

Return of Organization Exempt from Income Tax

2002

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

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 2002 calendar year, or tax year beginning 10/01, 2002, and ending 9/30, 2003

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

Please use IRS label or print or type. See specific instructions. Parents, Families and Friends of Lesbian and Gays, Inc. 1726 M Street N.W. #400 Washington, DC 20036

D Employer identification number 95-3750694 E Telephone number 202-467-8180 F Accounting method: Cash, Accrual, Other (specify)

Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

- H and I are not applicable to section 527 organizations. H (a) Is this a group return for affiliates? H (b) If 'Yes,' enter number of affiliates H (c) Are all affiliates included? H (d) Is this a separate return filed by an organization covered by a group ruling? I Enter 4-digit GEN M Check if the organization is not required to attach Schedule B

G Web site: N/A

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

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

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12. 2,506,827.

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

Table with columns for Revenue, Expenses, and Net Assets. Rows include: 1 Contributions, gifts, grants, and similar amounts received; 2 Program service revenue including government fees and contracts; 3 Membership dues and assessments; 4 Interest on savings and temporary cash investments; 5 Dividends and interest from securities; 6a Gross rents; 6b Less: rental expenses; 6c Net rental income or (loss); 7 Other investment income; 8a Gross amount from sales of assets other than inventory; 8b Less: cost or other basis and sales expenses; 8c Gain or (loss); 8d Net gain or (loss); 9 Special events and activities; 9a Gross revenue; 9b Less: direct expenses other than fundraising expenses; 9c Net income or (loss); 10a Gross sales of inventory, less returns and allowances; 10b Less: cost of goods sold; 10c Gross profit or (loss); 11 Other revenue; 12 Total revenue; 13 Program services; 14 Management and general; 15 Fundraising; 16 Payments to affiliates; 17 Total expenses; 18 Excess or (deficit) for the year; 19 Net assets or fund balances at beginning of year; 20 Other changes in net assets or fund balances; 21 Net assets or fund balances at end of year.



**Part IV Balance Sheets** (See Instructions)

				(A)		(B)	
				Beginning of year		End of year	
ASSETS	45	Cash – non-interest-bearing.....			45		
	46	Savings and temporary cash investments.....		416,598.	46	588,221.	
	47a	47a	Accounts receivable.....	12,817.			
		47b	b Less: allowance for doubtful accounts.....		69,940.	47c	12,817.
	48a	48a	48a Pledges receivable.....				
		48b	b Less: allowance for doubtful accounts.....			48c	
	49	49 Grants receivable.....			49		
	50	50 Receivables from officers, directors, trustees, and key employees (attach schedule).....			50		
	51a	51a	51a Other notes & loans receivable (attach sch.).....				
		51b	b Less: allowance for doubtful accounts.....			51c	
	52	52 Inventories for sale or use.....		14,420.	52	11,118.	
	53	53 Prepaid expenses and deferred charges.....		22,331.	53	49,693.	
	54	54 Investments – securities (attach schedule)..... <input type="checkbox"/> Cost <input type="checkbox"/> FMV			54		
	55a	55a	55a Investments – land, buildings, & equipment: basis.....				
		55b	b Less: accumulated depreciation (attach schedule).....			55c	
	56	56 Investments – other (attach schedule).....			56		
	57a	57a	57a Land, buildings, and equipment: basis.....	146,835.			
		57b	b Less: accumulated depreciation (attach schedule)..... Statement 4	118,038.	51,523.	57c	28,797.
	58	58 Other assets (describe <input type="checkbox"/> See Statement 5 ).....		12,767.	58	12,767.	
59	59 <b>Total assets</b> (add lines 45 through 58) (must equal line 74).....		587,579.	59	703,413.		
LIABILITIES	60	60 Accounts payable and accrued expenses.....		199,613.	60	200,432.	
	61	61 Grants payable.....			61		
	62	62 Deferred revenue.....			62		
	63	63 Loans from officers, directors, trustees, and key employees (attach schedule).....			63		
	64a	64a Tax-exempt bond liabilities (attach schedule).....			64a		
		64b	b Mortgages and other notes payable (attach schedule).....			64b	
	65	65 Other liabilities (describe <input type="checkbox"/> ).....		3,556.	65		
66	66 <b>Total liabilities</b> (add lines 60 through 65).....		203,169.	66	200,432.		
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	67 Unrestricted.....		266,335.	67	48,176.	
	68	68 Temporarily restricted.....		118,075.	68	454,805.	
	69	69 Permanently restricted.....			69		
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74.						
	70	70 Capital stock, trust principal, or current funds.....			70		
	71	71 Paid-in or capital surplus, or land, building, and equipment fund.....			71		
	72	72 Retained earnings, endowment, accumulated income, or other funds.....			72		
73	73 <b>Total net assets or fund balances</b> (add lines 67 through 69 or lines 70 through 72; column (A) must equal line 19; column (B) must equal line 21).....		384,410.	73	502,981.		
74	74 <b>Total liabilities and net assets/fund balances</b> (add lines 66 and 73).....		587,579.	74	703,413.		

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.)

<b>a</b>	Total revenue, gains, and other support per audited financial statements..... ▶	<b>a</b>	2,094,947.
<b>b</b>	Amounts included on line <b>a</b> 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):		
	See Stmt 6 \$ 42,796.		
	Add amounts on lines (1) through (4)..... ▶	<b>b</b>	42,796.
<b>c</b>	Line <b>a</b> minus line <b>b</b> ..... ▶	<b>c</b>	2,052,151.
<b>d</b>	Amounts included on line 12, Form 990 but not on line <b>a</b> :		
(1)	Investment expenses not included on line 6b, Form 990..... \$		
(2)	Other (specify):		
	See Stmt 7 \$ 411,880.		
	Add amounts on lines (1) and (2)... ▶	<b>d</b>	411,880.
<b>e</b>	Total revenue per line 12, Form 990 (line <b>c</b> plus line <b>d</b> )..... ▶	<b>e</b>	2,464,031.

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

<b>a</b>	Total expenses and losses per audited financial statements..... ▶	<b>a</b>	1,976,376.
<b>b</b>	Amounts included on line <b>a</b> but not on line 17, Form 990:		
(1)	Donated services and use of facilities..... \$		
(2)	Prior year adjustments reported on line 20, Form 990... \$		
(3)	Losses reported on line 20, Form 990... \$		
(4)	Other (specify):		
	See Stmt 8 \$ 42,796.		
	Add amounts on lines (1) through (4)..... ▶	<b>b</b>	42,796.
<b>c</b>	Line <b>a</b> minus line <b>b</b> ..... ▶	<b>c</b>	1,933,580.
<b>d</b>	Amounts included on line 17, Form 990 but not on line <b>a</b> :		
(1)	Investment expenses not included on line 6b, Form 990..... \$		
(2)	Other (specify):		
	See Stmt 9 \$ 345,187.		
	Add amounts on lines (1) and (2)... ▶	<b>d</b>	345,187.
<b>e</b>	Total expenses per line 17, Form 990 (line <b>c</b> plus line <b>d</b> )..... ▶	<b>e</b>	2,278,767.

**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
David Tseng 1726 M Street Suite 400 Washington, DC 20036	Exec. Director 40	109,040.	0.	0.
Bheesham Sethi 1726 M Street Suite 400 Washington, DC 20036	Director. Dev. 40	59,138.	0.	0.
Ronald Schlittler 1726 M Street Suite 400 Washington, DC 20036	Dir. of Policy 40	48,369.	0.	0.
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-----				
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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 instructions.

Part VI Other Information (See instructions.)

76 Did the organization engage in any activity not previously reported to the IRS? If 'Yes,' attach a detailed description of each activity. 77 Were any changes made in the organizing or governing documents but not reported to the IRS? 78a Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return? 78b If 'Yes,' has it filed a tax return on Form 990-T for this year? 79 Was there a liquidation, dissolution, termination, or substantial contraction during the year? If 'Yes,' attach a statement. 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? 80b If 'Yes,' enter the name of the organization N/A and check whether it is exempt or nonexempt. 81a Enter direct or indirect political expenditures. See line 81 instructions. 81a 0. 81b Did the organization file Form 1120-POL for this year? 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? 82b 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 83b Did the organization comply with the disclosure requirements relating to quid pro quo contributions? 83b X 84a Did the organization solicit any contributions or gifts that were not tax deductible? 84a 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 85 501(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 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? 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. 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. 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 PFLAG files in all U.S. 90b Number of employees employed in the pay period that includes March 12, 2002 (See instructions.) 11 91 The books are in care of The Organization Telephone number 202-467-8180 Located at 1726 M Street NW #400 Washington, DC ZIP + 4 20036 92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 - Check here. N/A 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		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 _____					
b _____					
c _____					
d _____					
e _____					
f Medicare/Medicaid payments . . . . .					
g Fees & contracts from government agencies . . .					
94 Membership dues and assessments . . .					75,954.
95 Interest on savings & temporary cash invmnts . .			14	2,352.	
96 Dividends & 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 pers prop. . . .					
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 . . . .					25,100.
103 Other revenue: a _____					
b List Income _____					5,513.
c Other Income _____					4,964.
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E)) . . . . .				2,352.	111,531.
105 Total (add line 104, columns (B), (D), and (E)) . . . . .					113,883.

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).
1	See Statement 10

**Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities** (See 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 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: *[Signature]* Date: 5/17/04  
 Type or print name and title: Interim Executive Director / Ronald L. Schlittler

Paid Preparer's Use Only:   
 Preparer's signature: *[Signature]* Date: 5/17/04 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: Berry Group, PC, 3131 Mount Vernon Avenue, Alexandria, VA 22305  
 EIN: 54-1920031 Phone no.: (703) 838-7611

**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

**2002**

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 **Parents, Families and Friends of Lesbian and Gays, Inc.** Employer identification number **95-3750694**

**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	0			

**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
AB Data 8050 N. Port Washington Rd, Milwaukee, WI	Consulting	90,804.
The Avalon Consulting Group 1925 K Street, NW Washington DC 2006	Consulting	51,800.
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Total number of others receiving over \$50,000 for professional services	0	

**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. . . . ▶ \$ N/A

(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 Form 990, Part V

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
<b>15</b> Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.) ...	2,002,443.	1,891,398.	1,825,156.	1,261,687.	6,980,684.
<b>16</b> Membership fees received .....	84,630.	81,856.	77,781.	81,388.	325,655.
<b>17</b> Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose .....	314,014.	348,536.	311,663.	71,116.	1,045,329.
<b>18</b> Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975 .....	3,891.	6,078.	8,907.	3,585.	22,461.
<b>19</b> Net income from unrelated business activities not included in line 18 .....					
<b>20</b> Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf .....					
<b>21</b> The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge .....					
<b>22</b> Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets See Stmt. 11	43,495.	35,137.	34,355.	8,625.	121,612.
<b>23</b> Total of lines 15 through 22 .....	2,448,473.	2,363,005.	2,257,862.	1,426,401.	8,495,741.
<b>24</b> Line 23 minus line 17 .....	2,134,459.	2,014,469.	1,946,199.	1,355,285.	7,450,412.
<b>25</b> Enter 1% of line 23 .....	24,485.	23,630.	22,579.	14,264.	
<b>26 Organizations described on lines 10 or 11:</b> a Enter 2% of amount in column (e), line 24 .....	N/A				<b>26a</b>
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 .....					<b>26b</b>
c Total support for section 509(a)(1) test: Enter line 24, column (e) .....					<b>26c</b>
d Add: Amounts from column (e) for lines: <b>18</b> _____ <b>19</b> _____ <b>22</b> _____ <b>26b</b> _____					<b>26d</b>
e Public support (line 26c minus line 26d total) .....					<b>26e</b>
f <b>Public support percentage (line 26e (numerator) divided by line 26c (denominator))</b> .....					<b>26f</b> %
<b>27 Organizations described on line 12:</b>					
a For amounts included in lines 15, 16, and 17 that were received from a 'disqualified person,' prepare a list for your records to show the name of, and total amounts received in each year from, each 'disqualified person.' <b>Do not file this list with your return.</b> Enter the sum of such amounts for each year: (2001) _____ 0. (2000) _____ 0. (1999) _____ 0. (1998) _____ 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 <b>larger of (1) the amount on line 25 for the year or (2) \$5,000.</b> (Include in the list organizations described in lines 5 through 11, as well as individuals.) <b>Do not file this list with your return.</b> 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) _____ 0. (2000) _____ 0. (1999) _____ 0. (1998) _____ 0.					
c Add: Amounts from column (e) for lines: <b>15</b> _____ <b>16</b> _____ <b>17</b> _____ <b>20</b> _____ <b>21</b> _____					<b>27c</b> 8,351,668.
d Add: Line 27a total _____ 0. and line 27b total .....					<b>27d</b> 0.
e Public support (line 27c total minus line 27d total) .....					<b>27e</b> 8,351,668.
f Total support for section 509(a)(2) test: Enter amount from line 23, column (e) ...					<b>27f</b> 8,495,741.
g <b>Public support percentage (line 27e (numerator) divided by line 27f (denominator))</b> .....					<b>27g</b> 98.30 %
h <b>Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))</b> .....					<b>27h</b> 0.26 %

**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?.....		
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:		
32a	a Records indicating the racial composition of the student body, faculty, and administrative staff?.....		
32b	b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?.....		
32c	c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?.....		
32d	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:		
33a	a Students' rights or privileges?.....		
33b	b Admissions policies?.....		
33c	c Employment of faculty or administrative staff?.....		
33d	d Scholarships or other financial assistance?.....		
33e	e Educational policies?.....		
33f	f Use of facilities?.....		
33g	g Athletic programs?.....		
33h	h Other extracurricular activities?.....  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?.....		
34b	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 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.

<b>Limits on Lobbying Expenditures</b>		<b>(a)</b> Affiliated group totals	<b>(b)</b> To be completed for ALL electing organizations
(The term 'expenditures' means amounts paid or incurred.)			
<b>36</b>	Total lobbying expenditures to influence public opinion (grassroots lobbying) .....	<b>36</b>	
<b>37</b>	Total lobbying expenditures to influence a legislative body (direct lobbying) .....	<b>37</b>	
<b>38</b>	Total lobbying expenditures (add lines 36 and 37) .....	<b>38</b>	
<b>39</b>	Other exempt purpose expenditures .....	<b>39</b>	
<b>40</b>	Total exempt purpose expenditures (add lines 38 and 39) .....	<b>40</b>	
<b>41</b>	Lobbying nontaxable amount. Enter the amount from the following table -- <b>If the amount on line 40 is --</b> <b>The lobbying nontaxable amount is --</b> 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.....	<b>41</b>	
<b>42</b>	Grassroots nontaxable amount (enter 25% of line 41) .....	<b>42</b>	
<b>43</b>	Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36 .....	<b>43</b>	
<b>44</b>	Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38 .....	<b>44</b>	
<b>Caution:</b> If there is an amount on either line 43 or line 44, you must file Form 4720.			

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

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

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

- 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**.) .....

Yes	No	Amount

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

2002

Name of organization Parents, Families and Friends of Lesbian and Gays, Inc. Employer identification number 95-3750694

Organization type (check one):

Filers of:

Form 990 or 990-EZ

Section:

- [X] 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 box(es) for both the General Rule and a Special Rule - see instructions.)

General Rule -

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

Special Rules -

- [ ] For a section 501(c)(3) organization filing Form 990, or Form 990-EZ, that met the 33-1/3% support test of the regulations under sections 509(a)(1)/170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of \$5,000 or 2% of the amount on line 1 of these forms. (Complete Parts I and II.)
[ ] For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, aggregate contributions or bequests of more than \$1,000 for use exclusively for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. (Complete Parts I, II, and III.)
[ ] For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, some contributions for use exclusively for religious, charitable, etc, purposes, but these contributions did not aggregate to more than \$1,000. (If this box is checked, enter here the total contributions that were received during the year for an exclusively religious, charitable, etc, purpose. Do not complete any of the Parts unless the General Rule applies to this organization because it received nonexclusively religious, charitable, etc, contributions of \$5,000 or more during the year.) ..... \$

Caution: Organizations that are not covered by the General Rule and/or the Special Rules do not file Schedule B (Form 990, 990-EZ, or 990-PF) but must check the box in the heading of their Form 990, Form 990-EZ, or on line 1 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).

BAA For Paperwork Reduction Act Notice, see the instructions for Form 990 and Form 990-EZ.

Schedule B (Form 990, 990-EZ, or 990-PF) (2002)

Name of organization Parents, Families and Friends of Lesbian	Employer identification number 95-3750694
------------------------------------------------------------------	----------------------------------------------

**Part I** Contributors (See Instructions.)

(a) Number	(b) Name, address and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	Planned Parenthood 810 7th Avenue New York, NY 10019	\$ 117,500.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
2	Evelyn & Walter Haas Jr. Fund One Market, Land Mark San Francisco, CA 94105	\$ 25,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
3	Kevin Mossier Foundation 46 East 4th St. Suite 830 St. Paul, MN 55101	\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
4	Paul Rappaport Foundation 220 E 60th Street Suite 3H New York, NY 10022	\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
5	David Geffen Foundation 331 N. Maple Dr. Suite 200 Beverly Hills, CA 99201	\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
6	Samuel Thoron 3045 Pacific Avenue San Francisco, CA 94115	\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization Parents, Families and Friends of Lesbian	Employer identification number 95-3750694
------------------------------------------------------------------	----------------------------------------------

**Part I** Contributors (See Instructions.)

(a) Number	(b) Name, address and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
7	R Duane Perry 222 Spruce Street Philadelphia, PA 19106	\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
8	Ralph R. Eschenbach 101 Montgomery St San Fransisco, CA 94104	\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
9	Morey Bernstein Foundation 9505 Linden Avenue Bethesda, MD 20814	\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
10	IBM 1701 North Street Endicott, NY 13760	\$ 25,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
11	Arcus Foundation 303 N Ross Street Suite 300 Kalamazoo, MI 49007	\$ 40,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
12	Fred Eychaner 1645 W. Fullerton Chicago, IL 60614	\$ 25,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization <b>Parents, Families and Friends of Lesbian</b>	Employer identification number <b>95-3750694</b>
-------------------------------------------------------------------------	-----------------------------------------------------

**Part I** Contributors (See Instructions.)

(a) Number	(b) Name, address and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
13	Chanler Family Fund ----- 82 Devonshirt Street ----- Boston, MA 02109 -----	\$----- 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
14	Hapercollins Publishers ----- 10 E 53rd Street ----- New York, NY 10022 -----	\$----- 5,366.	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.)

Name of organization

Parents, Families and Friends of Lesbian

Employer identification number

95-3750694

**Part II** Noncash Property (See Specific Instructions.)

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
_____	N/A ----- ----- -----	\$-----	-----
_____	----- ----- -----	\$-----	-----
_____	----- ----- -----	\$-----	-----
_____	----- ----- -----	\$-----	-----
_____	----- ----- -----	\$-----	-----
_____	----- ----- -----	\$-----	-----
_____	----- ----- -----	\$-----	-----
_____	----- ----- -----	\$-----	-----

Name of organization

Employer identification number

Parents, Families and Friends of Lesbian

95-3750694

Part III Exclusively religious, charitable, etc, individual contributions to section 501(c)(7), (8), or (10) organizations aggregating more than \$1,000 for the year (Complete cols (a) through (e) and the following line entry.)

For organizations completing Part III, enter total of exclusively religious, charitable, etc, contributions of \$1,000 or less for the year. (Enter this information once - see instructions.)... \$ N/A

Table with 4 columns: (a) No. from Part I, (b) Purpose of gift, (c) Use of gift, (d) Description of how gift is held. Row 1 contains 'N/A' in column (b).

Table with 2 columns: (e) Transfer of gift, split into 'Transferee's name, address, and ZIP + 4' and 'Relationship of transferor to transferee'.

Table with 4 columns: (a) No. from Part I, (b) Purpose of gift, (c) Use of gift, (d) Description of how gift is held. Row 1 is empty.

Table with 2 columns: (e) Transfer of gift, split into 'Transferee's name, address, and ZIP + 4' and 'Relationship of transferor to transferee'.

Table with 4 columns: (a) No. from Part I, (b) Purpose of gift, (c) Use of gift, (d) Description of how gift is held. Row 1 is empty.

Table with 2 columns: (e) Transfer of gift, split into 'Transferee's name, address, and ZIP + 4' and 'Relationship of transferor to transferee'.

Table with 4 columns: (a) No. from Part I, (b) Purpose of gift, (c) Use of gift, (d) Description of how gift is held. Row 1 is empty.

Table with 2 columns: (e) Transfer of gift, split into 'Transferee's name, address, and ZIP + 4' and 'Relationship of transferor to transferee'.

**Statement 1**  
**Form 990, Part I, Line 20**  
**Other Changes in Net Assets or Fund Balances**

Chapter Expenses.....	\$ 345,187.
Chapter Revenue.....	-411,880.
<b>Total</b>	<b>\$ -66,693.</b>

**Statement 2**  
**Form 990, Part II, Line 43**  
**Other Expenses**

	(A) <u>Total</u>	(B) <u>Program Services</u>	(C) <u>Management &amp; General</u>	(D) <u>Fundraising</u>
Advertising	1,680.	540.	230.	910.
Bad Debt Expense	4,300.	2,034.	1,061.	1,205.
Bank Charges	4,456.	2,107.	1,100.	1,249.
Bookkeeping Service	18,880.	8,930.	4,659.	5,291.
Caging	8,066.			8,066.
Chapter Expenses	345,187.	303,765.	41,422.	
Chapter Grants & Support	56,935.	56,435.		500.
Consulting	79,646.	35,456.	1,611.	42,579.
Credit Card Fees	6,637.	3,139.	1,638.	1,860.
Delivery	4,713.	1,860.	1,258.	1,595.
Direct mail	303,200.	95,438.		207,762.
In-kind Contributions	10,425.	674.	352.	9,399.
Insurance	1,864.	881.	460.	523.
List Maintenance	40,964.	948.	65.	39,951.
Lodging and Meals	93,827.	81,969.	64.	11,794.
Miscellaneous	4,760.	4,305.	194.	261.
Online Charges	9,279.	3,512.	1,099.	4,668.
Other Office Expenses	4,628.	3,868.	333.	427.
Pflagpole	75,146.	72,038.		3,108.
Registration Fees	13,533.	3,871.	198.	9,464.
Repairs & Maintenance	4,432.	830.	399.	3,203.
Staff Development	5,649.	2,811.	1,329.	1,509.
Telemarketing	18,794.	6,264.		12,530.
<b>Total</b>	<b>\$ 1117001.</b>	<b>\$ 691,675.</b>	<b>\$ 57,472.</b>	<b>\$ 367,854.</b>

**Statement 3**  
**Form 990, Part III, Line a**  
**Statement of Program Service Accomplishments**

<u>Description</u>	<u>Grants and Allocations</u>	<u>Program Service Expenses</u>
ORGANIZATIONAL DEVELOPMENT - INCLUDES DEVELOPING AND MAINTAINING CHAPTER SERVICES AND AFFILITATES MAILINGS.		1,031,959.
PUBLIC EDUCATION AND POLICY - EXPENDITURES FOR PUBLIC EDUCATION AND POLICY. INCLUDING PRODUCTION OF THE ORGANIZATION'S NEWSLETTER AND OTHER EDUCATIONAL MATERIALS TO PROMOTE AWARENESS OF THE ORGANIZATION'S MISSION		112,649.

Statement 3 (continued)  
Form 990, Part III, Line a  
Statement of Program Service Accomplishments

Description	Grants and Allocations	Program Service Expenses
PUBLIC RELATIONS - CONSISTS OF INTERVIEWS, PRESS RELEASES AND OTHER EXPENSES RELATED TO MAINTAINING THE ORGANIZATION'S PUBLIC PRESENCE.		229,294.
	<u>\$ 0.</u>	<u>\$ 1,373,902.</u>

Statement 4  
Form 990, Part IV, Line 57  
Land, Buildings, and Equipment

Category	Basis	Accum. Deprec.	Book Value
Furniture and Fixtures	\$ 146,835.	\$ 118,038.	\$ 28,797.
Total	<u>\$ 146,835.</u>	<u>\$ 118,038.</u>	<u>\$ 28,797.</u>

Statement 5  
Form 990, Part IV, Line 58  
Other Assets

Security Deposit.....	\$ 12,767.
Total	<u>\$ 12,767.</u>

Statement 6  
Form 990, Part IV-A, Line b(4)  
Other Amounts

Cost of Goods Sold.....	\$ 3,302.
Direct Rental Expenses.....	39,494.
Total	<u>\$ 42,796.</u>

Statement 7  
Form 990, Part IV-A, Line d(2)  
Other Amounts

Chapter income.....	\$ 411,880.
Total	<u>\$ 411,880.</u>

**Statement 8**  
**Form 990, Part IV-B, Line b(4)**  
**Other Amounts**

Cost of Goods Sold.....	\$	3,302.
Direct Rental Expenses.....		39,494.
<b>Total</b>	<b>\$</b>	<b><u>42,796.</u></b>

**Statement 9**  
**Form 990, Part IV-B, Line d(2)**  
**Other Amounts**

Chapter expenses.....	\$	345,187.
<b>Total</b>	<b>\$</b>	<b><u>345,187.</u></b>

**Statement 10**  
**Form 990, Part VIII**  
**Relationship of Activities to the Accomplishment of Exempt Purposes**

Line #	Explanation of Activities
93A	Organization sells publications to its members and the general public which are relevant to exempt purpose.
93B	Forums for discussion of issues related to exempt purpose
94	Gay, lesbian, bisexual and transgendered persons and their families and friends.
103A	Other receipts and credits from conduction the organizations exempt purpose

**Statement 11**  
**Schedule A, Part IV-A, Line 22**  
**Other Income**

Description	(a) 2001	(b) 2000	(c) 1999	(d) 1998	(e) Total
Other income	\$ 43,495.	\$ 35,137.	\$ 34,355.	\$ 8,625.	\$ 121,612.
<b>Total</b>	<b><u>\$ 43,495.</u></b>	<b><u>\$ 35,137.</u></b>	<b><u>\$ 34,355.</u></b>	<b><u>\$ 8,625.</u></b>	<b><u>\$ 121,612.</u></b>