

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)

2003

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

A For the 2003 calendar year, or tax year beginning 4/1/2003, and ending 3/31/2004

B Check if applicable:
 Address change
 Name change
 Initial return
 Final return
 Amended return
 Application pending

C Name of organization: Invest in Kids
 Number and street (or P O box if mail is not delivered to street address): 600 Grant Street
 Room/suite: 306
 City or town: Denver State or country: CO ZIP + 4: 80203

D Employer identification number: 84-1455282

E Telephone number: (303) 839-1808

F Accounting method: Cash Accrual
 Other (specify) _____

G Website: www.iik.org

J Organization type (check only one): 501(c) (3) (insert no) 4947(a)(1) or 527

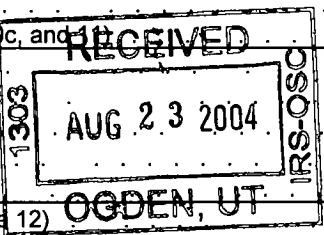
K Check here if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS, but if the organization received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return.

L Gross receipts. Add lines 6b, 8b, 9b, and 10b to line 12: 990,637

H and I are not applicable to section 527 organizations.
H(a) Is this a group return for affiliates? Yes No
H(b) If "Yes," enter number of affiliates: NA
H(c) Are all affiliates included? Yes No (If "No," attach a list. See instructions.)
H(d) Is this a separate return filed by an organization covered by a group ruling? Yes No
I Group Exemption Number: NA
M Check if the organization is not required to attach Sch B (Form 990, 990-EZ, or 990-PF)

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See page 18 of the instructions)

Revenue	1 Contributions, gifts, grants, and similar amounts received:				
	a Direct public support	1a		879,229	
	b Indirect public support	1b			
	c Government contributions (grants)	1c		101,935	
	d Total (add lines 1a through 1c) (cash \$ <u>981,164</u> noncash \$ <u>0</u>)	1d			981,164
	2 Program service revenue including government fees and contracts (from Part VII, line 93)	2			6,907
	3 Membership dues and assessments	3			0
	4 Interest on savings and temporary cash investments	4			2,566
	5 Dividends and interest from securities	5			0
	6a Gross rents	6a			
	b Less: rental expenses	6b			
	c Net rental income or (loss) (subtract line 6b from line 6a)	6c			0
7 Other investment income (describe _____)	7			0	
8a Gross amount from sales of assets other than inventory	(A) Securities		(B) Other		
	8a	0	8a	0	
	8b	0	8b	0	
	8c	0	8c	0	
d Net gain or (loss) (combine line 8c, columns (A) and (B))	8d			0	
9 Special events and activities (attach schedule) If any amount is from gaming, check here <input type="checkbox"/>	a Gross revenue (not including \$ <u>879,229</u> of contributions reported on line 1a)	9a		0	
	b Less: direct expenses other than fundraising expenses	9b		0	
	c Net income or (loss) from special events (subtract line 9b from line 9a)	9c			0
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			0
11 Other revenue (from Part VII, line 103)	11			0	
12 Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12			990,637	
Expenses	13 Program services (from line 44, column (B))	13		682,713	
	14 Management and general (from line 44, column (C))	14		95,986	
	15 Fundraising (from line 44, column (D))	15		51,393	
	16 Payments to affiliates (attach schedule)	16		0	
	17 Total expenses (add lines 13 and 14, column (A))	17			830,092
Net Assets	18 Excess or (deficit) for the year (subtract line 17 from line 12)	18		160,545	
	19 Net assets or fund balances at beginning of year (from line 73, column (A))	19		630,526	
	20 Other changes in net assets or fund balances (attach explanation)	20		0	
	21 Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21			791,071



Part II Statement of Functional Expenses All organizations must complete column (A) Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others (See page 22 of the instructions)

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22	Grants and allocations (attach schedule) (cash \$ 0 noncash \$ 0)	0	0		
23	Specific assistance to individuals (attach schedule)	0			
24	Benefits paid to or for members (attach schedule)	0			
25	Compensation of officers, directors, etc.	126,829	75,064	32,741	19,024
26	Other salaries and wages	287,030	253,754	25,100	8,176
27	Pension plan contributions	0			
28	Other employee benefits	17,636	14,109	2,469	1,058
29	Payroll taxes	30,222	24,264	3,842	2,116
30	Professional fundraising fees	11,250			11,250
31	Accounting fees	14,285		14,285	
32	Legal fees	358		358	
33	Supplies	40,418	36,640	2,539	1,239
34	Telephone	10,911	8,748	1,439	724
35	Postage and shipping	1,991	1,596	263	132
36	Occupancy	35,133	28,168	4,635	2,330
37	Equipment rental and maintenance	338	271	45	22
38	Printing and publications	8,303	5,943	978	1,382
39	Travel	40,801	40,801		
40	Conferences, conventions, and meetings	2,030	565	1,465	
41	Interest	0			
42	Depreciation, depletion, etc. (attach schedule)	11,133	8,926	1,469	738
43	Other expenses not covered above (itemize) a Consultants	20,728	18,000	2,728	
	b Program evaluation services	138,968	138,968		
	c Insurance	1,630		1,630	
	d Education and advocacy	9,138	9,138		
	e Incredible Years - teacher/parent training and incentives	17,758	17,758		
	f Event planning and preparations	3,202			3,202
44	Total functional expenses (add lines 22 through 43) Organizations completing columns (B)-(D), carry these totals to lines 13-15	830,092	682,713	95,986	51,393

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 \$ 0, (ii) the amount allocated to Program services \$, (iii) the amount allocated to Management and general \$, and (iv) the amount allocated to Fundraising \$

Part III Statement of Program Service Accomplishments (See page 25 of the instructions.)

What is the organization's primary exempt purpose? Help implement prevention programs for young children.	Program Service Expenses Required for 501(c)(3) and (4) orgs, and 4947(e)(1) trusts, but optional for others
a Nurse-Family Partnership currently serves over 2000 first time families in 49 of Colorado's 64 counties This program has been shown over the last 25 years to dramatically reduce child abuse and neglect, juvenile crime, smoking and drug and alcohol abuse. (Grants and allocations \$)	379,979
b The Incredible Years Program was implemented in 9 Colorado counties during the calendar year 2003. This program has been researched over the last 20 years, and has proven to have outstanding impacts for children ages 3-8, their parents and their teachers. The program is proven to be effective in increasing young childrens' school readiness & positive parenting skills (Grants and allocations \$)	302,734
c (Grants and allocations \$)	
d (Grants and allocations \$)	
e Other program services (attach schedule) (Grants and allocations \$)	
f Total of Program Service Expenses (should equal line 44, column (B), Program services)	682,713

Part IV Balance Sheets (See page 25 of 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	20,798	45	115,666
	46 Savings and temporary cash investments	525,888	46	535,954
	47 a Accounts receivable	68,202		
	b Less: allowance for doubtful accounts	0	47c	68,202
	48 a Pledges receivable	13,717		
	b Less: allowance for doubtful accounts	0	48c	13,717
	49 Grants receivable	79,481	49	70,000
	50 Receivables from officers, directors, trustees, and key employees (attach schedule)	0	50	0
	51 a Other notes and loans receivable (attach schedule)	0		
	b Less: allowance for doubtful accounts	0	51c	0
	52 Inventories for sale or use		52	
	53 Prepaid expenses and deferred charges	21,138	53	17,669
	54 Investments—securities (attach schedule)	0	54	0
	55 a Investments—land, buildings, and equipment: basis	0		
	b Less: accumulated depreciation (attach schedule)	0	55c	0
	56 Investments—other (attach schedule)	0	56	0
	57 a Land, buildings, and equipment: basis	41,873		
	b Less: accumulated depreciation (attach schedule)	29,181	57c	12,692
	58 Other assets (describe <input type="checkbox"/> Deposits)	3,090	58	3,090
59 Total assets (add lines 45 through 58) (must equal line 74)	685,298	59	836,990	
Liabilities	60 Accounts payable and accrued expenses	45,257	60	39,598
	61 Grants payable		61	
	62 Deferred revenue		62	
	63 Loans from officers, directors, trustees, and key employees (attach schedule)	0	63	0
	64 a Tax-exempt bond liabilities (attach schedule)	0	64a	0
	b Mortgages and other notes payable (attach schedule)	0	64b	0
	65 Other liabilities (describe <input type="checkbox"/> Deferred rent)	9,515	65	6,321
66 Total liabilities (add lines 60 through 65)	54,772	66	45,919	
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	439,420	67	487,255
	68 Temporarily restricted	191,106	68	303,816
	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)	630,526	73	791,071	
74 Total liabilities and net assets / fund balances (add lines 66 and 73)	685,298	74	836,990	

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.

Part IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return (See page 27 of the instructions)

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

a	Total revenue, gains, and other support per audited financial statements	a	1,020,137
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 \$ 29,500		
(3)	Recoveries of prior year grants \$		
(4)	Other (specify) \$		
	----- \$		
	Add amounts on lines (1) through (4)	b	29,500
c	Line a minus line b	c	990,637
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	0
e	Total revenue per line 12, Form 990 (line c plus line d)	e	990,637

a	Total expenses and losses per audited financial statements	a	859,592
b	Amounts included on line a but not on line 17, Form 990:		
(1)	Donated services and use of facilities \$ 29,500		
(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	29,500
c	Line a minus line b	c	830,092
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	0
e	Total expenses per line 17, Form 990 (line c plus line d)	e	830,092

Part V List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated; see page 27 of the 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 & deferred compensation	(E) Expense account and other allowances
Name Jennifer Adler Str 600 Grant Street City Denver ST CO ZIP 80203	Title Executive Dir/Bo Hr/WK 32	58,247	2,119	0
Name Lisa Merlino Str 600 Grant Street City Denver ST CO ZIP 80203	Title Deputy Director Hr/WK 36	68,582	2,794	0
Name ----- Str ----- City ----- ST ZIP -----	Title ----- Hr/WK -----			
Name ----- Str ----- City ----- ST ZIP -----	Title ----- Hr/WK -----			
Name See Statement 2 Str ----- City ----- ST ZIP -----	Title ----- Hr/WK -----	0	0	0
Name ----- Str ----- City ----- ST ZIP -----	Title ----- Hr/WK -----			
Name ----- Str ----- City ----- ST ZIP -----	Title ----- Hr/WK -----			
Name ----- Str ----- City ----- ST ZIP -----	Title ----- Hr/WK -----			
Name ----- Str ----- City ----- ST ZIP -----	Title ----- Hr/WK -----			

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? Yes No
If "Yes," attach schedule—see page 28 of the instructions

Part VI Other Information (See page 28 of the 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		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		X
78 a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?		X
78 b	If "Yes," has it filed a tax return on Form 990-T for this year?	N/A	
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement		X
80 a	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?	X	
80 b	If "Yes," enter the name of the organization <u>Invest in Kids Action</u> and check whether it is <input checked="" type="checkbox"/> exempt or <input type="checkbox"/> nonexempt.		
81 a	Enter direct and indirect political expenditures See line 81 instructions <u>81a</u> 0		
81 b	Did the organization file Form 1120-POL for this year?		X
82 a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	X	
82 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.) <u>82b</u> 29,500		
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
83 b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	X	
84 a	Did the organization solicit any contributions or gifts that were not tax deductible?		X
84 b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		N/A
85 a	501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members?		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.		N/A
85 c	Dues, assessments, and similar amounts from members <u>85c</u> N/A		
85 d	Section 162(e) lobbying and political expenditures <u>85d</u> N/A		
85 e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices <u>85e</u> N/A		
85 f	Taxable amount of lobbying and political expenditures (line 85d less 85e) <u>85f</u> N/A		
85 g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	N/A	
85 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?	N/A	
86 a	501(c)(7) orgs Enter a Initiation fees and capital contributions included on line 12 <u>86a</u> N/A		
86 b	Gross receipts, included on line 12, for public use of club facilities <u>86b</u> N/A		
87 a	501(c)(12) orgs Enter a Gross income from members or shareholders <u>87a</u> N/A		
87 b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.) <u>87b</u> 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
89 a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 <u>0</u> ; section 4912 <u>0</u> ; section 4955 <u>0</u>		
89 b	501(c)(3) and 501(c)(4) orgs Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction		X
89 c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 <u>0</u>		
89 d	Enter: Amount of tax on line 89c, above, reimbursed by the organization <u>0</u>		
90 a	List the states with which a copy of this return is filed <u>None</u>		
90 b	Number of employees employed in the pay period that includes March 12, 2003 (See instructions.) <u>90b</u> 6		
91	The books are in care of <u>Name Invest in Kids - Jennifer Atler, Exec Director</u> Telephone no <u>(303) 839-1808</u> Located at <u>600 Grant Street, Suite 306</u> City <u>Denver</u> ST <u>CO</u> Zip + 4 <u>80203</u>		
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041—Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the tax year <u>92</u> N/A		

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

Note: Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue					
a Incredible Years training					6,907
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			14	2,566	
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					
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		2,566	6,907
105 Total (add line 104, columns (B), (D), and (E))					9,473

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

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See page 34 of the instructions.)

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes)
93 (a)	Provided training sessions for teachers, parents, children in the Incredible Years child enrichment program.

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See page 34 of the instructions.)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
N/A	%		0	0
	%		0	0
	%		0	0
	%		0	0

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See page 34 of the instructions.)

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

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

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

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than the taxpayer) is based on information provided by the taxpayer.

Signature of officer: Jennifer Atter

Type or print name and title: Jennifer Atter

Paid Preparer's Use Only

Preparer's signature: Mary B Coffey

Firm's name (or yours if self-employed), address, and ZIP + 4: Cottrell & Associates, P.C. 7775 Glen Ridge Dr, Castle Rock, CO

SCHEDULE A
(Form 990 or 990-EZ)

Organization Exempt Under Section 501(c)(3)

OMB No 1545-0047

(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.)

2003

Department of the Treasury
Internal Revenue Service

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

Name of the organization

Employer identification number

Invest in Kids

84-1455282

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See page 1 of the instructions. List each one. If there are none, enter "None.")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
Name Courtney Thomas Str 600 Grant Street, Suite 306 City Denver ST CO Zip 80203 Country	Title Nurse Consultant Avg hr/wk 36	68,875	0	0
Name Kristy Johnson Str 600 Grant Street, Suite 306 City Denver ST CO Zip 80203 Country	Title Program Specials Avg hr/wk 27	53,710	3,179	0
Name Str City ST Zip Country	Title Avg hr/wk			
Name Str City ST Zip Country	Title Avg hr/wk			
Name Str City ST Zip Country	Title Avg hr/wk			
Total number of other employees paid over \$50,000	None			

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

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
Name University of Denver Str 2199 S. University Blvd City Denver ST CO ZIP 80208 Country	Check here if a business <input type="checkbox"/> Program evaluation services	60,000
Name The Colorado Fdn for Families and Childre Str 303 E. 17th Ave. #400 City Denver ST CO ZIP 80203 Country	Check here if a business <input type="checkbox"/> Program evaluation services	87,016
Name Str City ST ZIP Country	Check here if a business <input type="checkbox"/>	
Name Str City ST ZIP Country	Check here if a business <input type="checkbox"/>	
Name Str City ST ZIP Country	Check here if a business <input type="checkbox"/>	
Total number of others receiving over \$50,000 for professional services	None	

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

	Yes	No
1 During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ▶ \$ <u>7,723</u> (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	1	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?	2a	X
b Lending of money or other extension of credit?	2b	X
c Furnishing of goods, services, or facilities?	2c	X
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? See Part V, Form 990	2d	X
e Transfer of any part of its income or assets?	2e	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)	3a	X
b Do you have a section 403(b) annuity plan for your employees?	3b	X
4 Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds?	4	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** ▶ _____ City _____ ST _____ Country _____
- 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)
- 11 a 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.)
- 11 b A community trust. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 12 An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See section 509(a)(2). (Also complete the **Support Schedule** in Part IV-A)
- 13 An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in: (1) lines 5 through 12 above, or (2) section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2). (See section 509(a)(3).)

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

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

- 14 An organization organized and operated to test for public safety. Section 509(a)(4). (See page 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) 2002	(b) 2001	(c) 2000	(d) 1999	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	1,097,714	100,542	106,702	34,586	1,339,544
16 Membership fees received					0
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					0
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	2,093	404	0	0	2,497
19 Net income from unrelated business activities not included in line 18					0
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					0
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					0
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets	0	3,424	0	40	3,464
23 Total of lines 15 through 22	1,099,807	104,370	106,702	34,626	1,345,505
24 Line 23 minus line 17	1,099,807	104,370	106,702	34,626	1,345,505
25 Enter 1% of line 23	10,998	1,044	1,067	346	
26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24					26,910
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 1999 through 2002 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts					393,993
c Total support for section 509(a)(1) test: Enter line 24, column (e)					1,345,505
d Add: Amounts from column (e) for lines 18 2,497 19 0					
22 3,464 26b 393,993					
e Public support (line 26c minus line 26d total)					945,551
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					70.27%
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.	(2002)	(2001)	(2000)	(1999)	
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:	(2002)	(2001)	(2000)	(1999)	
c Add: Amounts from column (e) for lines 15 0 16 0					
17 0 20 0 21 0					
d Add: Line 27a total 0 and line 27b total 0					
e Public support (line 27c total minus line 27d total)					0
f Total support for section 509(a)(2) test: Enter amount from line 23, column (e)					0
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))					0.00%
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					0.00%

28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 1999 through 2002, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.

Part V Private School Questionnaire (See page 7 of the instructions.)

(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?		
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?		
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?		
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?		
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.) ----- -----		
33	Does the organization discriminate by race in any way with respect to:		
a	Students' rights or privileges?		
b	Admissions policies?		
c	Employment of faculty or administrative staff?		
d	Scholarships or other financial assistance?		
e	Educational policies?		
f	Use of facilities?		
g	Athletic programs?		
h	Other extracurricular activities? 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?		
b	Has the organization's right to such aid ever been revoked or suspended? If you answered "Yes" to either 34a or b, please explain using an attached statement.		
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		

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 9 of the instructions)

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

Check a [] if the organization belongs to an affiliated group

Check b [] if you checked "a" and "limited control" provisions apply

Limits on Lobbying Expenditures

(The term "expenditures" means amounts paid or incurred)

Table with 3 columns: Line number, Description, (a) Affiliated group totals, (b) To be completed for ALL electing organizations. Rows include Total lobbying expenditures, Total exempt purpose expenditures, and Lobbying nontaxable amount.

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)

Table with 6 columns: Calendar year (or fiscal year beginning in), (a) 2003, (b) 2002, (c) 2001, (d) 2000, (e) Total. Rows include Lobbying nontaxable amount, Lobbying ceiling amount, Total lobbying expenditures, Grassroots nontaxable amount, Grassroots ceiling amount, and 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 page 12 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:

- 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.)

Table with 3 columns: Yes, No, Amount. Rows correspond to items a through i.

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 page 12 of the 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?

a Transfers from the reporting organization to a noncharitable exempt organization of:

	Yes	No
--	-----	----

(i) Cash **51a(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
NA			

52 a 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
Invest in Kids Action	501(c) 4	The 501(c)4 is currently inactive.

INVEST IN KIDS
84-1455282
Year ended March 31, 2004

Form 990, Part II, Line 42 and
Form 990, Part IV, Lines 57a-c
Property and equipment, accumulated depreciation, and depreciation expense:

Asset Basis	Balance 03/31/03	Additions	Disposals	Balance 03/31/04
Computer Equipment	18,315	\$ 4,610		\$ 22,925
Office Equipment	15,658	\$ -	\$ -	15,658
Furniture	3,290	-	-	3,290
	\$ 37,263	\$ 4,610	\$ -	\$ 41,873

Accumulated Deprec.	Balance 03/31/03	Depreciation Expense	Disposals	Balance 03/31/04
Computer Equipment	\$ 10,972	\$ 5,256		\$ 16,228
Office Equipment	\$ 5,219	\$ 5,219		10,438
Furniture	1,857	658	-	2,515
	\$ 18,048	\$ 11,133	\$ -	\$ 29,181

Net property and equipment	\$ 19,215	\$ 12,692
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INVEST IN KIDS
84-1455282
Year Ended March 31, 2004

LIST OF OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES

Form 990, Part V

The following Board Members serve without compensation:

<u>Name and address</u>	<u>Title</u>	<u>Time</u>
Robert F. Hill 600 Grant Street Suite 360 Denver, CO 80203	Co-chair	As required
John Walsh 600 Grant Street Suite 360 Denver, CO 80203	Co-chair	As required
Adele Phelan 600 Grant Street Suite 360 Denver, CO 80203	Board Member	As required
Gregory Kanan 600 Grant Street Suite 360 Denver, CO 80203	Board Member	As required
Cathy Lemon 600 Grant Street Suite 360 Denver, CO 80203	Board Member	As required
Eric Hilty 600 Grant Street Suite 360 Denver, CO 80203	Board Member	As required
James Scarboro 600 Grant Street Suite 360 Denver, CO 80203	Board Member	As required