Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

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

OMB No. 1545-0047

1995

This Form is Open to Public Inspection

A For the 1995 calendar year, OR tax year period beginning October 1, 1995, and ending September 30, 19 96

B Check if:
☐ Change of address
☐ Initial return
☐ Final return
☐ Amended return (required also for State reporting)

Please use IRS label or print or type. See Specific Instructions.

C Name of organization: INDEPENDENT TELEVISION SERVICE, INC.

Number and street (or P.O. box if mail is not delivered to street address): 190 FIFTH STREET EAST — Room/suite: 200

City, town, or post office, state, and ZIP code: ST. PAUL,, MN 55101

D Employer identification number: 52 | 1654276

E State registration number

F Check ▶ ☐ if exemption application is pending

G Type of organization—▶ ☐ Exempt under section 501(c)( ) ◀ (insert number) OR ▶ ☐ section 4947(a)(1) nonexempt charitable trust

Note: Section 501(c)(3) exempt organizations and 4947(a)(1) nonexempt charitable trusts MUST attach a completed Schedule A (Form 990).

H(a) Is this a group return filed for affiliates? ☐ Yes ☒ No

(b) If 'Yes,' enter the number of affiliates for which this return is filed: ▶ ______

(c) Is this a separate return filed by an organization covered by a group ruling? ☐ Yes ☒ No

I If either box in H is checked 'Yes,' enter four-digit group exemption number (GEN) ▶ ______

J Accounting method: ☐ Cash ☒ Accrual ☐ Other (specify) ▶

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 it received a Form 990 Package in the mail, it should file a return without financial data. **Some states require a complete return.**

Note: Form 990-EZ may be used by organizations with gross receipts less than $100,000 and total assets less than $250,000 at end of year.

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See instructions on pages 9-14.)

Revenue	1	Contributions, gifts, grants, and similar amounts received:				
	a	Direct public support	1a	8,092,773		
	b	Indirect public support	1b			
	c	Government contributions (grants)	1c			
	d	**Total** (add lines 1a through 1c) (attach schedule of contributors) (cash $ 8,092,773 noncash $ ______)			1d	8,092,773
	2	Program service revenue including government fees and contracts (from Part VII, line 93)			2	0
	3	Membership dues and assessments			3	
	4	Interest on savings and temporary cash investments			4	478,864
	5	Dividends and interest from securities			5	
	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	

		(A) Securities		(B) Other		
8a	Gross amount from sale of assets other than inventory		8a			
b	Less: cost or other basis and sales expenses		8b			
c	Gain or (loss) (attach schedule)	0	8c	0		
d	Net gain or (loss) (combine line 8c, columns (A) and (B))				8d	0

Revenue	9	Special events and activities (attach schedule)				
	a	Gross revenue (not including $ ______ of contributions reported on line 1a)	9a			
	b	Less: direct expenses other than fundraising expenses	9b			
	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	31,989
	12	**Total revenue** (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)			12	8,603,626
Expenses	13	Program services (from line 44, column (B))			13	6,131,058
	14	Management and general (from line 44, column (C))			14	719,739
	15	Fundraising (from line 44, column (D))			15	0
	16	Payments to affiliates (attach schedule)			16	
	17	**Total expenses** (add lines 16 and 44, column (A))			17	6,850,797
Net Assets	18	Excess or (deficit) for the year (subtract line 17 from line 12)			18	1,752,829
	19	Net assets or fund balances at beginning of year (from line 73, column (A))			19	12,202,512
	20	Other changes in net assets or fund balances (attach explanation)			20	
	21	Net assets or fund balances at end of year (combine lines 18, 19, and 20)			21	13,955,341

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 instructions on page 14.)

	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 $ 4,639,033 noncash $)	22	4,639,033	4,639,033		
23	Specific assistance to individuals (attach schedule)	23				
24	Benefits paid to or for members (attach schedule)	24				
25	Compensation of officers, directors, etc.	25	195,862	50,000	145,862	
26	Other salaries and wages	26	625,028	402,397	222,631	
27	Pension plan contributions	27				
28	Other employee benefits	28				
29	Payroll taxes	29				
30	Professional fundraising fees	30				
31	Accounting fees	31	12,098	3,698	8,400	
32	Legal fees	32	21,868	19,561	2,307	
33	Supplies	33	39,221	15,703	23,518	
34	Telephone	34	34,810	14,891	19,919	
35	Postage and shipping	35	109,491	104,717	4,774	
36	Occupancy	36	77,301	3,658	73,643	
37	Equipment rental and maintenance	37	21,415		21,415	
38	Printing and publications	38	96,252	96,252		
39	Travel	39	128,574	87,447	41,127	
40	Conferences, conventions, and meetings	40				
41	Interest	41				
42	Depreciation, depletion, etc. (attach schedule)	42	55,589		55,589	
43	Other expenses (itemize): a Insurance	43a	19,640		19,640	
b	Producers Fees & Orientation	43b	10,171	10,171		
c	Consultants	43c	318,782	301,264	17,518	
d	Packaging & Design	43d	123,948	123,948		
e	Other - See Attached	43e	321,714	258,318	63,396	
44	Total functional expenses (add lines 22 through 43) Organizations completing columns (B)–(D), carry these totals to lines 13–15	44	6,850,797	6,131,058	719,739	0

Reporting of Joint Costs.—Did you report in column (B) (Program services) any joint costs from a combined educational campaign and fundraising solicitation? ▶ ☐ Yes ☒ No

If "Yes," enter (i) the aggregate amount of these joint costs $ ______; (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 instructions on page 17.)

What is the organization's primary exempt purpose? ▶ Television Broadcasting & Film Production

All organizations must describe their exempt purpose achievements. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)

		Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others)
a	Program Service-ITVS receives approximately $6 million annually from Corporation for Public Broadcasting to be regranted to independent producers. Program production generally takes 1 to 1 1/2 years to complete. The organization strives to bring to public tv audiences innovative programming that involves creative risks and which addresses the need (Grants and allocations $)	6,131,058
b	of unserved and underserved audiences, particularly minorities and children. (Grants and allocations $)	
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) ▶	6,131,058

Part IV Balance Sheets (See instructions on pages 17-19.)

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			0	45	0
46 Savings and temporary cash investments			10,494,057	46	2,580,278
47a Accounts receivable	47a				
b Less: allowance for doubtful accounts	47b			47c	0
48a Pledges receivable	48a	16,954			
b Less: allowance for doubtful accounts	48b		98,299	48c	16,954
49 Grants receivable			765,000	49	7,537,500
50 Receivables from officers, directors, trustees, and key employees (attach schedule)				50	
51a Other notes and loans receivable (attach schedule)	51a	1,254,185			
b Less: allowance for doubtful accounts	51b		1,139,032	51c	1,254,185
52 Inventories for sale or use				52	
53 Prepaid expenses and deferred charges			49,688	53	46,805
54 Investments—securities (attach schedule)			2,688,133	54	3,931,670
55a Investments—land, buildings, and equipment: basis	55a				
b Less: accumulated depreciation (attach schedule)	55b			55c	0
56 Investments—other (attach schedule)				56	
57a Land, buildings, and equipment: basis	57a	472,110			
b Less: accumulated depreciation (attach schedule)	57b	278,111	239,482	57c	193,999
58 Other assets (describe ▶ ______)				58	
59 **Total assets** (add lines 45 through 58) (must equal line 74)			15,473,691	59	15,561,391
Liabilities					
60 Accounts payable and accrued expenses			168,208	60	119,126
61 Grants payable			3,088,087	61	1,486,924
62 Deferred revenue			14,884	62	
63 Loans from officers, directors, trustees, and key employees (attach schedule)				63	
64a Tax-exempt bond liabilities (attach schedule)				64a	
b Mortgages and other notes payable (attach schedule)				64b	
65 Other liabilities (describe ▶ ______)				65	
66 **Total liabilities** (add lines 60 through 65)			3,271,179	66	1,606,050
Net Assets or Fund Balances					
Organizations that follow SFAS 117, check here ▶ [X] and complete lines 67 through 69 and lines 73 and 74.					
67 Unrestricted			1,045,089	67	1,647,412
68 Temporarily restricted			11,157,423	68	12,307,929
69 Permanently restricted				69	
Organizations that do not follow SFAS 117, check here ▶ [ ] and complete lines 70 through 74.					
70 Capital stock, trust principal or current funds				70	
71 Paid-in or capital surplus, or land, bldg., and equipment fund				71	
72 Retained earnings, accumulated income, endowment, 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 and column (B) must equal line 21)			12,202,512	73	13,955,341
74 **Total liabilities and net assets/fund balances** (add lines 66 and 73)			15,473,691	74	15,561,391

Part IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return

a	Total revenue, gains, and other support per audited financial statements . . . ▶	a	8,603,626
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 $		
(3)	Recoveries of prior year grants . . . . $		
(4)	Other (specify): ---------------- $		
	Add amounts on lines (1) through (4) ▶	b	0
c	Line a minus line b . . . . ▶	c	8,603,626
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	8,603,626

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

a	Total expenses and losses per audited financial statements . . . ▶	a	6,848,465
b	Amounts included on line a 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): ---------------- $		
	Add amounts on lines (1) through (4) ▶	b	0
c	Line a minus line b . . . . . . ▶	c	6,848,465
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	6,848,465

Part V List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated; see instructions on page 19.)

(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
James Yee St. Paul, Minnesota	Executive Director 40+ hours per week	85,000	7,309	
Robert Doty St. Paul, Minnesota	Dir. of Business Affairs 40+ hours per week	60,862	5,607	
Emily Stevens St. Paul, Minnesota	Dir. of Production 40+ hours per week	50,000	5,944	
Board of Directors See listing attached		0	0	

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 on page 20.

Part VI Other Information (See instructions on pages 20-23.)

			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	76		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.	77		X
78a	Did the organization have unrelated business gross income of $1,000 or more during the year covered by this return?	78a		X
b	If "Yes," has it filed a tax return on **Form 990-T,** Exempt Organization Business Income Tax Return, for this year?	78b		
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement	79		X
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?	80a		X
b	If "Yes," enter the name of the organization ▶ ______ and check whether it is ☐ exempt **OR** ☐ nonexempt.			
81a	Enter the amount of political expenditures, direct or indirect, as described in the instructions for line 81 — 81a: N/A			
b	Did the organization file **Form 1120-POL,** U.S. Income Tax Return for Certain Political Organizations, for this year?	81b		
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?	82a		X
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 for reporting in Part III.) — 82b			
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	83a	X	
b	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
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	84b		
85	Section 501(c)(4), (5), or (6) organizations.—**a** Were substantially all dues nondeductible by members?	85a		
b	Did the organization make only in-house lobbying expenditures of $2,000 or less?	85b		
	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.			
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 in 85f?	85g		X
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount in 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85h		
86	Section 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	Section 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? If "Yes," complete Part IX	88		X

89 Public interest law firms.—Attach information described in the instructions.

90 List the states with which a copy of this return is filed ▶ Minnesota and District of Columbia

91 The books are in care of ▶ Independent Television Service, Inc. Telephone no. ▶ (612) 225-9035

Located at ▶ 190 E. Fifth Street, #200, St. Paul, Mn ZIP code ▶ 55101

92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of **Form 1041,** U.S. Income Tax Return for Estates and Trusts. —Check here ▶ ☐

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 on pages 23-24.)

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					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments			14	478,864	
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 Ancillary Income			01	28,877	
b Miscellaneous Income			01	3,112	
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))		0		510,853	0

105 Total (add line 104, columns (B), (D), and (E)) ▶ 510,853

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

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). (See instructions on page 24.)
N/A	

Part IX Information Regarding Taxable Subsidiaries (Complete this Part if the "Yes" box on line 88 is checked.)

Name, address, and employer identification number of corporation or partnership	Percentage of ownership interest	Nature of business activities	Total income	End-of-year assets
	%			
	%			
	%			
	%			

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 officer) is based on all information of which preparer has any knowledge. (See Specific Instructions, page 9.)

▶ Robert A. Doty — Signature of officer — 1/27/97 Date ▶ Robert A. Doty - Dir. of F&O — Type or print name and title.

Paid Preparer's Use Only

Preparer's signature ▶ Barry Rogers CPA	Date 1/15/97	Check if self-employed ▶ ☐	Preparer's social security no.
Firm's name (or yours if self-employed) and address ▶ BARRY ROGERS & COMPANY, 1421 PARK AVENUE, MINNEAPOLIS, MINNESOTA		EIN ▶	41 1753962
		ZIP code ▶	55404

SCHEDULE A (Form 990)

Department of the Treasury
Internal Revenue Service

Organization Exempt Under Section 501(c)(3)

(Except Private Foundation) and Section 501(e), 501(f), 501(k), or Section 4947(a)(1) Nonexempt Charitable Trust

Supplementary Information

See separate instructions.

▶ Must be completed by the above organizations and attached to their Form 990 (or 990-EZ).

OMB No. 1545-0047

1995

Name of the organization: INDEPENDENT TELEVISION SERVICE, INC.

Employer identification number: 52 1654276

Part I **Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees**
(See instructions on page 1. 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
None				
Total number of other employees paid over $50,000 . . . . ▶				

Part II **Compensation of the Five Highest Paid Independent Contractors for Professional Services**
(See instructions on page 1. 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
None		
Total number of others receiving over $50,000 for professional services . . . . ▶		

Part III Statements About Activities

			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?	1		X
	If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ▶ $ ______ 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 of its 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:			
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)?	2d	X	
e	Transfer of any part of its income or assets? If the answer to any question is "Yes," attach a detailed statement explaining the transactions.	2e		X
3	Does the organization make grants for scholarships, fellowships, student loans, etc.?	3		X
4	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. (See instructions on page 2.)			

Part IV Reason for Non-Private Foundation Status (See instructions on pages 2 through 5.)

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, page 4.)

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: **(a) 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, and **(b) 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. 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 on page 4.)

(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 on page 4.)

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) 1994	(b) 1993	(c) 1992	(d) 1991	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.) . .	8,649,420	6,769,451	13,493,659	4,766,459	33,678,989
16 Membership fees received					0
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is not a business unrelated 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. . .	474,819	105,421	93,406	45,429	719,075
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	43,381	28,910			72,291
23 Total of lines 15 through 22	9,167,620	6,903,782	13,587,065	4,811,888	34,470,355
24 Line 23 minus line 17	9,167,620	6,903,782	13,587,065	4,811,888	34,470,355
25 Enter 1% of line 23	91,676	69,038	135,871	48,119	

26 **Organizations described in lines 10 or 11:** a Enter 2% of amount in column (e), line 24 . . . . ▶ **26a** 689,407

b Attach a list (which is not open to public inspection) showing the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 1991 through 1994 exceeded the amount shown in line 26a. Enter the sum of all these excess amounts . . . . . ▶ **26b** 0

c Total support for section 509(a)(1) test: Enter line 24, column (e) . . . . ▶ **26c** $ 34,470,355

d Add: Amounts from column (e) for lines: 18 $ 719,075 19 $ 0
22 $ 72,291 26b $ 0 . . . . . . ▶ **26d** $ 791,366

e Public support (line 26c minus line 26d total) . . . . ▶ **26e** $ 33,678,989

f **Public support percentage (line 26e (numerator) divided by line 26c (denominator))** . . . . . . ▶ **26f** 97.70 %

27 **Organizations described on line 12:** a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," attach a list to show the name of, and total amounts received in each year from each "disqualified person." Enter the sum of such amounts for each year:

(1994) N/A (1993) N/A (1992) N/A (1991) N/A

b For any amount included in line 17 that was received from a nondisqualified person, attach a list 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.) 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:

(1994) N/A (1993) N/A (1992) N/A (1991) N/A

c Add: Amounts from column (e) for lines: 15 $ 16 $
17 $ 20 $ 21 $ . . . . ▶ **27c** $

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 on line 23, column (e) . . . ▶ **27f** $

g **Public support percentage (line 27e (numerator) divided by line 27f (demonimator))** . . . . ▶ **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 1991 through 1994, attach a list (which is not open to public inspection) for each year showing the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not include these grants in line 15. (See instructions on page 5.)

EIN 52-1654276

Part V Private School Questionnaire (See instructions on page 5.) (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?	29		
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?	30		
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?	31		
	If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.)			
32	Does the organization maintain the following:			
a	Records indicating the racial composition of the student body, faculty, and administrative staff?	32a		
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	32b		
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32c		
d	Copies of all material used by the organization or on its behalf to solicit contributions?	32d		
	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?	33a		
b	Admissions policies?	33b		
c	Employment of faculty or administrative staff?	33c		
d	Scholarships or other financial assistance?	33d		
e	Educational policies?	33e		
f	Use of facilities?	33f		
g	Athletic programs?.	33g		
h	Other extracurricular activities?	33h		
	If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.)			
34a	Does the organization receive any financial aid or assistance from a governmental agency?	34a		
b	Has the organization's right to such aid ever been revoked or suspended?	34b		
	If you answered "Yes" to either 34a or b, please explain using an attached statement.			
35	Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation	35		

Part VI-A Lobbying Expenditures by Electing Public Charities (See instructions on page 5.) (To be completed ONLY by an eligible organization that filed Form 5768) N/A

Check here ▶ a ☐ if the organization belongs to an affiliated group.
Check here ▶ b ☐ if you checked "a" above 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— The lobbying nontaxable amount is—** Not over $500,000 . . . 20% of the amount on line 40; Over $500,000 but not over $1,000,000 . . $100,000 plus 15% of the excess over $500,000; Over $1,000,000 but not over $1,500,000 . $175,000 plus 10% of the excess over $1,000,000; 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	41	0	
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, 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 7.)

	Lobbying Expenditures During 4-Year Averaging Period				
Calendar year (or fiscal year beginning in) ▶	(a) 1995	(b) 1994	(c) 1993	(d) 1992	(e) Total
45 Lobbying nontaxable amount					
46 Lobbying ceiling amount (150% of line 45(e))					
47 Total lobbying expenditures					
48 Grassroots nontaxable 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 on page 7.) N/A

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:	Yes	No	Amount
a Volunteers			
b Paid staff or management (Include compensation in expenses reported on lines c through h.)			
c Media advertisements			
d Mailings to members, legislators, or the public			
e Publications, or published or broadcast statements			
f Grants to other organizations for lobbying purposes			
g Direct contact with legislators, their staffs, government officials, or a legislative body			
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means			
i Total lobbying expenditures (add lines c through h)			

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

N/A

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?

		Yes	No
a Transfers from the reporting organization to a noncharitable exempt organization of:			
(i) Cash	51a(i)		
(ii) Other assets	a(ii)		
b Other transactions:			
(i) Sales of assets to a noncharitable exempt organization	b(i)		
(ii) Purchases of assets from a noncharitable exempt organization	b(ii)		
(iii) Rental of facilities or equipment	b(iii)		
(iv) Reimbursement arrangements	b(iv)		
(v) Loans or loan guarantees	b(v)		
(vi) Performance of services or membership or fundraising solicitations	b(vi)		
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees	c		

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

52a 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

INDEPENDENT TELEVISION SERVICE, INC.
FORM 990
EIN: 52-1654276
TAX YEAR ENDING 9/30/96

PART I, LINE 1d - CONTRIBUTIONS RECEIVED > $5,000:

Corporation for Public Broadcasting Grants	$8,042,500
KQED Grants	11,772
Levi Strauss	25,000
NY Community Trust	10,000
Total > $5,000	8,089,272
Total < $5,000	3,501
Total Line 1d	$8,092,773

PART II, LINE 43e - OTHER FUNCTIONAL EXPENSES:

DESCRIPTION	TOTAL	PROGRAM	MGM'T & GENERAL	FUND-RAISING
Search/Hiring	$10,135	$7,838	$2,297	$0
Board Expenses	48,122	0	48,122	0
Hospitality/Reception	34,994	28,712	6,282	0
Duplication	22,383	22,383	0	0
Books/Subscriptions	2,911	577	2,334	0
Bank Service & Payroll Charges	2,119	90	2,029	0
Panelist Fees and Expenses	10,291	10,291	0	0
Outside Services/KQED Rights	15,754	15,754	0	0
Ads Promotion & Sampler Reel	12,547	12,547	0	0
Photography	32,586	32,586	0	0
Screening & Dubbing Services	33,807	33,807	0	0
Satellite Time	3,505	3,505	0	0
Membership and Entry Fees	5,762	5,762	0	0
Guidelines Expenses	7,360	7,360	0	0
Roundtables/Forums	18,202	18,202	0	0
Festivals	5,188	5,188	0	0
Markets	10,214	10,214	0	0
Clipping and On-Line Services	13,334	13,334	0	0
Research & Development	11,681	11,681	0	0
Sundance Projects	8,345	8,345	0	0
Catalogue	5,342	5,342	0	0
Minigrants	4,800	4,800	0	0
TOTAL	$319,382	$258,318	$61,064	$0

PART IV, LINE 51c LOANS RECEIVABLE

Loans were extended to producers to finance production costs in excess of grant awards. Loans receivable at September 30, 1996 and 1995 consisted of the following productions:

	1996	1995
Meridian Productions	$160,000	$105,000
AIDS Film	51,772	51,772
Testing the Limits	596,435	598,435
Signal to Noise	375,825	380,825
Paradigm Productions	27,728	---
New Images Productions	19,548	---
Judith Helfand	22,877	---
Frances Negron-Muntaner	---	3,000
	$1,254,185	$1,139,032

PART IV, LINE 57 a, b, c - FURNITURE AND EQUIPMENT

Furniture and equipment at September 30, 1996 and 1995 consisted of the following:

	1996	1995
Furniture, fixtures and equipment	$185,505	$199,242
Leasehold improvements	286,605	280,605
	472,110	479,847
Less: Accumulated depreciation	(278,111)	(240,365)
	$193,999	$239,482

Depreciation expense of $55,589 and $70,374 was recorded for September 30, 1996 and 1995, respectively.

PART IV, LINE 54 - INVESTMENTS

Investments in marketable securities are stated at market value.

INDEPENDENT TELEVISION SERVICE, INC.
TAX ID. NUMBER: 52-1654276
September 30, 1996

LIST OF DIRECTORS AND KEY EMPLOYEES

BOARD OF DIRECTORS

Claire Aguilar
4401 Sunset Blvd.
Los Angeles, CA 90027
Title: Director

Joan Braderman
36 Fruit Street
Northampton, MA 01006
Title: Director

Nolan Bowie
448 W. Schoolhouse Lane
Philadelphia, PA 19144
Title: Director

Dee Davis
306 Madison Street
Whitesburg, KY 41858
Title: Director

Kate Horsfield
37 S. Wabash Avenue
Chicago, IL 60603
Title: Director

David Ochoa
Dowling College
Oakdale, NY 11769-1999
Title: Director

Edward Hugetz
2104 Summer Shore Drive
League City, TX 77574
Title: Director

Natatcha Estebanez
121 Lewis Road
Belmont, MA 02178
Title: Director

Tammy Robinson
356 West 58th Street
New York, NY 10019
Title: Director

Jack Willis
172 East Fourth Street
St. Paul, MN 55101
Title: Director

Laura Waterman Wittstock
3123 E. Lake Street, #200
Minneapolis, MN 55406
Title: Director

David Rosen
345 Union Street
San Francisco, CA 94133
Title: Director

Christine Vachon
625 Broadway, Suite 7B
New York, NY 10012

KEY EMPLOYEES

James T. Yee
ITVS - 190 E. 5th Street, #200
St. Paul, MN 55101
Title: Executive Director

Gayle Loeber
ITVS - 190 E. 5th Street, #200
St. Paul, MN 55101
Title: Director of Communications

Robert A. Doty
ITVS - 190 E. 5th Street, #200
St. Paul, MN 55101
Title: Director of Business Affairs

Emily Stevens
ITVS - 190 E. 5th Street, #200
St. Paul, MN 55101
Title: Director of Production