

Part III Statement of Program Service Accomplishments (See Instructions)	Expenses (Required for 501(c)(3) and (4) organizations and 4947(a)(1) trusts, optional for others)
What is the organization's primary exempt purpose? <u>See Statement 5</u> Describe what was achieved in carrying out the organization's exempt purposes. In a clear and concise manner, describe the services provided, the number of persons benefited, or other relevant information for each program title	
28 _____ _____ _____ (Grants \$ _____)	28 a
29 _____ _____ _____ (Grants \$ _____)	29 a
30 _____ _____ _____ (Grants \$ _____)	30 a
31 Other program services (attach schedule) (Grants \$ _____)	31 a
32 Total program service expenses (add lines 28a through 31a)	32

Part IV List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated See Instructions)				
(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (If not paid, enter -0-)	(D) Contributions to employee benefit plans and deferred compensation	(E) Expense account and other allowances
See Statement 6		0.	0	0.

Part V Other Information (Note the attachment requirement in the instructions)	See Statement 7	Yes	No
33 Did the organization engage in any activity not previously reported to the IRS? If 'Yes,' attach a detailed description of each activity			X
34 Were any changes made to the organizing or governing documents but not reported to the IRS? If 'Yes,' attach a conformed copy of the changes			X
35 If the organization had income from business activities, such as those reported on lines 2, 6, and 7 (among others), but NOT reported on Form 990 T, attach a statement explaining your reason for not reporting the income on Form 990 T			
a Did the organization have unrelated business gross income of \$1,000 or more or 6033(e) notice, reporting, and proxy tax requirements?		X	
b If 'Yes,' has it filed a tax return on Form 990-T for this year?		X	
36 Was there a liquidation, dissolution, termination, or substantial contraction during the year? (If 'Yes,' attach a statement)			X
37 a Enter amount of political expenditures, direct or indirect, as described in the instructions	37 a	0	
b Did the organization file Form 1120-POL for this year?			X
38 a Did the organization borrow from, or make any loans to, any officer, director, trustee, or key employee or were any such loans made in a prior year and still unpaid at the start of the period covered by this return?			X
b If Yes, attach the schedule specified in the line 38 instructions and enter the amount involved	38 b	N/A	
39 501(c)(7) organizations Enter a Initiation fees and capital contributions included on line 9	39 a	N/A	
b Gross receipts, included on line 9, for public use of club facilities	39 b	N/A	
40 a 501(c)(3) organizations Enter Amount of tax imposed on the organization during the year under section 4911 ▶ 0, section 4912 ▶ 0, section 4955 ▶ 0			
b 501(c)(3) and (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 an explanation			X
c Amount of tax imposed on organization managers or disqualified persons during the year under 4912, 4955, and 4958			0
d Enter Amount of tax on line 40c, above, reimbursed by the organization			0
41 List the states with which a copy of this return is filed ▶ CA			
42 The books are in care of ▶ Stephen Lawson Telephone no ▶ (541) 737-5080 Located at ▶ 571 Weniger Hall - OSU, Corvallis, OR ZIP + 4 ▶ 97331			
43 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 EZ in lieu of Form 1041 - Check here and enter the amount of tax exempt interest received or accrued during the tax year	43	<input type="checkbox"/> N/A	N/A

I have prepared this return and accompanying schedules and statements, and to the best of my knowledge and belief, it is based on all information of which preparer has any knowledge.

8-8-03, Stephen Lawson, CEO
Date Type or print name and title

Part III Statements About Activities (See instructions)

	Yes	No
<p>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>N/A</u></p> <p>(Must equal amounts on line 38, Part VI A, or line I of Part VI B)</p> <p>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</p>		X
<p>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)</p> <p>a Sale, exchange, or leasing of property?</p>		X
<p>b Lending of money or other extension of credit?</p>		X
<p>c Furnishing of goods, services, or facilities?</p>		X
<p>d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?</p>		X
<p>e Transfer of any part of its income or assets?</p>		X
<p>3 Does the organization make grants for scholarships, fellowships, student loans, etc? (See Note below)</p>		X
<p>4 Do you have a section 403(b) annuity plan for your employees?</p>		X
<p>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</p>		

Part IV Reason for Non-Private Foundation Status (See instructions)

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

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

Provide the following information about the supported organizations (See instructions)

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

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

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

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

Calendar year (or fiscal year beginning in)	(a) 2001	(b) 2000	(c) 1999	(d) 1998	(e) Total
15 Gifts, grants, and contributions received (Do not include unusual grants. See line 28.)	100,000				100,000
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	2,064.	1,528	10,272	8,330	22,194.
19 Net income from unrelated business activities not included in line 18	3,675				3,675
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. See Stmt 8.		2,838	374,789	136,440	514,067
23 Total of lines 15 through 22	105,739.	4,366	385,061	144,770	639,936
24 Line 23 minus line 17	105,739	4,366	385,061	144,770	639,936
25 Enter 1% of line 23	1,057	44	3,851	1,448	
26 Organizations described on lines 10 or 11	a Enter 2% of amount in column (e), line 24				26a 12,799
b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 1998 through 2001 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts.					26b 87,201.
c Total support for section 509(a)(1) test. Enter line 24, column (e).					26c 639,936
d Add Amounts from column (e) for lines	18 22,194.	19 3,675			26d 627,137
	22 514,067	26b 87,201			26e 12,799.
e Public support (line 26c minus line 26d total)					26f 2.00 %
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					
27 Organizations described on line 12	N/A				
a For amounts included in lines 15, 16, and 17 that were received from a 'disqualified person,' prepare a list for your records to show the name of, and total amounts received in each year from, each 'disqualified person.' Do not file this list with your return. Enter the sum of such amounts for each year.					
(2001) _____ (2000) _____ (1999) _____ (1998) _____					
b For any amount included in line 17 that was received from each person (other than 'disqualified persons'), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year.					
(2001) _____ (2000) _____ (1999) _____ (1998) _____					
c Add Amounts from column (e) for lines	15 _____	16 _____			27c _____
	17 _____	20 _____	21 _____		
d Add Line 27a total _____ and line 27b total _____					27d _____
e Public support (line 27c total minus line 27d total)					27e _____
f Total support for section 509(a)(2) test. Enter amount from line 23, column (e)					27f _____
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))					27g %
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					27h %

28 Unusual Grants For an organization described in line 10, 11, or 12 that received any unusual grants during 1998 through 2001, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.

Part V Private School Questionnaire (See instructions)
 (To be completed ONLY by schools that checked the box on line 6 in Part IV)

		N/A	
		Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?		
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) ----- ----- -----		
34a	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 instructions)
 (To be completed ONLY by an eligible organization that filed Form 5768)

N/A

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

Limits on Lobbying Expenditures

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

		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
36	Total lobbying expenditures to influence public opinion (grassroots lobbying)	36	
37	Total lobbying expenditures to influence a legislative body (direct lobbying)	37	
38	Total lobbying expenditures (add lines 36 and 37)	38	
39	Other exempt purpose expenditures	39	
40	Total exempt purpose expenditures (add lines 38 and 39)	40	
41	Lobbying nontaxable amount Enter the amount from the following table –		
	If the amount on line 40 is –		
	Not over \$500,000		
	Over \$500,000 but not over \$1,000,000		
	Over \$1,000,000 but not over \$1,500,000		
	Over \$1,500,000 but not over \$17,000,000		
	Over \$17,000,000		
	The lobbying nontaxable amount is –		
	20% of the amount on line 40		
	\$100,000 plus 15% of the excess over \$500,000		
	\$175,000 plus 10% of the excess over \$1,000,000		
	\$225,000 plus 5% of the excess over \$1,500,000		
	\$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)

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

Part VI-B Lobbying Activity by Nonelecting Public Charities

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

N/A

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of

- 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

Statement 1
Form 990-EZ, Part I, Line 8
Other Revenue

Income from K-1s	\$	6,299
Sec 1231 loss (K-1s)		-33.
	Total \$	<u>6,266</u>

Statement 2
Form 990-EZ, Part I, Line 10
Grants and Similar Amounts Paid

Payments to Affiliates

Name	OSU Foundation	
Address	517 Snell Hall	
	Corvallis, OR 97331	
Purpose of payment	Transfer land (see Stmt 5)	
Amount		\$ 2,780
	Total Payments to Affiliates \$	<u>2,780</u>
	Total Grants and Similar Amounts Paid \$	<u>2,780.</u>

Statement 3
Form 990-EZ, Part I, Line 16
Other Expenses

Bank charges	\$	58
Investment fees		150
Maintenance		675
Miscellaneous		37
Office expense		321.
Property and other taxes		827
Travel		6,285
	Total \$	<u>8,353</u>

Statement 4
Form 990-EZ, Part I, Line 20
Other Changes in Net Assets Or Fund Balances

Income from K-1s not on books	\$	-6,299
Interest income from K-1s not on books		-417
Sec 1231 losses from K-1s not on books		33
	Total \$	<u>-6,683.</u>

Statement 5
Form 990-EZ, Part III
Organization's Primary Exempt Purpose

The organization is currently in the process of winding up and dissolving. The organization's assets are being systematically transferred to the OSU Foundation, an Oregon non-profit public benefit corporation. Assets transferred to the OSU Foundation will be used to support the Linus Pauling Institute at OSU.

Statement 6
Form 990-EZ, Part IV
List of Officers, Directors, Trustees, and Key Employees

Name and Address	Title and Average Hours Per Week Devoted	Compen- sation	Contri- bution to EBP & DC	Expense Account/ Other
Linus Pauling, Jr. 571 Weniger Hall, OSU Corvallis, OR 97331	Chairman As needed	\$ 0.	\$ 0	\$ 0.
Martin Carnoy 571 Weniger Hall, OSU Corvallis, OR 97331	Trustee As needed	0	0	0
Barbara Kosacz 571 Weniger Hall, OSU Corvallis, OR 97331	Trustee As needed	0	0	0
Stephen Lawson 571 Weniger Hall, OSU Corvallis, OR 97331	CEO As needed	0	0	0.
Total		<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>

Statement 7
Form 990-EZ, Part V
Regarding Transfers Associated with Personal Benefit Contracts

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

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

Statement 8
Schedule A, Part IV-A, Line 22
Other Income

Description	(a) 2001	(b) 2000	(c) 1999	(d) 1998	(e) Total
Insurance settlement	\$ 0	\$ 0	\$ 374,789.	\$ 133,684	\$ 508,473.
Forfeited rent deposit	0	0	0.	2,756.	2,756
Royalties and other	0	2,838	0.	0	2,838
Total	<u>\$ 0</u>	<u>\$ 2,838</u>	<u>\$ 374,789.</u>	<u>\$ 136,440.</u>	<u>\$ 514,067</u>