

Return of Organization Exempt from Income Tax

2002

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

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

A For the 2002 calendar year, or tax year beginning **10/01**, 2002, and ending **9/30**, 2003

B Check if applicable:

<input type="checkbox"/> Address change	Please use IRS label or print or type. See specific instructions.	INDEPENDENT TELEVISION SERVICES, INC. 501 York Street San Francisco, CA 94110	D Employer Identification Number 52-1654276
<input type="checkbox"/> Name change			E Telephone number (415) 356-8383
<input type="checkbox"/> Initial return			F Accounting method: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual
<input type="checkbox"/> Final return			<input type="checkbox"/> Other (specify) ▶
<input type="checkbox"/> Amended return			
<input type="checkbox"/> Application pending			

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

H and **I** are not applicable to section 527 organizations.

H (a) Is this a group return for affiliates? . . . Yes No

H (b) If 'Yes,' enter number of affiliates. ▶

H (c) Are all affiliates included? Yes No
(If 'No,' attach a list. See instructions.)

H (d) Is this a separate return filed by an organization covered by a group ruling? Yes No

I Enter 4-digit GEN ▶

M Check if the organization is not required to attach Schedule B (Form 990, 990-EZ, or 990-PF).

G Web site: ▶ N/A

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

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

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 ▶ **11,887,956.**

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

REVENUE	1 Contributions, gifts, grants, and similar amounts received:			
	a Direct public support	1a	11,573,359.	
	b Indirect public support	1b		
	c Government contributions (grants)	1c	100,000.	
	d Total (add lines 1a through 1c) (cash \$ 11,673,359. noncash \$)	1d		11,673,359.
	2 Program service revenue including government fees and contracts (from Part VII, line 93)	2		58,904.
	3 Membership dues and assessments	3		
	4 Interest on savings and temporary cash investments	4		77,888.
	5 Dividends and interest from securities	5		19,762.
	6a Gross rents	6a		
	b Less: rental expenses	6b		
	c Net rental income or (loss) (subtract line 6b from line 6a)	6c		
7 Other investment income (describe)	7		-3,229.	
8a Gross amount from sales of assets other than inventory	(A) Securities		(B) Other	
	61,272.	8a		
	72,764.	8b		
	-11,492.	8c		
d Net gain or (loss) (combine line 8c, columns (A) and (B))	8d		-11,492.	
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			
10a Gross sales of inventory, less returns and allowances	(A) Securities		(B) Other	
	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			
11 Other revenue (from Part VII, line 103)	11			
12 Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12		11,815,192.	
EXPENSES	13 Program services (from line 44, column (B))	13		9,499,583.
	14 Management and general (from line 44, column (C))	14		951,716.
	15 Fundraising (from line 44, column (D))	15		87,738.
	16 Payments to affiliates (attach schedule)	16		
	17 Total expenses (add lines 16 and 44, column (A))	17		10,539,037.
ASSETS	18 Excess or (deficit) for the year (subtract line 17 from line 12)	18		1,276,155.
	19 Net assets or fund balances at beginning of year (from line 73, column (A))	19		11,124,655.
	20 Other changes in net assets or fund balances (attach explanation) See Statement 2	20		59,281.
	21 Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21		12,460,091.

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.

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 (att sch) (cash \$ _____ non-cash \$ _____)				
23	Specific assistance to individuals (att sch)				
24	Benefits paid to or for members (att sch)				
25	Compensation of officers, directors, etc	252,539.	252,539.		
26	Other salaries and wages	1,523,330.	1,047,765.	404,230.	71,335.
27	Pension plan contributions	60,942.	60,942.		
28	Other employee benefits	152,280.	112,855.	33,511.	5,914.
29	Payroll taxes	136,990.	101,523.	30,146.	5,321.
30	Professional fundraising fees				
31	Accounting fees	10,543.		10,543.	
32	Legal fees	23,091.	19,577.	3,514.	
33	Supplies	31,386.	21,205.	8,654.	1,527.
34	Telephone	46,703.	32,920.	11,716.	2,067.
35	Postage and shipping	87,477.	78,929.	7,433.	1,115.
36	Occupancy	344,267.	99,107.	245,160.	
37	Equipment rental and maintenance	27,725.	17,384.	10,341.	
38	Printing and publications	471,578.	468,520.	2,599.	459.
39	Travel	105,290.	80,981.	24,309.	
40	Conferences, conventions, and meetings	19,211.	13,818.	5,393.	
41	Interest				
42	Depreciation, depletion, etc (attach schedule)	43,163.	28,906.	14,257.	
43	Other expenses not covered above (itemize):				
a	See Statement 3	7,202,522.	7,062,612.	139,910.	
b				
c				
d				
e				
44	Total functional expenses (add lines 22 - 43). Organizations completing columns (B) - (D), carry these totals to lines 13 - 15	10,539,037.	9,499,583.	951,716.	87,738.

Joint Costs. Check if you are following SOP 98-2.

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? Yes No
 If 'Yes,' enter (i) the aggregate amount of these joint costs \$ _____; (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

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) & (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants & allocations to others.)

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

a	<u>Continues to operate in the public interest, to enhance the diversity & innovativeness of TV programming available - addressing the needs of unserved/under-served audiences.</u> (Grants and allocations \$ _____)	9,499,583.
b (Grants and allocations \$ _____)	
c (Grants and allocations \$ _____)	
d (Grants and allocations \$ _____)	
e	Other program services	
f	Total of Program Service Expenses (should equal line 44, column (B), program services)	9,499,583.

Part IV Balance Sheets (See Instructions)

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.

		(A) Beginning of year		(B) End of year
ASSETS	45 Cash — non-interest-bearing	300.	45	300.
	46 Savings and temporary cash investments	2,288,811.	46	2,727,369.
	47 a Accounts receivable	47 a 7,214.		
	b Less: allowance for doubtful accounts	47 b	6,203.	47 c 7,214.
	48 a Pledges receivable	48 a		48 c
	b Less: allowance for doubtful accounts	48 b		
	49 Grants receivable	10,742,642.	49	11,581,261.
	50 Receivables from officers, directors, trustees, and key employees (attach schedule)		50	
	51 a Other notes & loans receivable (attach sch)	51 a 100,000.		
	b Less: allowance for doubtful accounts	51 b	100,811.	51 c 100,000.
	52 Inventories for sale or use		52	
	53 Prepaid expenses and deferred charges	42,672.	53	38,567.
	54 Investments — securities (attach schedule). See St. 4. <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV	1,448,437.	54	1,887,542.
	55 a Investments — land, buildings, & equipment: basis.	55 a		
	b Less: accumulated depreciation (attach schedule)	55 b		55 c
	56 Investments — other (attach schedule)		56	
	57 a Land, buildings, and equipment: basis	57 a 365,771.		
	b Less: accumulated depreciation (attach schedule)	57 b 316,016.	62,522.	57 c 49,755.
	58 Other assets (describe <input type="checkbox"/> See Statement 6		58	1,387.
59 Total assets (add lines 45 through 58) (must equal line 74)	14,692,398.	59	16,393,395.	
LIABILITIES	60 Accounts payable and accrued expenses	235,998.	60	268,522.
	61 Grants payable	3,331,744.	61	3,664,781.
	62 Deferred revenue		62	
	63 Loans from officers, directors, trustees, and key employees (attach schedule)		63	
	64 a Tax-exempt bond liabilities (attach schedule)		64 a	
	b Mortgages and other notes payable (attach schedule)		64 b	
	65 Other liabilities (describe <input type="checkbox"/> See Statement 7		1.	65 1.
66 Total liabilities (add lines 60 through 65)	3,567,743.	66	3,933,304.	
NET ASSETS OR FUND BALANCES	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.			
	67 Unrestricted	11,124,655.	67	12,460,091.
	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 Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72; column (A) must equal line 19; column (B) must equal line 21)	11,124,655.	73	12,460,091.	
74 Total liabilities and net assets/fund balances (add lines 66 and 73)	14,692,398.	74	16,393,395.	

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

BAA

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

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

a	Total revenue, gains, and other support per audited financial statements	a	11,874,473.
b	Amounts included on line a but not on line 12, Form 990:		
(1)	Net unrealized gains on investments \$ 59,281.		
(2)	Donated services and use of facilities \$		
(3)	Recoveries of prior year grants \$		
(4)	Other (specify):		
	----- \$		
	Add amounts on lines (1) through (4)	b	59,281.
c	Line a minus line b	c	11,815,192.
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	11,815,192.

a	Total expenses and losses per audited financial statements	a	10,539,037.
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	10,539,037.
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	10,539,037.

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

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans and deferred compensation	(E) Expense account and other allowances
See Statement 8		252,539.	12,419.	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.

Part VI Other Information (See instructions.)

		Yes	No
76	Did the organization engage in any activity not previously reported to the IRS? If 'Yes,' attach a detailed description of each activity		X
77	Were any changes made in the organizing or governing documents but not reported to the IRS? If 'Yes,' attach a conformed copy of the changes.		X
78a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?		X
78b	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
80b	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 direct or indirect political expenditures. See line 81 instructions.	81a	0.
81b	Did the organization file Form 1120-POL for this year?		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?		X
82b	If 'Yes,' you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.)	82b	N/A
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
83b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	X	
84a	Did the organization solicit any contributions or gifts that were not tax deductible?		X
84b	If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		N/A
85a	501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members?		N/A
85b	b Did the organization make only in-house lobbying expenditures of \$2,000 or less? If 'Yes' was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.		N/A
85c	c Dues, assessments, and similar amounts from members.	85c	N/A
85d	d Section 162(e) lobbying and political expenditures.	85d	N/A
85e	e Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices.	85e	N/A
85f	f Taxable amount of lobbying and political expenditures (line 85d less 85e).	85f	N/A
85g	g Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	85g	N/A
85h	h If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85h	N/A
86a	501(c)(7) organizations. Enter: a Initiation fees and capital contributions included on line 12.	86a	N/A
86b	b Gross receipts, included on line 12, for public use of club facilities.	86b	N/A
87a	501(c)(12) organizations. Enter: a Gross income from members or shareholders.	87a	N/A
87b	b Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)	87b	N/A
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? 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>		
89b	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 on line 89c, above, reimbursed by the organization.		0.
90a	List the states with which a copy of this return is filed <u>California</u>		
90b	b Number of employees employed in the pay period that includes March 12, 2002 (See instructions.)	90b	34
91	The books are in care of <u>Independent Television Servic</u> Telephone number <u>(415) 356-8383</u> Located at <u>501 York St., S.F., CA</u> ZIP + 4 <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.	92	N/A

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

Note: Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue:					
a Ancillary Income					58,904.
b					
c					
d					
e					
f Medicare/Medicaid payments					
g Fees & contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings & temporary cash invmnts.			14	77,888.	
96 Dividends & interest from securities			14	19,762.	
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from pers prop					
99 Other investment income			18	-3,229.	
100 Gain or (loss) from sales of assets other than inventory			18	-11,492.	
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))				82,929.	58,904.
105 Total (add line 104, columns (B), (D), and (E))					141,833.

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

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

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
93a	Ancillary Income derived from the sale of programming rights in accordance with funding/donors requirements, enables an extensive audience to view specialized programs.

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See instructions.)

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

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See instructions.)

- a Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No
 - b Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No
- Note: If 'Yes' to (b), file Form 8870 and Form 4720 (see instructions).

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.

Signature of officer: Judy Tam Date: 6/16/04

Type or print name and title: Judy Tam, CFO, COO

Paid Preparer's Use Only

Preparer's signature: Charlene R. Smith Date: 6/16/04

Firm's name (or yours if self-employed) address, and ZIP + 4: Grant & Smith, LLP 6101 Grant St., Suite 950 Oakland, CA 94612

Check if self-employed: Preparer's SSN or PTIN (see General Instruction W): P00237963

EIN: 94-3169649 Phone no.: (510) 832-0257

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: 61,272.
 Cost or Other Basis: 72,764.

Total Gain (Loss) Publicly Traded Securities \$ -11,492.

Total Net Gain (Loss) From Noninventory Sales \$ -11,492.

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

Unrealized Gain on Investments..... \$ 59,281.
 Total \$ 59,281.

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

	(A) Total	(B) Program Services	(C) Management & General	(D) Fundraising
Ads, Promotion & Sampler Reel	178,682.	178,682.		
Awards & Entry Fees	20,852.	19,242.	1,610.	
Board Expenses	52,350.	2,064.	50,286.	
Clipping & on-Line Services	25,202.	22,316.	2,886.	
Dubbing Services	51,421.	49,707.	1,714.	
Institutional Reel	91.	91.		
Insurance	32,721.	12,362.	20,359.	
Memberships & Entry Fees	10,537.	8,497.	2,040.	
Miscellaneous	1,210.	855.	355.	
Music	24,010.	24,010.		
Outreach	146,714.	146,714.		
Panelists	98,701.	98,701.		
Producer Licensing Fees	5,146,774.	5,146,774.		
Producer Orientation	33,736.	33,736.		
Production Handbook	5,160.	5,160.		
Professional Services	270,485.	210,855.	59,630.	
Program Dev. Licensing Fees	280,050.	280,050.		
Satellite Time	16,870.	16,870.		
Search & Hiring	6,048.	5,018.	1,030.	
Series Packaging & Taping	684,421.	684,421.		
Website	110,931.	110,931.		
Writers/Editors	5,556.	5,556.		
Total	\$ <u>7202522.</u>	\$ <u>7062612.</u>	\$ <u>139,910.</u>	\$ <u>0.</u>

INDEPENDENT TELEVISION SERVICES, INC.

52-1654276

Statement 4
Form 990, Part IV, Line 54
Investments - Securities

<u>Corporate Stocks</u>	<u>Valuation Method</u>	<u>Amount</u>
Marketable Equity Securities	Market Value	\$ 424,567.
	Total	\$ 424,567.
<u>Corporate Bonds</u>	<u>Valuation Method</u>	<u>Amount</u>
Corporate Bonds & Notes	Market Value	769,600.
	Total	\$ 769,600.
<u>U.S. Government Obligations</u>	<u>Valuation Method</u>	<u>Amount</u>
US Treasuries	Market Value	693,375.
	Total	\$ 693,375.
Total Investments - Securities		<u>\$ 1,887,542.</u>

Statement 5
Form 990, Part IV, Line 57
Land, Buildings, and Equipment

<u>Category</u>	<u>Basis</u>	<u>Accum. Deprec.</u>	<u>Book Value</u>
Miscellaneous	\$ 365,771.	\$ 316,016.	\$ 49,755.
Total	<u>\$ 365,771.</u>	<u>\$ 316,016.</u>	<u>\$ 49,755.</u>

Statement 6
Form 990, Part IV, Line 58
Other Assets

Other Receivable	\$ 1,387.
Total	<u>\$ 1,387.</u>

INDEPENDENT TELEVISION SERVICES, INC.

52-1654276

Statement 7
Form 990, Part IV, Line 65
Other Liabilities

Rounding..... Total \$ 1.
 \$ 1.

Statement 8
Form 990, Part V
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
Kevin Martin-KERA/KDTN 3000 Harry Hines Blvd. Dallas, TX 75201	Board Chair 2	\$ 0.	\$ 0.	\$ 0.
Cynthia Gehrig-The Jerome Foun 125 Park Square Saint Paul, MN 55101	Co-Chair 2	0.	0.	0.
Juanita Anderson-Legacy Prod. 20 Thwing St. House Roxbury, MA 02119	Board Member 2	0.	0.	0.
Kristine Samuelson-Stanford Un Dept. Communi.-Bldg. 120, Rm. 110 Stanford, CA 94305-2050	Vice Chair 2	0.	0.	0.
Mary Pruess-VP, PTS&WHRO-TV 5200 Hampton Blvd. Norfolk, VA 23508-1598	Treasurer 2	0.	0.	0.
Judy Tam, CFO, COO 501 York St. San Francisco, CA 94110	Vice President 45	109,231.	5,800.	0.
Lillian Jimenez-Latino Educa. Me 31 E. 32nd St., 4th Floor New York, NY 10016	Co-Chair 2	0.	0.	0.
David Haugland-David H. Produc. 1230 Horn Ave. #630 West Hollitwood, CA 90069	Board Member 2	0.	0.	0.
Lise Yasui 1017 Westview St Philadelphia, PA 19119	Secretary 2	0.	0.	0.
Sally Jo Fifer 501 York St. San Francisco, CA 94110	President 60	143,308.	6,619.	0.
Total		\$ 252,539.	\$ 12,419.	\$ 0.

Client 2037

INDEPENDENT TELEVISION SERVICES, INC.

52-1654276

6/17/04

04:32PM

Statement 9
Schedule A, Part IV-A, Line 22
Other Income

Description	(a) 2001	(b) 2000	(c) 1999	(d) 1998	(e) Total
Misc. Income	\$ 0.	\$ 0.	\$ 0.	\$ 975.	\$ 975.
Total	<u>\$ 0.</u>	<u>\$ 0.</u>	<u>\$ 0.</u>	<u>\$ 975.</u>	<u>\$ 975.</u>

Statement 10
Schedule A, Part VI-B, Line i
Descriptions of the Lobbying Activities

Lobbying activities consist of communications with Representatives of Congress to express the organization's point of view on bills/legislation being presented to Congress that may have an impact on the organization's ability to perform its charitable function of providing public television programming to under-served audiences.

SCHEDULE A
(Form 990 or 990-EZ)

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

OMB No. 1545-0047

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

2002

Supplementary Information — (See separate instructions.)

Department of the Treasury
Internal Revenue Service

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

Name of the organization: **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 instructions. List each one. If there are none, enter 'None.')

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account and other allowances
Claire Aguilar 501 York St., Sf, CA	Dir.of Program. 45	83,299.	3,451.	0.
Lois Vossen 501 York St., SF, CA	Indep.Lens Prod 45	78,335.	4,116.	0.
Mary Ann Thyken 501 York St., SF, CA	Dir.of Produc. 45	80,497.	1,831.	0.
Total number of other employees paid over \$50,000	7			

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

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
Menachem Daum 1819 55th St. Brooklyn, NY 11204	Production Consul.	84,344.
Little Dust Prod./ J. Dellal 104 West 14th St. 4th Fl. NY, NY 10011	Production Consul.	78,600.
Lyn Goldfarb Productions 2621 A Hyperion Drive, Los Angeles, CA 90027	Film Maker	69,500.
Richard Cox Productions P O Box 1495, El Cerrito, CA 94530	Film Maker	65,000.
Imaginary Forces 6526 Sunset Blvd., Hollywood, CA 90028	Graphic Design	59,055.
Total number of others receiving over \$50,000 for professional services	0	

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

Schedule A (Form 990 or 990-EZ) 2002

Part III Statements About Activities (See instructions.)

	Yes	No
1 During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If 'Yes,' enter the total expenses paid or incurred in connection with the lobbying activities ▶ \$ <u>10,000.</u> (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.)	X	
Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking 'Yes,' must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.		
2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is 'Yes,' attach a detailed statement explaining the transactions.)		
a Sale, exchange, or leasing of property?	2a	X
b Lending of money or other extension of credit?	2b	X
c Furnishing of goods, services, or facilities?	2c	X
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?	2d	X
e Transfer of any part of its income or assets?	2e	X
3 Does the organization make grants for scholarships, fellowships, student loans, etc? (See Note below.)	3	X
4 Do you have a section 403(b) annuity plan for your employees?	4	X
Note: Attach a statement to explain how the organization determines that individuals or organizations receiving grants or loans from it in furtherance of its charitable programs 'qualify' to receive payments.		

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

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

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

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

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

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

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

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

Calendar year (or fiscal year beginning in)..... ▶	(a) 2001	(b) 2000	(c) 1999	(d) 1998	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)...	9,839,947.	8,784,927.	7,699,386.	7,683,980.	34,008,240.
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.....	47,918.	64,039.	53,141.	70,300.	235,398.
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.....	42,400.	183,316.	230,372.	121,812.	577,900.
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 schedule. Do not include gain or (loss) from sale of capital assets. See Stmt. 9.				975.	975.
23 Total of lines 15 through 22.....	9,930,265.	9,032,282.	7,982,899.	7,877,067.	34,822,513.
24 Line 23 minus line 17.....	9,882,347.	8,968,243.	7,929,758.	7,806,767.	34,587,115.
25 Enter 1% of line 23.....	99,303.	90,323.	79,829.	78,771.	
26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24..... ▶					26a 691,742.
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
c Total support for section 509(a)(1) test: Enter line 24, column (e)..... ▶					26c 34,587,115.
d Add: Amounts from column (e) for lines: 18 <u>577,900.</u> 19 _____ 22 <u>975.</u> 26b _____					26d 578,875.
e Public support (line 26c minus line 26d total)..... ▶					26e 34,008,240.
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))..... ▶					26f 98.33 %
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 _____ 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 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)

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		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
(The term 'expenditures' means amounts paid or incurred.)			
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	0.
39	Other exempt purpose expenditures	39	
40	Total exempt purpose expenditures (add lines 38 and 39)	40	0.
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
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	0.
44	Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38	44	0.
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				0.
46	Lobbying ceiling amount (150% of line 45(e))				0.
47	Total lobbying expenditures				0.
48	Grassroots non-taxable amount				0.
49	Grassroots ceiling amount (150% of line 48(e))				0.
50	Grassroots lobbying expenditures				0.

Part VI-B Lobbying Activity by Nonelecting Public Charities
(For reporting only by organizations that did not complete Part VI-A) (See instructions.)

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		X	
b Paid staff or management (Include compensation in expenses reported on lines c through h.)	X		
c Media advertisements		X	
d Mailings to members, legislators, or the public	X		10,000.
e Publications, or published or broadcast statements		X	
f Grants to other organizations for lobbying purposes		X	
g Direct contact with legislators, their staffs, government officials, or a legislative body		X	
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means		X	
i Total lobbying expenditures (add lines c through h.)			10,000.

If 'Yes' to any of the above, also attach a statement giving a detailed description of the lobbying activities. See **Statement 10**

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

Department of the Treasury
Internal Revenue Service

Schedule of Contributors
Supplementary information for
line 1 of Form 990, 990-EZ and 990-PF (see instructions)

OMB No. 1545-0047

2002

Name of organization

INDEPENDENT TELEVISION SERVICES, INC.

Employer identification number

52-1654276

Organization type (check one):

Filers of:

Form 990 or 990-EZ

Section:

- 501(c)(3) (enter number) organization
- 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation
- 527 political organization

Form 990-PF

- 501(c)(3) exempt private foundation
- 4947(a)(1) nonexempt charitable trust treated as a private foundation
- 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**. (Note: Only a section 501(c)(7), (8), or (10) organization can check box(es) for both the General Rule and a Special Rule – see instructions.)

General Rule –

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

Special Rules –

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

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

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

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

Name of organization INDEPENDENT TELEVISION SERVICES, INC.	Employer identification number 52-1654276
----------------------------------------------------------------------	-----------------------------------------------------

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

(a) Number	(b) Name, address and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	Corp. for Public Broadcasting ----- 401 Ninth St., NW ----- Washington, DC 20004-2129 -----	\$ 10,776,620.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
-----	----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
-----	----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
-----	----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
-----	----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
-----	----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization INDEPENDENT TELEVISION SERVICES, INC.	Employer identification number 52-1654276
----------------------------------------------------------------------	-----------------------------------------------------

Part II Noncash Property (See Specific Instructions.)

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

	-----	\$-----	-----

	-----	\$-----	-----

	-----	\$-----	-----

	-----	\$-----	-----

	-----	\$-----	-----

	-----	\$-----	-----

Name of organization: **INDEPENDENT TELEVISION SERVICES, INC.** Employer identification number: **52-1654276**

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

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

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	N/A		

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	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 + 4	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 + 4	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 + 4	Relationship of transferor to transferee

YEAR

2002

California Exempt Organization Annual Information Return

FORM

199

For calendar or fiscal year beginning month 10 day 01 year 2002, and ending month 09 day 30 year 2003

IMPORTANT: Your number is required.

California corporation number 2056409	Federal employer identification number 52-1654276
-------------------------------------------------	-------------------------------------------------------------

Attach Preaddressed Label or See Instructions

Corporation/Organization name

INDEPENDENT TELEVISION SERVICES, INC.

Address	APT no.	PMB no.
---------	---------	---------

501 York Street

City	State	ZIP Code
------	-------	----------

San Francisco, CA 94110

A Final return? Yes. Check applicable box. No
 Dissolved Withdrawn Merged/Reorganized (attach explanation)
 If a box is checked, enter date

B Check forms filed this year: State: 109 100 100S 100W Fed: 990
 Fed: 990EZ 990T 990PF 1041 1120H 1120

C If organization is exempt under R&TC Section 23701d and is a school, public charity, religious organization, or is controlled by a religious operation, check box. See General Instruction F. No filing fee is required.

D Is this a group filing? See General Instruction M. Yes No

E Accounting method used . Accrual

F Type of organization Exemption under Section 23701 d (insert letter)
 IRC Section 4947(a)(1) trust

Part I Complete Part I unless not required to file this form. See General Instructions B and C.

Receipts and Revenues (Attach check or money order here.)	1	Gross sales or receipts from other sources. From Side 2, Part II, line 8	●	1	214,597.
	2	Gross dues and assessments from members and affiliates.	●	2	
	3	Gross contributions, gifts, grants, and similar amounts received. See instructions. See Sch. B.	●	3	11,673,359.
	4	Total gross receipts for filing requirement test. Add line 1 through line 3		4	11,887,956.
	5	Cost of goods sold	●	5	
	6	Cost or other basis, and sales expenses of assets sold.	●	6	72,764.
	7	Total costs. Add line 5 and line 6.		7	72,764.
	8	Total gross income. Subtract line 7 from line 4		8	11,815,192.
Expenses	9	Total expenses and disbursements. From Side 2, Part II, line 18		9	10,539,037.
	10	Excess of receipts over expenses and disbursements. Subtract line 9 from line 8		10	1,276,155.
Filing Fee	11	Filing fee \$10 or \$25. See General Instruction F.		11	10.
	12	Penalty for failure to file on time. See General Instruction L.		12	15.
	13	Balance due. Add line 11 and line 12.		13	25.

- 14** If exempt under R&TC Section 23701d, has the organization during the year: (1) participated in any political campaign or (2) attempted to influence legislation or any ballot measure, or (3) made an election under R&TC Section 23704.5 (relating to lobbying by public charities)? If 'Yes,' complete and attach form FTB 3509, Political or Legislative Activities by Section 23701d Organizations Yes No
- 15** Did the organization have any changes in its activities, governing instrument, articles of incorporation, or bylaws that have not been reported to the Franchise Tax Board? If 'Yes,' complete an explanation and attach copies of revised documents. Yes No
- 16** Is the organization exempt under R&TC Section 23701g? Yes No
 If 'Yes,' enter amount of gross receipts from nonmember sources. . . \$ _____
- 17** Did the organization file Form 100, Form 100S, 100W, or Form 109 to report taxable income? Yes No
 If 'Yes,' enter amount of total income reported. . . . \$ _____
- 18** The financial records are in care of. ITVS Daytime telephone (415) 356-8383
 located at 501 York St., S.F., CA 94110

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 taxpayer) is based on all information of which preparer has any knowledge.

Please Sign Here	Signature of officer	<i>Judy Tan</i>	Date	8/3/04	Title	CFO, COO	
					Daytime telephone	(415) 356-8383	
Paid Preparer's Use Only	Preparer's signature	Charlene R. Smith	Date	6/16/04	Preparer's SSN or PTIN	P00237963	
	Firm's name (or yours, if self-employed) and address	Grant & Smith, LLP 505 Fourteenth St., Suite 950 Oakland, CA 94612					FEIN
						Daytime telephone	(510) 832-0257

CACA9712L 12/16/02

Part II Organizations with gross receipts of more than \$25,000 and private foundations regardless of amount of gross receipts – complete Part II or furnish substitute information. See Specific Line Instructions.

Receipts from Other Sources	1	Gross sales or receipts from all business activities. See instructions	1	
	2	Interest	2	77,888.
	3	Dividends	3	19,762.
	4	Gross rents	4	
	5	Gross royalties	5	
	6	Gross amount received from sale of assets	6	61,272.
	7	Other income. Attach schedule See Statement 1	7	55,675.
	8	Total gross sales or receipts from other sources. Add line 1 through line 7. Enter here and on Side 1, Part I, line 1	8	214,597.
Expenses and Disbursements	9	Contributions, gifts, grants, and similar amounts paid. Attach schedule	9	
	10	Disbursements to or for members	10	
	11	Compensation of officers, directors, and trustees. Attach schedule . . See Statement 2	11	252,539.
	12	Other salaries and wages	12	1,523,330.
	13	Interest	13	
	14	Taxes	14	136,990.
	15	Rents	15	344,267.
	16	Depreciation and depletion	16	43,163.
	17	Other. Attach schedule See Statement 3	17	8,238,748.
	18	Total expenses and disbursements. Add line 9 through line 17. Enter here and on Side 1, Part I, line 9	18	10,539,037.

Schedule L Balance Sheets		Beginning of taxable year		End of taxable year	
		(a)	(b)	(c)	(d)
Assets					
1	Cash		2,289,111.		2,727,669.
2	Net accounts receivable		10,748,845.		11,588,475.
3	Net notes receivable. Attach schedule		100,811.		100,000.
4	Inventories				
5	Federal and state government obligations				693,375.
6	Investments in other bonds. Attach schedule. Stm. 4				769,600.
7	Investments in stock. Attach schedule . . . Stm. 5		1,448,437.		424,567.
8	Mortgage loans (number of loans)				
9	Other investments. Attach schedule				
10a	Depreciable assets	335,375.		365,771.	
b	Less accumulated depreciation	272,853.	62,522.	316,016.	49,755.
11	Land				
12	Other assets. Attach schedule St. 6		42,672.		39,954.
13	Total assets		14,692,398.		16,393,395.
Liabilities and net worth					
14	Accounts payable		235,998.		268,522.
15	Contributions, gifts, or grants payable		3,331,744.		3,664,781.
16	Bonds and notes payable. Attach schedule				
17	Mortgages payable				
18	Other liabilities. Attach schedule St. 7		1.		1.
19	Capital stock or principle fund		11,124,655.		12,460,091.
20	Paid-in or capital surplus. Attach reconciliation				
21	Retained earnings or income fund				
22	Total liabilities and net worth		14,692,398.		16,393,395.

Schedule M-1 Reconciliation of income per books with income per return				
Do not complete this schedule if the amount on Schedule L, line 13, column (d), is less than \$25,000				
1	Net income per books	1,276,155.	7	Income recorded on books this year not included in this return. Attach schedule
2	Federal income tax		8	Deductions in this return not charged against book income this year. Attach schedule
3	Excess of capital losses over capital gains		9	Total. Add line 7 and line 8
4	Income not recorded on books this year. Attach schedule		10	Net income per return. Subtract line 9 from line 6
5	Expenses recorded on books this year not deducted in this return. Attach schedule			
6	Total. Add line 1 through line 5	1,276,155.		1,276,155.

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

Department of the Treasury
Internal Revenue Service

California Copy
Schedule of Contributors

Supplementary information for
line 1 of Form 990, 990-EZ and 990-PF (see instructions)

OMB No. 1545-0047

2002

Name of organization

INDEPENDENT TELEVISION SERVICES, INC.

Employer identification number

52-1654276

Organization type (check one):

Filers of:

Form 990 or 990-EZ

Section:

- 501(c)(3) (enter number) organization
 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation
 527 political organization

Form 990-PF

- 501(c)(3) exempt private foundation
 4947(a)(1) nonexempt charitable trust treated as a private foundation
 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**. (**Note:** Only a section 501(c)(7), (8), or (10) organization can check box(es) for both the General Rule and a Special Rule – see instructions.)

General Rule –

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

Special Rules –

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

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

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

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

Name of organization

Employer identification number

INDEPENDENT TELEVISION SERVICES, INC.

52-1654276

Part I Contributors (See Instructions.)

(a) Number	(b) Name, address and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	Corp. for Public Broadcasting ----- 401 Ninth St., NW ----- Washington, DC 20004-2129 -----	\$ 10,776,620.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
-----	----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
-----	----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
-----	----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
-----	----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
-----	----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization INDEPENDENT TELEVISION SERVICES, INC.	Employer identification number 52-1654276
----------------------------------------------------------------------	-----------------------------------------------------

Part II Noncash Property (See Specific Instructions.)

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

Name of organization: **INDEPENDENT TELEVISION SERVICES, INC.**
 Employer identification number: **52-1654276**

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

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

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	N/A		

(e) Transfer of gift	
Transferee's name, address, and ZIP + 4	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 + 4	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 + 4	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 + 4	Relationship of transferor to transferee

