216.	
43 Other expenses not covered above (itemize):				
a <u>BANK CHARGES</u>	43a 724.		724.	
b <u>INSURANCE</u>	43b 1,924.		1,924.	
c <u>LICENSES & FEES</u>	43c 95.		95.	
d <u>EDUCATION & TRAINING</u>	43d 60.		60.	
e	43e			
f	43f			
g	43g			
44 Total functional expenses. Add lines 22 through 43. (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	44 129,171.	110,881.	17,385.	905.

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 \$ N/A ; (ii) the amount allocated to Program services \$ N/A ;
 (iii) the amount allocated to Management and general \$ N/A ; and (iv) the amount allocated to Fundraising \$ N/A

** SEE STATEMENT 2

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

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

What is the organization's primary exempt purpose? ► SEE STATEMENT 4	Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)
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.)	
a TO PROMOTE AND ENHANCE STUDENT EDUCATION ACTIVITIES IN THE BEND-LAPINE SCHOOL DISTRICT.	
(Grants and allocations \$ 110,372.) If this amount includes foreign grants, check here ► <input type="checkbox"/>	110,881.
b	
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>	
c	
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>	
d	
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>	
e Other program services (attach schedule)	
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>	
f Total of Program Service Expenses (should equal line 44, column (B), Program services) ►	110,881.

Part IV Balance Sheets (See the instructions.)

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

		(A) Beginning of year		(B) End of year
Assets	45 Cash - non-interest-bearing	5,895.	45	7,933.
	46 Savings and temporary cash investments	20,041.	46	45,085.
	47 a Accounts receivable	47a		
	b Less: allowance for doubtful accounts	47b	47c	
	48 a Pledges receivable	48a		
	b Less: allowance for doubtful accounts	48b	48c	
	49 Grants receivable		49	
	50 Receivables from officers, directors, trustees, and key employees		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	
56 Investments - other		56		
57 a Land, buildings, and equipment: basis	57a	1,298.		
b Less: accumulated depreciation STMT 5	57b	1,279.	235.	19.
58 Other assets (describe			58	
59 Total assets (must equal line 74). Add lines 45 through 58		26,171.	59	53,037.
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		63	
	64 a Tax-exempt bond liabilities		64a	
	b Mortgages and other notes payable		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 <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.			
	67 Unrestricted	26,171.	67	53,037.
	68 Temporarily restricted		68	
	69 Permanently restricted		69	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74.			
	70 Capital stock, trust principal, or current funds		70	
	71 Paid-in or capital surplus, or land, building, and equipment fund		71	
	72 Retained earnings, endowment, accumulated income, or other funds		72	
73 Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72; column (A) must equal line 19; column (B) must equal line 21)		26,171.	73	53,037.
74 Total liabilities and net assets/fund balances. Add lines 66 and 73		26,171.	74	53,037.

Part VI Other Information (continued)		Yes	No
82 a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value? 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.)		X
82b	N/A		
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
83b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?		
83b	N/A		
84 a	Did the organization solicit any contributions or gifts that were not tax deductible?		X
84b	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 a	501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members?		
85a	N/A		
85 b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.		
85b	N/A		
85c	Dues, assessments, and similar amounts from members		
85c	N/A		
85d	Section 162(e) lobbying and political expenditures		
85d	N/A		
85e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices		
85e	N/A		
85f	Taxable amount of lobbying and political expenditures (line 85d less 85e)		
85f	N/A		
85g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?		
85g	N/A		
85h	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 a	501(c)(7) organizations. Enter: a Initiation fees and capital contributions included on line 12		
86a	N/A		
86b	Gross receipts, included on line 12, for public use of club facilities		
86b	N/A		
87 a	501(c)(12) organizations. Enter: a Gross income from members or shareholders		
87a	N/A		
87b	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		X
88			
89 a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 \blacktriangleright 0.; section 4912 \blacktriangleright 0.; section 4955 \blacktriangleright 0.		
89b	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		X
89b			
89c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 \blacktriangleright		0.
89d	Enter: Amount of tax on line 89c, above, reimbursed by the organization \blacktriangleright		0.
90 a	List the states with which a copy of this return is filed \blacktriangleright OR		
90b	Number of employees employed in the pay period that includes March 12, 2005		0
91 a	The books are in care of \blacktriangleright CAROLINE E. ERTZ Telephone no. \blacktriangleright (541) 388-8166 Located at \blacktriangleright 179 N.W. OUTLOOK VISTA DRIVE, BEND, OR ZIP + 4 \blacktriangleright 97701		
91b	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If "Yes," enter the name of the foreign country \blacktriangleright N/A See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		X
91b			
91c	At any time during the calendar year, did the organization maintain an office outside of the United States? If "Yes," enter the name of the foreign country \blacktriangleright N/A		X
91c			
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041- Check here \blacktriangleright and enter the amount of tax-exempt interest received or accrued during the tax year \blacktriangleright 92		N/A

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

	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	
Note: Enter gross amounts unless otherwise indicated.					
93 Program service revenue:					
a _____					
b _____					
c _____					
d _____					
e _____					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies ...					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments ...					392.
96 Dividends and interest from securities					
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events					46,473.
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))		0.		0.	46,865.
105 Total (add line 104, columns (B), (D), and (E))					46,865.

Note: Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I.

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See the instructions.)

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
95	TO HELP FUND STUDENT ATHLETICS AND ACTIVITIES IN THE BEND-LAPINE SCHOOL DISTRICT.
101	PROCEEDS WERE USED TO PROVIDE GRANTS TO SCHOOLS TO HELP FUND STUDENT ATHLETICS AND ACTIVITIES IN THE BEND-LAPINE SCHOOL DISTRICT.

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

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

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

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

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

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.

Please Sign Here

Signature of officer: _____ Date: _____ Type or print name and title: _____

Paid Preparer's Use Only

Preparer's signature: **SPECTRUM CPA GROUP, LLP** Date: _____ Check if self-employed: Preparer's SSN or PTIN: _____
 Firm's name (or yours if self-employed), address, and ZIP + 4: **250 N.W. FRANKLIN AVENUE, SUITE 403**
BEND, OR 97701 EIN: _____
 Phone no.: **(541) 749-4020**

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

		Yes	No
1	During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ► \$ _____ \$ _____ (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.) Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes" must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.		X
2	During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)		
a	Sale, exchange, or leasing of property?		X
b	Lending of money or other extension of credit?		X
c	Furnishing of goods, services, or facilities?		X
d	Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?		X
e	Transfer of any part of its income or assets?		X
3 a	Do you make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how you determine that recipients qualify to receive payments.)		X
b	Do you have a section 403(b) annuity plan for your employees?		X
c	During the year, did the organization receive a contribution of qualified real property interest under section 170(h)?		X
4 a	Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds?		X
b	Do you provide credit counseling, debt management, credit repair, or debt negotiation services?		X

Part IV Reason for Non-Private Foundation Status (See pages 3 through 6 of the instructions.)

The organization is not a private foundation because it is: (Please check only **ONE** applicable box.)

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

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

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

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

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12.) **Use cash method of accounting.**

Note: You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.

Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2003	(c) 2002	(d) 2001	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	54,515.	58,836.	6,367.	6,175.	125,893.
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	164.	159.	172.	1,228.	1,723.
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	54,679.	58,995.	6,539.	7,403.	127,616.
24 Line 23 minus line 17	54,679.	58,995.	6,539.	7,403.	127,616.
25 Enter 1% of line 23	547.	590.	65.	74.	
26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24					26a N/A
b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2001 through 2004 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts					26b N/A
c Total support for section 509(a)(1) test: Enter line 24, column (e)					26c N/A
d Add: Amounts from column (e) for lines: 18 _____ 19 _____ 22 _____ 26b _____					26d N/A
e Public support (line 26c minus line 26d total)					26e N/A
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					26f N/A %
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: (2004) 0. (2003) 0. (2002) 0. (2001) 0.					
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 11b, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year: (2004) 0. (2003) 0. (2002) 0. (2001) 0.					
c Add: Amounts from column (e) for lines: 15 125,893. 16 _____ 17 _____ 20 _____ 21 _____					27c 125,893.
d Add: Line 27a total 0. and line 27b total 0.					27d 0.
e Public support (line 27c total minus line 27d total)					27e 125,893.
f Total support for section 509(a)(2) test: Enter amount on line 23, column (e) ▶ 27f 127,616.					
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))					27g 98.6499%
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					27h 1.3501%

28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2001 through 2004, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.

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
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?		
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.) _____ _____ _____		
32	Does the organization maintain the following:		
a	Records indicating the racial composition of the student body, faculty, and administrative staff?	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? If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.) _____ _____	32d	
33	Does the organization discriminate by race in any way with respect to:		
a	Students' rights or privileges?	33a	
b	Admissions policies?	33b	
c	Employment of faculty or administrative staff?	33c	
d	Scholarships or other financial assistance?	33d	
e	Educational policies?	33e	
f	Use of facilities?	33f	
g	Athletic programs?	33g	
h	Other extracurricular activities?	33h	
	If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.) _____ _____		
34 a	Does the organization receive any financial aid or assistance from a governmental agency?	34a	
b	Has the organization's right to such aid ever been revoked or suspended?	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 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.

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
		N/A	
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		

Caution: If there is an amount on either line 43 or line 44, you must file Form 4720.

4-Year Averaging Period Under Section 501(h)

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

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				N/A
	(a) 2005	(b) 2004	(c) 2003	(d) 2002	(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

2005

Name of organization

Employer identification number

THE SCHOOL FOUNDATION, INC.

93-1064935

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 under Regulations sections 1.509(a)-3/1.170A-9(e) 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) (2005)

Name of organization THE SCHOOL FOUNDATION, INC.	Employer identification number 93-1064935
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Part I Contributors (See Specific Instructions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	<u>MT. BACHELOR, INC.</u> <u>115 S.W. COLUMBIA STREET</u> <u>BEND, OR 97702</u>	\$ <u>18,150.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
2	<u>UNICOM</u> <u>389 SCALEHOUSE COURT</u> <u>BEND, OR 97702</u>	\$ <u>5,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
	_____ _____ _____	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
	_____ _____ _____	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
	_____ _____ _____	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
	_____ _____ _____	\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

FORM 990

SPECIAL EVENTS AND ACTIVITIES

STATEMENT 1

DESCRIPTION OF EVENT	GROSS RECEIPTS	CONTRIBUT. INCLUDED	GROSS REVENUE	DIRECT EXPENSES	NET INCOME
SPELLING BEE CONTEST	48,955.	975.	47,980.	5,993.	41,987.
COOKBOOKS	6,890.		6,890.	2,402.	4,488.
CANS FOR KIDS	349.	349.		2.	-2.
TO FM 990, PART I, LINE 9	56,194.	1,324.	54,870.	8,397.	46,473.

CHILDRENS' AUTHOR ALL DAY VISIT/READING	JUNIPER ELEMENTARY SCHOOL	1300 N.E. NORTON AVENUE, BEND, OR 97701	NONE	1,994.
MATHEMATIC TEACHING MATERIALS	PINE RIDGE ELEMENTARY SCHOOL	19840 HOLLYGRAPE STREET, BEND, OR 97702	NONE	1,550.
LANGUAGE ARTS CORE-CURRICULU (PART)	R.E. JEWELL ELEMENTARY SCHOOL	20550 MURPHY ROAD, BEND, OR 97702	NONE	1,750.
SPANISH LANGUAGE PROGRAM	WESTSIDE ELEMENTARY SCHOOL	1101 N.W. 12TH STREET, BEND, OR 97701	NONE	1,200.
REPLACE STOVES (2)/VIDEO GAME DEVELOPMENT	CASCADE MIDDLE SCHOOL	19619 MOUNTAINEER WAY, BEND, OR 97702	NONE	1,400.
STUDENT SUPPLIES/LEARN ING STYLE	LAPINE MIDDLE SCHOOL	16360 1ST STREET, LAPINE, OR 97739	NONE	2,029.
LEVELED READING LIBRARY	PILOT BUTTE MIDDLE SCHOOL	1500 N.E. PENN AVENUE, BEND, OR 97701	NONE	1,250.
WEB PROGRAM FOR 6TH GRADE TRANSITION	SKY VIEW MIDDLE SCHOOL	63555 N.E. 18TH STREET, BEND, OR 97701	NONE	1,300.
LIBRARY MATERIALS/SEWI G MACHINES	BEND SENIOR HIGH SCHOOL	230 N.E. 6TH STREET, BEND, OR 97702	NONE	2,812.
VIOLENCE PREVENTION MATERIALS/SPOR	MARSHALL HIGH SCHOOL	1291 N.E. 5TH STREET, BEND, OR 97701	NONE	1,422.
AUTOMOTIVE TECHNICAL TRAINING	MOUNTAIN VIEW HIGH SCHOOL	2755 N.E. 27TH STREET, BEND, OR 97701	NONE	1,750.
EDUCATION SERVICE LEARNING/ART	SUMMIT HIGH SCHOOL	2855 N.W. CLEARWATER DRIVE, BEND, OR 97701	NONE	1,575.
NONFICTION BOOKS/SPELLING ASSESSMENT	LAVA RIDGE ELEMENTARY SCHOOL	20805 COOLEY ROAD, BEND, OR 97701	NONE	1,608.
SCHOOL MUSIC LIBRARY/CALEND R MATH	THREE RIVERS ELEMENTARY SCHOOL	56900 ENTERPRISE DRIVE, SUNRIVER, OR 97707	NONE	1,735.

NOVEL SETS/HIKING BIKING	BEND/LAPINE SCHOOL DISTRICT	520 N.W. WALL STREET, BEND, OR 97701	NONE	2,100.
SCHOLARSHIPS ASB FUND	BEND SENIOR HIGH SCHOOL	230 N.E. 6TH STREET, BEND, OR 97702	NONE	6,285.
SCHOLARSHIPS ASB FUND	LAPINE HIGH SCHOOL	51633 COACH ROAD, LAPINE, OR 97739	NONE	7,519.
SCHOLARSHIPS ASB FUND	MOUNTAIN VIEW HIGH SCHOOL	2755 N.E. 27TH STREET, BEND, OR 97701	NONE	4,745.
SCHOLARSHIPS ASB FUND	SUMMIT HIGH SCHOOL	2855 N.W. CLEARWATER DRIVE, BEND, OR 97701	NONE	1,170.
PROGRAMS AND GRANTS; SIRCS PAYMENTS	BEND/LAPINE SCHOOL DISTRICT	520 N.W. WALL STREET, BEND, OR 97701	NONE	55,061.
PROGRAMS AND GRANTS; SIRCS PAYMENTS	HIGH LAKES ELEMENTARY SCHOOL	2500 N.W. HIGH LAKES LOOP, BEND, OR 97701	NONE	1,000.
PROGRAMS AND GRANTS	BEND SENIOR HIGH SCHOOL	230 N.E. 6TH STREET, BEND, OR 97702	NONE	1,100.
TOTAL INCLUDED ON FORM 990, PART II, LINE 22				110,372.

FORM 990 STATEMENT OF ORGANIZATION'S PRIMARY EXEMPT PURPOSE STATEMENT 4
 PART III

EXPLANATION

TO PROMOTE AND ENHANCE STUDENT EDUCATION ACTIVITIES IN THE BEND-LAPINE SCHOOL DISTRICT.

FORM 990	DEPRECIATION OF ASSETS NOT HELD FOR INVESTMENT	STATEMENT	5
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DESCRIPTION	COST OR OTHER BASIS	ACCUMULATED DEPRECIATION	BOOK VALUE
SOFTWARE	1,298.	1,279.	19.
TOTAL TO FORM 990, PART IV, LN 57	1,298.	1,279.	19.

FORM 990	PART V-A - LIST OF OFFICERS, DIRECTORS, TRUSTEES AND KEY EMPLOYEES	STATEMENT	6
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NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
LANE LYONS 1567 S.W. CHANDLER, SUITE 101 BEND, OR 97702	PRESIDENT 5.00	0.	0.	0.
LYNN HOBSON 561 N.W. LINDSAY COURT BEND, OR 97701	VICE PRESIDENT 5.00	0.	0.	0.
SHAWN CRAWFORD 1025 N.W. BOND STREET BEND, OR 97701	TREASURER 5.00	0.	0.	0.
MARIE HACKBARTH 64275 HUNNELL ROAD BEND, OR 97701	SECRETARY 5.00	0.	0.	0.
CAROLYN PLATT 2822 N.W. THREE SISTERS DRIVE BEND, OR 97701	SCHOOL BOARD REP. 5.00	0.	0.	0.
BILL SMITH 20410 ROGERS ROAD BEND, OR 97701	SCHOOL BOARD REP. 5.00	0.	0.	0.
VICTORIA JENKINS 1300 N.E. NORTON AVENUE BEND, OR 97701	SCHOOL DISTRICT STAFF 5.00	0.	0.	0.
DOUG NELSON 520 N.W. WALL STREET BEND, OR 97701	SCHOOL DISTRICT STAFF 5.00	0.	0.	0.

BECKY BOYD 2963 N.W. TERRA MEADOW BEND, OR 97701	DIRECTOR 5.00	0.	0.	0.
RENE BRISTOW 327 N.W. GREENWOOD, SUITE 100 BEND, OR 97701	DIRECTOR 5.00	0.	0.	0.
GREG BYRNE 925 S.W. EMAYK DRIVE, SUITE 200 BEND, OR 97702	DIRECTOR 5.00	0.	0.	0.
MIKE DUGAN 1164 N.W. BOND STREET BEND, OR 97701	DIRECTOR 5.00	0.	0.	0.
DAVID FORD 2754 N.W. CROSSING DRIVE, SUITE 201 BEND, OR 97701	DIRECTOR 5.00	0.	0.	0.
BILL LAND 19462 KEMPLE DRIVE BEND, OR 97702	DIRECTOR 5.00	0.	0.	0.
JANE MAC CLOSKEY 2778 N.W. RAINBOW RIDGE DRIVE BEND, OR 97701	DIRECTOR 5.00	0.	0.	0.
BRUCE RHINE 55975 HASHKNIFE ROAD BEND, OR 97707	DIRECTOR 5.00	0.	0.	0.
KENNETH SCHOLZ, PHD 21758 OBSIDIAN AVENUE BEND, OR 97702	DIRECTOR 5.00	0.	0.	0.
JUDY STIEGLER 1164 N.W. BOND STREET BEND, OR 97701	DIRECTOR 5.00	0.	0.	0.
DOUG THOMPSON 86 S.W. CENTRUY DRIVE, PMB 188 BEND, OR 97702	DIRECTOR 5.00	0.	0.	0.
LISA ZIMMERMAN 17450 SKYLINERS ROAD BEND, OR 97701	DIRECTOR 5.00	0.	0.	0.
DENNIS SMEAGE P.O. BOX 3424 SUNRIVER, OR 97707	EXECUTIVE DIRECTOR 20.00	12,000.	0.	0.

TOTALS INCLUDED ON FORM 990, PART V-A

12,000.	0.	0.
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FORM 990

EXPLANATION OF RELATIONSHIP
PART V-A, LINE 75B

STATEMENT 7

INDIVIDUAL'S NAME

TITLE OR ROLE

MIKE DUGAN

DIRECTOR

INDIVIDUAL'S NAME

TITLE OR ROLE

JUDY STIEGLER

DIRECTOR

EXPLANATION OF RELATIONSHIP

HUSBAND/WIFE