

Return of Organization Exempt From Income Tax

2000

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

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.

Header section containing organization name (INDEPENDENT TELEVISION SERVICES, INC.), address (501 YORK ST. SAN FRANCISCO, CA 94110), EIN (52-1654276), and phone number (415) 356-8383.

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See Specific Instructions on page 16.)

Main table with columns for Revenue, Expenses, and Assets. Rows include contributions received (8,784,927), program service revenue (64,039), membership dues, interest on savings, dividends, gross rents, investment income, and total revenue (9,032,282).

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 Specific Instructions on page 20.)

Table with 5 columns: (A) Total, (B) Program services, (C) Management and general, (D) Fundraising. Rows include: 22 Grants and allocations, 23 Specific assistance to individuals, 24 Benefits paid to or for members, 25 Compensation of officers, directors, etc., 26 Other salaries and wages, 27 Pension plan contributions, 28 Other employee benefits, 29 Payroll taxes, 30 Professional fundraising fees, 31 Accounting fees, 32 Legal fees, 33 Supplies, 34 Telephone, 35 Postage and shipping, 36 Occupancy, 37 Equipment rental and maintenance, 38 Printing and publications, 39 Travel, 40 Conferences, conventions, and meetings, 41 Interest, 42 Depreciation, depletion, etc. (attach schedule), 43 Other expenses (itemize): a Statement 3, b, c, d, e, 44 Total functional expenses (add lines 22 thru 43) Organizations completing columns (B)-(D), carry these totals to lines 13-15.

Reporting of Joint Costs. Did you report in column (B) (Program services) any joint costs from a combined educational campaign and fundraising solicitation? ... [ ] Yes [X] 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 Specific Instructions on page 23.)

What is the organization's primary exempt purpose? Diverse & innovative TV programming.

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

Program Service Expenses (Required for 501(c)(3) and (4) orgs. and 4947(a)(1) trusts; but optional for others.)

Table with 2 columns: Description of program service accomplishment, Program Service Expenses. Row a: Continues to operate in the public interest, to enhance the diversity & innovativeness of TV programming available addressing the needs of unserved/under-served audiences. (Grants and allocations \$ 0) 8,699,299

**Part IV Balance Sheets** (See Specific Instructions on page 23.)

		(A)		(B)	
		Beginning of year		End of year	
<b>Note:</b> Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.					
45 Cash - non-interest-bearing . . . . .		300	45	300	
46 Savings and temporary cash investments . . . . .		4,765,857	46	1,417,167	
47 a Accounts receivable . . . . .		3,182			
b Less: allowance for doubtful accounts . . . . .					
		3,023	47c	3,182	
48 a Pledges receivable . . . . .					
b Less: allowance for doubtful accounts . . . . .					
			48c		
49 Grants receivable . . . . .		10,959,939	49	11,518,553	
50 Receivables from officers, directors, trustees, and key employees (attach sch) . . . . .			50		
51 a Other notes and loans receivable (attach schedule) . . . . .		250,000			
b Less: allowance for doubtful accounts . . . . .					
		110,072	51c	250,000	
52 Inventories for sale or use . . . . .			52		
53 Prepaid expenses and deferred charges . . . . .		1,945	53	66,093	
54 Investments - securities (attach schedule) . . . . .		<input checked="" type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV	54	1,730,373	
55 a Investments - land, buildings, and equipment: basis . . . . .					
b Less: accumulated depreciation (attach schedule) . . . . .					
			55c		
56 Investments - other (attach schedule) . . . . .			56		
57 a Land, buildings, and equipment: basis . . . . .		307,258			
b Less: accumulated depreciation (attach schedule) . . . . .		247,528			
		74,145	57c	59,730	
58 Other assets (describe ▶ _____ )		163,907	58		
59 <b>Total assets</b> (add lines 45 through 58) (must equal line 74) . . . . .		16,474,519	59	15,045,398	
60 Accounts payable and accrued expenses . . . . .		189,788	60	196,631	
61 Grants payable . . . . .		4,647,818	61	4,174,215	
62 Deferred revenue . . . . .			62		
63 Loans from officers, directors, trustees, and key employees (attach schedule) . . . . .			63		
64 a Tax-exempt bond liabilities (attach schedule) . . . . .			64a		
b Mortgages and other notes payable (attach schedule) . . . . .			64b		
65 Other liabilities (describe ▶ _____ )			65		
66 <b>Total liabilities</b> (add lines 60 through 65) . . . . .		4,837,606	66	4,370,846	
<b>NET ASSETS OR FUND BALANCES</b>					
Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.					
67 Unrestricted . . . . .		11,636,913	67	10,674,552	
68 Temporarily restricted . . . . .			68		
69 Permanently restricted . . . . .			69		
Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74.					
70 Capital stock, trust principal, or current funds . . . . .			70		
71 Paid-in or capital surplus, or land, building, and equipment fund . . . . .			71		
72 Retained earnings, endowment, accumulated income, or other funds . . . . .			72		
73 <b>Total net assets or fund balances</b> (add lines 67 through 69 OR lines 70 through 72; column (A) must equal line 19 and column (B) must equal line 21) . . . . .		11,636,913	73	10,674,552	
74 <b>Total liabilities and net assets/fund balances</b> (add lines 66 and 73) . . . . .		16,474,519	74	15,045,398	

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

**Part IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return** (See Specific Instructions, page 25.)

a	Total revenue, gains, and other support per audited financial statements	a	9,038,772
b	Amounts included on line a but not on line 12, Form 990:		
(1)	Net unrealized gains on investments \$ 6,490		
(2)	Donated services and use of facilities \$		
(3)	Recoveries of prior year grants \$		
(4)	Other (specify):		
	Add amounts on lines (1) through (4)	b	6,490
c	Line a minus line b	c	9,032,282
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	
e	Total revenue per line 12, Form 990 (line c plus line d)	e	9,032,282

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

a	Total expenses and losses per audited financial statements	a	10,001,133
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	
c	Line a minus line b	c	10,001,133
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	
e	Total expenses per line 17, Form 990 (line c plus line d)	e	10,001,133

**Part V List of Officers, Directors, Trustees, and Key Employees** (List each one even if not compensated; see Specific Instructions on page 25.)

(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
Kevin Martin-KERA/KDTN 3000 Harry Hines Blvd. Dallas, TX 75201	Chairman 2	0	0	0
Cynthia Gehrig-The Jerome Foun 125 Park Square Saint Paul, MN 55101	Vice Pres. 2	0	0	0
Juanita Anderson-Legacy Prod. 20 Thwing St. House Roxbury, MA 02119	Secretary 2	0	0	0
Kristine Samuelson-Stanford Un Dept. Communi. -Bldg. 120, Rm. 110 Stanford, CA 94305-2050	Treasurer 2	0	0	0
Mary Pruess-VP, PTS&WHRO-TV 5200 Hampton Blvd. Norfolk, VA 23508-1598	At-Large Elec 2	0	0	0
Judy Tam, Assoc. Dir. 51 Federal St., #100 San Francisco, CA 94107	Associate Dir 45	99,560	6,708	0
Lillian Jimenez-LatinoEduca.Me 31 E. 32nd St., 4th Floor New York, NY 10016	At-Large Elec 2	0	0	0
David Haugland-David H. Produc. 1230 Horn Ave. #630 West Holltwood, CA 90069	Director 2	0	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 Specific Instructions on page 26.

Part VI Other Information (See Specific Instructions on page 26.)		N/A	Yes	No
76	Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity			X
77	Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes.			X
78a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?			X
b	If "Yes," has it filed a tax return on Form 990-T for this year?		N/A	
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement.			X
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?			X
b	If "Yes," enter the name of the organization <u>N/A</u> and check whether it is <input type="checkbox"/> exempt OR <input type="checkbox"/> nonexempt.			
81a	Enter the amount of political expenditures, direct or indirect, as described in the instructions for line 81	81a		0
b	Did the organization file Form 1120-POL for this year?	81b		X
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		N/A
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		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? If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.	85b		N/A
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		N/A
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		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 30.7701-3? If "Yes," complete Part IX.	88		X
89a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 <u>0</u> ; section 4912 <u>0</u> ; section 4955 <u>0</u>			
b	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 in 89c, above, reimbursed by the organization			0
90a	List the states with which a copy of this return is filed <u>California</u>			
b	Number of employees employed in the pay period that includes March 12, 2000 (See instructions.)	90b		37
91	The books are in care of <u>Independent Television Service</u> Telephone no. <u>(415) 356-8383</u> Located at <u>501 York St., S.F., CA</u> ZIP code <u>94110</u>			
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 - Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the tax year <u>N/A</u>	92		N/A

**Part VII Analysis of Income-Producing Activities** (See Specific Instructions on page 30.)

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 Ancillary Income					64,039
b					
c					
d					
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings & temporary cash investments			14	147,187	
96 Dividends and interest from securities			14	89,839	
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/loss from sales of assets other than inventory					-53,710
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue: a					
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))				237,026	10,329
105 Total (add line 104, columns (B), (D), and (E))					247,355

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 Specific Instructions on page 31.)

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 Statement 5

**Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities** (See Specific Instructions on page 31.)

(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 Specific Instructions on page 31.)

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

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

**Please Sign Here**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge. (Important: See General Instruction W, on page 14.)

Signature of officer: Judy Tam Date: 17-11-02 Type or print name and title: Judy Tam Associate Director

**Paid Preparer's Use Only**

Preparer's signature: Charlene R. Smith Date: 5/30/02 Check if self-employed:  Preparer's SSN or PTIN: P00237963

Firm's name (or yours if self-employed) and address, and ZIP code: Grant & Smith, LLP 505 Fourteenth St., Suite 950 Oakland, CA 94612 EIN: 94-3169649 Phone no.: (510) 832-0257

**SCHEDULE A**  
(Form 990 or 990-EZ)

**Organization Exempt Under Section 501(c)(3)**

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

OMB No. 1545-0047

**2000**

**Supplementary Information - (See separate instructions.)**

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

Department of the Treasury  
Internal Revenue Service

Name of the organization

INDEPENDENT TELEVISION SERVICES, INC.

Employer identification number

52-1654276

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

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
Claire Aguilar 51 Federal St., #401, SF, CA	Director 45	71,092	3,688	0
Joan Conger 51 Federal St., #401, SF, CA	Director 45	50,134	2,752	0
Cathy Fisher 51 Federal St., #401, SF, CA	Director 45	57,298	6,018	0
Richard Saiz 51 Federal St., #401, SF, CA	Director 45	53,297	3,391	0
Patrick Wickham 51 Federal St., #401, SF, CA	Director 45	65,277	3,369	0
Total number of other employees paid over \$50,000 ▶		0		

**Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services**  
(See page 1 of the instructions. List each one (whether individuals or firms.) If there are none, enter "None.")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
Alchemy Films c/o Taggart Siegel 3625 20th St. S.F., CA 94110	Consultant	127,000
James Yee 3607 Grand Ave., Piedmont, CA 946410	Consultant	212,126
Willow Ink 647 Broadway NY, NY 10025	Consultant	98,858
Kartemquin Educational Films 1901 W. Wellington St., Chicago, IL 60657	Consultant	193,575
Natasha Uppal 1210 Venice Blvd., #503 Venice, CA 90291	Consultant	103,588
Total number of others receiving over \$50,000 for professional services ▶	7	

**Part III** Statements About Activities

	Yes	No
<b>1</b> 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> Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes," must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.		X
<b>2</b> 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:		
<b>a</b> Sale, exchange, or leasing of property? . . . . .	2a	X
<b>b</b> Lending of money or other extension of credit? . . . . .	2b	X
<b>c</b> Furnishing of goods, services, or facilities? . . . . .	2c	X
<b>d</b> Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? . . . . .	2d	X
<b>e</b> 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
<b>3</b> Does the organization make grants for scholarships, fellowships, student loans, etc.? . . . . .	3	X
<b>4a</b> Do you have a section 403(b) annuity plan for your employees? . . . . .	4a	X
<b>b</b> 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 page 2 of the instructions.)		

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

- The organization is not a private foundation because it is: (Please check only **ONE** applicable box.)
- 5  A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
  - 6  A school. Section 170(b)(1)(A)(ii). (Also complete Part V, page 5.)
  - 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 page 5 of the instructions.)

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

- 14  An organization organized and operated to test for public safety. Section 509(a)(4). (See page 5 of the instructions.)

**Part IV-A Support Schedule** (Complete only if you checked a box on line 10, 11, or 12.) Use cash method of accounting.  
 Note: You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.

Calendar year (or fiscal year beginning in) . . . . . ▶	(a) 1999	(b) 1998	(c) 1997	(d) 1996	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.) . . . . .	7,699,386	7,683,980	7,328,980	7,714,042	30,426,388
16 Membership fees received . . . . .					
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 . . . . .	53,141	70,300			123,441
18 Gross income from interest, dividends, amounts received from payments on securities (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 . . . . .	230,372	121,812	154,956	309,776	816,916
19 Net income from unrelated business activities not included in line 18 . . . . .					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf . . . . .					
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge . . . . .					
22 Other income. Attach a sch. Do not include gain or (loss) from sale of capital assets. See . . . . .		975	123,972	36,811	161,758
23 Total of lines 15 through 22 . . . . .	7,982,899	7,877,067	7,607,908	8,060,629	31,528,503
24 Line 23 minus line 17 . . . . .	7,929,758	7,806,767	7,607,908	8,060,629	31,405,062
25 Enter 1% of line 23 . . . . .	79,829	78,771	76,079	80,606	

26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24 . . . . . ▶	26a	628,101
b Attach a list (which is not open to public inspection) showing the name of and amount contributed by each person (other than a government unit or publicly supported organization) whose total gifts for 1996 through 1999 exceeded the amount shown in line 26a. Enter the sum of all these excess amounts. . . . . ▶	26b	
c Total support for section 509(a)(1) test: Enter line 24, column (e) . . . . . ▶	26c	31,405,062
d Add: Amounts from column (e) for lines: 18 <u>816,916</u> 19 _____ 22 <u>161,758</u> 26b _____ . . . . . ▶	26d	978,674
e Public support (line 26c minus line 26d total) . . . . . ▶	26e	30,426,388
f Public support percentage (line 26e (numerator) divided by line 26c (denominator)) . . . . . ▶	26f	96.88%

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 (which is not open to public inspection) 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: N/A

(1999) \_\_\_\_\_ (1998) \_\_\_\_\_ (1997) \_\_\_\_\_ (1996) \_\_\_\_\_

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 all these differences (the excess amounts) for each year:

(1999) \_\_\_\_\_ (1998) \_\_\_\_\_ (1997) \_\_\_\_\_ (1996) \_\_\_\_\_

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 (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 1996 through 1999, 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 page 5 of the instructions.)

Part V Private School Questionnaire (See page 5 of the instructions.) (To be completed ONLY by schools that checked the box on line 6 in Part IV)

N/A

Table with columns for question numbers (29-35), Yes, No, and N/A. Contains questions about racial nondiscrimination policies, financial aid, and organizational requirements.

**Part VI-A Lobbying Expenditures by Electing Public Charities** (See page 7 of the instructions.)  
 (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 -				
<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 . . . . .		41		
Over \$1,500,000 but not over \$17,000,000 . . . . . \$225,000 plus 5% of the excess over \$1,500,000 . . . . .				
Over \$17,000,000 . . . . . \$1,000,000 . . . . .				
42 Grassroots nontaxable amount (enter 25% of line 41) . . . . .	42			
43 Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36 . . . . .	43			
44 Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38 . . . . .	44			

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

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

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below.  
 See the instructions for lines 45 through 50 on page 9 of the instructions.)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2000	(b) 1999	(c) 1998	(d) 1997	(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 page 9 of the instructions.)

N/A

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

	Yes	No	Amount
a Volunteers . . . . .			
b Paid staff or management (include compensation in expenses reported on lines c through h.) . . . . .			
c Media advertisements . . . . .			
d Mailings to members, legislators, or the public . . . . .			
e Publications, or published or broadcast statements . . . . .			
f Grants to other organizations for lobbying purposes . . . . .			
g Direct contact with legislators, their staffs, government officials, or a legislative body . . . . .			
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means . . . . .			
i Total lobbying expenditures (add lines c through h) . . . . .			

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities.



Schedule of Contributors

2000

Department of the Treasury  
Internal Revenue Service

Supplementary information for line 1d of Form 990 or  
line 1 of Form 990-EZ (see instructions)

Name of organization

Employer identification number

INDEPENDENT TELEVISION SERVICES, INC.

52-1654276

Organization type (check one) - Section:

- 501(c)( 3 ) ◀ (enter number);  527 or
- 4947(a)(1) nonexempt charitable trust

A Section 501(c)(7), (8), or (10) organizations - Check this box if the organization had no charitable contributors who contributed more than \$1,000 during the year. (But see General rule below.) ..... ▶

Enter here the total gifts received during the year for a religious, charitable, etc., purpose. ▶ \$

**Note:** This form is generally not open to public inspection except for section 527 organizations.

KFA For Paperwork Reduction Act Notice, see page 1 of the Instructions for Form 990 and Form 990-EZ. Schedule B (Form 990 or 990-EZ) (2000)

Name of organization <b>INDEPENDENT TELEVISION SERVICES, INC.</b>	Employer identification number <b>52-1654276</b>
--	---

**Part I** Contributors

(a) No.	(b) Name, address and zip code	(c) Aggregate contributions	(d) Type of contribution
1	THE PHILADELPHIA FOUNDATION <hr/> 1234 MARKET ST., STE. 1800 <hr/> PHILADELPHIA, PA 19107-3794	\$ 12,000	Individual <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if a noncash contribution.)
2	Corp. for Public Broadcasting <hr/> 401 Ninth St., NW <hr/> Washington, DC 20004-2129	\$ 8,770,000	Individual <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if a noncash contribution.)
—	<hr/> <hr/> <hr/>	\$ _____	Individual <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if a noncash contribution.)
—	<hr/> <hr/> <hr/>	\$ _____	Individual <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if a noncash contribution.)
—	<hr/> <hr/> <hr/>	\$ _____	Individual <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if a noncash contribution.)
—	<hr/> <hr/> <hr/>	\$ _____	Individual <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if a noncash contribution.)

Name of organization

Employer identification number

INDEPENDENT TELEVISION SERVICES, INC.

52-1654276

**Part II** Noncash Property

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

Name of organization

INDEPENDENT TELEVISION SERVICES, INC.

52-1654276

**Part III** Section 501(c)(7), (8), or (10) organizations that received more than \$1,000 in charitable gifts during the year--

Enter the total gifts that were from contributors who gave \$1,000 or less during the year for a religious, charitable, etc., purpose (see instructions) . . . . . ▶ \$

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
—	_____ _____ _____	_____ _____ _____	_____ _____ _____

(e) Transfer of gift	
Transferee's name, address, and zip code	Relationship of transferor to transferee
_____ _____ _____	_____ _____ _____

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
—	_____ _____ _____	_____ _____ _____	_____ _____ _____

(e) Transfer of gift	
Transferee's name, address, and zip code	Relationship of transferor to transferee
_____ _____ _____	_____ _____ _____

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
—	_____ _____ _____	_____ _____ _____	_____ _____ _____

(e) Transfer of gift	
Transferee's name, address, and zip code	Relationship of transferor to transferee
_____ _____ _____	_____ _____ _____

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
—	_____ _____ _____	_____ _____ _____	_____ _____ _____

(e) Transfer of gift	
Transferee's name, address, and zip code	Relationship of transferor to transferee
_____ _____ _____	_____ _____ _____

If you are filing for an Additional (not automatic) 3-Month Extension, complete only Part II and check this box.

Note: Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.

If you are filing for an Automatic 3-Month Extension, complete only Part I (on page 1).

Part II Additional (not automatic) 3-Month Extension of Time - Must File Original and One Copy.

Name of Exempt Organization: INDEPENDENT TELEVISION SERVICES, INC.
Employer Identification Number: 52-1654276
Address: 51 FEDERAL STREET #401, SAN FRANCISCO, CA 94107

Check type of return to be filed (file a separate application for each return):

Form 990-EZ (checked), Form 990-T, Form 990-BL, Form 990-PF, Form 990-T (trust other than above), Form 1041-A, Form 5227, Form 8870, Form 4720, Form 6069

Stop: Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

If the organization does not have an office or place of business in the United States, check this box.
If this is for a group return, enter the organizations four digit Group Exemption Number (GEN).

I request an additional 3-month extension of time until 8/15, 2002.
For calendar year 10/01, 2000 and ending 9/30, 2001.
If this tax year is for less than 12 months, check reason: Initial return, Final return, Change in accounting period.
State in detail why you need the extension: WAITING ON ADDITIONAL INFORMATION FROM THIRD PARTIES.

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits.
8b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made.
8c Balance due. Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS.

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature: Charles Smith, Title: CPA, Date: 5/8/02

Notice to Applicant - To be Completed by the IRS

We have approved this application. Please attach this form to the organization's return.
We have not approved this application. However, we have granted a 10-day grace period from the later of the date shown below or the due date of the organization's return.
We have not approved this application. After considering the reasons stated in item 7, we cannot grant your request for an extension of time to file. We are not granting a 10-day grace period.
We cannot consider this application because it was filed after the due date of the return for which an extension was requested.
Other:

Director: By: Date:

Alternate Mailing Address - Enter the address if you want the copy of this application for an additional 3-month extension returned to an address different than the one entered above.

Name: GRANT & SMITH, LLP
Address: 505 FOURTEENTH ST., SUITE 950, OAKLAND, CA 94612

## INDEPENDENT TELEVISION SERVICES, INC.

52-1654276

Statement 1  
Form 990, Part I, Line 8  
Net Gain (Loss) from Noninventory Sales

## Publicly Traded Securities:

Gross sales price:	261,172	
Cost or other basis:	314,882	
Gain (Loss)		\$ -53,710
Total Gain (Loss)		<u>\$ -53,710</u>

Statement 2  
Form 990, Part I, Line 20  
Other Changes in Net Assets or Fund Balances

Unrealized Gain on Investments .....	\$ 6,490
Total	<u>\$ 6,490</u>

Statement 3  
Form 990, Part II, Line 43  
Other Expenses

Other Expenses	(A) Total	(B) Program Services	(C) Management & General	(D) Fundraising
Ads, Promotion & Sampler Reel	\$ 10,841	9,167	1,674	
Awards & Entry Fees	17,021	14,218	2,803	
Bank Charges	13,060		13,060	
Board Expenses	104,675		104,675	
Clipping & on-Line Services	9,908	9,163	745	
Dubbing Services	43,607	43,213	394	
Insurance	15,232		15,232	
Memberships & Entry Fees	10,274	8,689	1,585	
Mentorship	90,312	90,312		
Outreach	103,411	95,975	7,436	
Panelists	138,269	138,269		
Producer Licensing Fees	6,140,574	6,140,574		
Producer Orientation	62,568	62,568		
Production Handbook	14,201	14,201		
Professional Services	680,685	347,980	332,705	
Program Dev. Licensing Fees	127,500	127,500		
Satellite Time	1,210	1,210		
Search & Hiring	82,050	8,388	73,662	
Special Events	91,137		91,137	
Website	130,957	130,957		
Total	<u>\$7,887,492</u>	<u>7,242,384</u>	<u>645,108</u>	<u>0</u>

## INDEPENDENT TELEVISION SERVICES, INC.

52-1654276

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

Asset	Basis	Accum. Deprec.	Book Value
Furniture and fixtures	\$ 1,500	150	1,350
Machinery and equipment	8,628	863	7,765
Miscellaneous	297,130	246,515	50,615
Total	<u>\$ 307,258</u>	<u>247,528</u>	<u>59,730</u>

Statement 5  
Form 990, Part VIII  
Relationship of Activities to the Accomplishment of Exempt Purposes

Line #	Explanation of Activities
93a	ITVS Handbook Admin. Income is a nominal fee charged to potential producers of programs requesting funding for broadcasts. The book provides procedures and the standards that should be met in accord with Corporation for Public Broadcasting (CPB).
93b	Ancillary Income is derived from the sale of programming rights in accordance with funding/donors requirements, thus enabling an extensive audience to view these specialized programs.

Statement 6  
Schedule A, Part IV-A, Line 22  
Other Income

Description	(a) 1999	(b) 1998	(c) 1997	(d) 1996	(e) Total
Misc. Income	\$ 0	\$ 975	\$ 123,972	\$ 36,811	\$ 161,758
Total	<u>\$ 0</u>	<u>\$ 975</u>	<u>\$ 123,972</u>	<u>\$ 36,811</u>	<u>\$ 161,758</u>

**INDEPENDENT TELEVISION SERVICES, INC.**  
E.I.N. 52-1654276

**Realized Gains(Losses) from Investments**  
Oct. 1, 2000 thru Sept. 30, 2001

<u>Shares</u>	<u>Stock</u>	<u>Sales Date</u>	<u>Sales Price</u>	<u>Purchase Date</u>	<u>Purchase Price</u>	<u>Gain/Loss</u>
100	Teradyne Inc.	1/10/01	3,811.62	9/29/00	3,846.75	(35.13)
700	AT&T Liberty Media Group	6/7/01	11,423.61	1/10/01	10,199.00	1,224.61
250	Corning Inc.	6/7/01	4,854.83	10/6/00	17,351.88	(12,497.05)
350	Disney Walt Hldg. Co.	6/7/01	11,224.12	10/6/00	12,693.25	(1,469.13)
200	Merrill Lynch & Co.	6/7/01	13,045.56	9/29/00	13,810.00	(764.44)
250	Paccar Inc.	6/7/01	12,504.58	9/26/00	11,364.38	1,140.20
300	Teradyne Inc.	6/7/01	13,835.53	10/6/00	7,871.00	5,964.53
500	Tiffany & Co.	6/7/01	18,224.39	1/17/01	15,035.00	3,189.39
7	McData Corp.	8/22/01	94.07	2/7/01	0.00	94.07
200	Alltel Corp.	8/23/01	11,227.62	1/10/01	13,164.00	(1,936.38)
250	Applied Materials Inc.	8/23/01	10,899.63	10/6/00	11,905.00	(1,005.37)
500	Centurytel Inc.	8/23/01	17,364.42	1/10/01	17,183.50	180.92
200	Centegy Inc.	8/23/01	6,435.78	1/10/01	0.00	6,435.78
200	Chubb Corp.	8/23/01	13,675.54	10/6/00	15,139.00	(1,463.46)
300	Cintas Corp.	8/23/01	14,531.51	1/10/01	14,458.50	73.01
700	Compaq Computer Corp.	8/23/01	9,365.68	10/6/00	14,643.00	(5,277.32)
200	E M C Corp.	8/23/01	3,065.89	1/10/01	13,064.00	(9,998.11)
200	Emerson Electric Co.	8/23/01	10,989.63	1/10/01	15,226.50	(4,236.87)
300	Heinz H I Co.	8/23/01	13,628.54	10/6/00	12,354.00	1,274.54
445	Johnson & Johnson	8/23/01	24,020.29	10/6/00	19,196.38	4,823.91
100	Lilly Eli & Co.	8/23/01	8,128.72	10/6/00	8,369.50	(240.78)
200	Siebel Systems Inc.	8/23/01	4,803.83	8/23/01	13,101.50	(8,297.67)
350	Sun Microsystems	8/23/01	4,773.84	1/10/01	9,868.25	(5,094.41)
500	Tellabs Inc.	8/23/01	6,744.77	11/0/01	22,691.25	(15,946.48)
150	Veritas Corp.	8/23/01	4,769.84	1/10/01	12,769.88	(8,000.04)
200	Xilinx Inc.	8/23/01	7,727.74	1/10/01	9,576.50	(1,848.76)

TOTALS \$261,171.58 \$314,882.02 (\$53,710.44)