

Return of Organization Exempt From Income Tax

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

1999

This Form is Open to Public Inspection

Department of the Treasury Internal Revenue Service

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

Form 990 header section including: A For the 1999 calendar year, OR tax year period beginning 1999, and ending; B Check if: Change of address, Initial return, Final return, Amended return; C Name of organization, number and street, city, town, state, and ZIP code; D Employer identification number; E Telephone number; F Check if exemption application is pending; G Type of organization; H(a) Is this a group return filed for affiliates?; H(b) If "Yes," enter number of affiliates for which return is filed; H(c) Is this a separate return filed by an organization covered by a group ruling?; J Accounting method; K Check here if the organization's gross receipts are normally not more than \$25,000.

SCANNER MAY 08 2000

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

P 17

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.)

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising	
22	Grants and allocations (attach schedule) . . . (cash \$ _____ non-cash \$ _____)	22				
23	Specific assistance to individuals (attach sch.)	23				
24	Benefits paid to or for members (attach sch.)	24				
25	Compensation of officers, directors, etc	25	169,026.	0.	169,026.	
26	Other salaries and wages	26	536,217.		536,217.	
27	Pension plan contributions	27				
28	Other employee benefits	28				
29	Payroll taxes	29	49,083.		49,083.	
30	Professional fundraising fees	30				
31	Accounting fees	31	325.		325.	
32	Legal fees	32	12,026.		12,026.	
33	Supplies	33	20,026.	20,026.		
34	Telephone	34	10,047.	10,047.		
35	Postage and shipping	35	28,147.	28,147.		
36	Occupancy	36				
37	Equipment rental and maintenance	37	37,759.	37,759.		
38	Printing and publications	38	20,313.	20,313.		
39	Travel	39	12,229.	12,229.		
40	Conferences, conventions, and meetings . . .	40				
41	Interest	41	42,501.	42,501.		
42	Depreciation, depletion, etc. (attach schedule)	42	35,108.	35,108.		
43	Other expenses (itemize): a Stmt Att	43a	358,214.	346,294.	11,920.	
	b	43b				
	c	43c				
	d	43d				
	e	43e				
44	Total functional expenses (add lines 22 through 43). Organizations completing columns (B)-(D), carry these totals to lines 13-15 . .	44	1,331,021.	552,424.	778,597.	0.

Reporting of Joint Costs. Did you report in column (B) (Program services) any joint costs from a combined educational campaign and fundraising solicitation? Yes No
 If "Yes," enter (i) the aggregate amount of these joint costs . . . \$ _____ ; (ii) amt. allocated to Prog. services . . . \$ _____ ;
 (iii) the amount allocated to Management and general \$ _____ ; and (iv) amt. allocated to Fundraising \$ _____

Part III Statement of Program Service Accomplishments (See Specific Instructions.)

What is the organization's primary exempt purpose? ▶	Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)
EDUCATIONAL SERVICES	
a PRIMARY AND SECONDARY EDUCATION SERVICE OUTPUT-STUDENT EDUCATED 185 STUDENTS	
(Grants and allocations \$ _____)	552,424.
b	
(Grants and allocations \$ _____)	
c	
(Grants and allocations \$ _____)	
d	
(Grants and allocations \$ _____)	
e Other program services (attach schedule)	(Grants and allocations \$ _____)
f Total of Program Service Expenses (should equal line 44, column (B), Program services) ▶	552,424.

Part IV Balance Sheets (See Specific 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	182,891.	45	41,027.
	46 Savings and temporary cash investments	202,739.	46	468,696.
	47a Accounts receivable	47a		
	b Less: allowance for doubtful accounts	47b		47c
	48a Pledges receivable	48a		
	b Less: allowance for doubtful accounts	48b		48c
	49 Grants receivable			49
	50 Receivables from officers, directors, trustees, and key employees (attach schedule)			50
	51a Other notes and loans receivable (attach schedule)	51a		
	b Less: allowance for doubtful accounts	51b		51c
	52 Inventories for sale or use	10,683.	52	8,216.
	53 Prepaid expenses and deferred charges			53
	54 Investments -- securities (attach schedule)			54
	55a Investments -- land, buildings, and equipment: basis	55a		
	b Less: accumulated depreciation (attach schedule)	55b		55c
56 Investments -- other (attach schedule)			56	
57a Land, buildings, and equipment: basis	999,793.			
b Less: accumulated depreciation (attach schedule)	57b	779,204.	57c	
58 Other assets (describe _____)	13,571.	58	13,571.	
59 Total assets (add lines 45 through 58) (must equal line 74)	1,189,088.	59	1,288,906.	
Liabilities	60 Accounts payable and accrued expenses	233.	60	180.
	61 Grants payable			61
	62 Deferred revenue			62
	63 Loans from officers, directors, trustees, and key employees (attach schedule)			63
	64a Tax-exempt bond liabilities (attach schedule)			64a
	b Mortgages and other notes payable (attach schedule)	506,031.	64b	497,403.
	65 Other liabilities (describe _____)			65
66 Total liabilities (add lines 60 through 65)	506,264.	66	497,583.	
Organizations that follow SFAS 117, check here ... <input type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.				
67 Unrestricted			67	
68 Temporarily restricted			68	
69 Permanently restricted			69	
Organizations that do not follow SFAS 117, check here ... <input checked="" 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	682,824.	72	791,323.	
73 Total net assets or fund balances (add lines 67 through 69 OR lines 70 through 72; column (A) must equal line 19 and column (B) must equal line 21)	682,824.	73	791,323.	
74 Total liabilities and net assets / fund balances (add lines 66 and 73)	1,189,088.	74	1,288,906.	

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.)

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 1,442,375.
b Amounts included on line a but not on line 12, Form 990:	
(1) Net unrealized gains on investments . . \$	
(2) Donated services & use of facilities . \$	
(3) Recoveries of prior year grants \$	
(4) Other (specify):	
_____ \$	
Add amounts on lines (1) through (4) . . ▶	b
c Line a minus line b ▶	c 1,442,375.
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 1,442,375.

a Total expenses and losses per audited financial statements ▶	a 1,331,021
b Amounts included on line a but not on line 17, Form 990:	
(1) Donated services & 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 1,331,021.
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 1,331,021.

Part V List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated; see Specific 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 & deferred comp.	(E) Expense account and other allowances
SANDRA ADAIR 813 OAK AVE, CLWT FL	PRESIDENT 40.	58,251.	0.	0.
NANCY CALKINS 10 S ORION, CLWT FL	VICE PRES 40.	35,419.	0.	0.
BETH VOSS 1371 MILTON, CLWT FL	TREASURER 40.	23,144.	0.	0.
BLINDA YOUNG 607 N OCEOLA, CLWT FL	MEMBER 40.	22,370.	0.	0.
CAROL KIRTLEY 1018 PINEBROOK, CLWT FL	MEMBER 40.	29,842.	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.

Part VI Other Information (See Specific Instructions.)		Yes	No
76	Did organization engage in any activity not previously reported to IRS? If "Yes," attach 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 _____ 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		
b	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
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.)		
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
b	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
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	N/A	
85	501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members?	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.	N/A	
c	Dues, assessments, and similar amounts from members		
d	Section 162(e) lobbying and political expenditures		
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices		
f	Taxable amount of lobbying and political expenditures (line 85d less 85e)		
g	Does the organization elect to pay the section 6033(e) tax on the amount in 85f?	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?	N/A	
86	501(c)(7) orgs. Enter: a Initiation fees and capital contributions included on line 12		
b	Gross receipts, included on line 12, for public use of club facilities		
87	501(c)(12) orgs. Enter: a Gross income from members or shareholders		
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)		
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.		X
89a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 _____; section 4912 _____; section 4955 _____		
b	501(c)(3) and 501(c)(4) orgs. 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.		X
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958.		
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization		
90a	List the states with which a copy of this return is filed	N/A	
b	Number of employees employed in the pay period that includes March 12, 1999 (See inst.)	90b 31	
91	The books are in care of BETH VOSS Telephone no. (727) 447-6385 Located at 1831 DREW ST, CLEARWATER, FL ZIP + 4 33765		
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 -- Check here. and enter the amount of tax-exempt interest received or accrued during the tax year.		92

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

Table with 5 main columns: (A) Business code, (B) Amount, (C) Exclusion code, (D) Amount, (E) Related or exempt function income. Rows include Program service revenue (93), Membership dues and assessments (94), Interest on savings (95), Dividends (96), Net rental income (97), Other investment income (99), and Subtotal (104).

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.)

Table with 2 columns: 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. Rows include ACADEMIC INSTRUCTION THRU SCHOOL YEAR FOR PRE K - GRADE 9 (93), INTEREST USED FOR EXEMPT PURPOSES STATED ABOVE (95), and NON TAXABLE RENTAL INCOME USED FOR EXEMPT PURPOSES ABOVE (97).

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

Table with 5 columns: (A) Name, address, and EIN of corporation, partnership, or disregarded entity; (B) Percentage of ownership int.; (C) Nature of activities; (D) Total income; (E) End-of-year assets.

Please Sign Here Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge, important: Signature of officer: [Signature] Date: 4/24/00 Name and title: BETH VOSS TREASURER

Paid Preparer's Use Only Preparer's signature: [Signature] Date: 04/05/00 Check if self-employed: [] Preparer's SSN or PTIN: 297-24-0222 Firm's name (or yours if self-employed) and address: PINELLAS TAX & ACCOUNTING SERV 152 8TH AVE S.W. NO. SUITE B-1 LARGO, FL EIN: 59-3341353 ZIP + 4: 33770

**SCHEDULE A
(Form 990)**

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

1999

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

TRUE SCHOOL INC

Employer identification number

59-2369510

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees

(See 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 empl. benefit plans & deferred compensation	(e) Expense account and other allowances
NONE				

Total number of other employees paid over \$50,000 ▶

Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services

(See 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
NONE		

Total number of others receiving over \$50,000 for professional services ▶

Part III Statements About Activities

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

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, page 4.)
 - 7** A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).
 - 8** A Federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).
 - 9** A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state ▶ _____
 - 10** An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the **Support Schedule** in Part IV-A.)
 - 11a** An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
 - 11b** A community trust. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
 - 12** An organization that normally receives: (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) 1998	(b) 1997	(c) 1996	(d) 1995	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)					
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					
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					
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					
23 Total of lines 15 through 22					
24 Line 23 minus line 17					
25 Enter 1% of line 23					
26 Organizations described on lines 10 or 11:	<p>a Enter 2% of amount in column (e), line 24</p> <p>b Attach a list (which is not open to public inspection) showing the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 1995 through 1998 exceeded the amount shown in line 26a. Enter the sum of all these excess amounts</p> <p>c Total support for section 509(a)(1) test: Enter line 24, column (e).</p> <p>d Add: Amounts from column (e) for lines: 18 _____ 19 _____ 22 _____ 26b _____</p> <p>e Public support (line 26c minus line 26d total)</p> <p>f Public support percentage (line 26e (numerator) divided by line 26c (denominator))</p>				<p>26a</p> <p>26b</p> <p>26c</p> <p>26d</p> <p>26e</p> <p>26f %</p>
27 Organizations described on line 12:	<p>a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," attach a list to show the name of, and total amounts received in each year from, each "disqualified person." Enter the sum of such amounts for each year:</p> <p>(1998) _____ (1997) _____ (1996) _____ (1995) _____</p> <p>b For any amount included in line 17 that was received from a nondisqualified person, attach a list to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11, as well as individuals.) After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year:</p> <p>(1998) _____ (1997) _____ (1996) _____ (1995) _____</p> <p>c Add: Amounts from column (e) for lines: 15 _____ 16 _____ 17 _____ 20 _____ 21 _____</p> <p>d Add: Line 27a total _____ and line 27b total _____</p> <p>e Public support (line 27c total minus line 27d total)</p> <p>f Total support for section 509(a)(2) test: Enter amount on line 23, column (e).</p> <p>g Public support percentage (line 27e (numerator) divided by line 27f (denominator))</p> <p>h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))</p>				<p>27c</p> <p>27d</p> <p>27e</p> <p>27f</p> <p>27g %</p> <p>27h %</p>
28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 1995 through 1998, attach a list (which is not open to public inspection) for each year showing the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not include these grants in line 15. (See instructions.)					

Part V Private School Questionnaire (See instructions.)

(To be completed ONLY by schools that checked the box on line 6 in Part IV)

	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?	X	
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?	X	
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?	X	
If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.)		
PUBLISHES YEARLY IN LOCAL NEWSPAPERS STATEMENT OF RACIALLY NON-DISCRIMINATORY POLICY.		
.....		
32 Does the organization maintain the following:		
a Records indicating the racial composition of the student body, faculty, and administrative staff?	X	
b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	X	
c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	X	
d Copies of all material used by the organization or on its behalf to solicit contributions?	X	
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?		X
b Admissions policies?		X
c Employment of faculty or administrative staff?		X
d Scholarships or other financial assistance?		X
e Educational policies?		X
f Use of facilities?		X
g Athletic programs?		X
h Other extracurricular activities?		X
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?		X
b Has the organization's right to such aid ever been revoked or suspended?		X
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.	X	

Part VI-A Lobbying Expenditures by Electing Public Charities (See instructions.)

(To be completed **ONLY** by an eligible organization that filed Form 5768)

- 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		(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		
39 Other exempt purpose expenditures	39		
40 Total exempt purpose expenditures (add lines 38 and 39)	40		
41 Lobbying nontaxable amount. Enter the amount from the following table --			
If the amount on line 40 is --	The lobbying nontaxable amount is --		
Not over \$500,000	20% of the amount on line 40		
Over \$500,000 but not over \$1,000,000 ..	\$100,000 plus 15% of the excess over \$500,000		
Over \$1,000,000 but not over \$1,500,000 .	\$175,000 plus 10% of the excess over \$1,000,000	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	0.	0.
44 Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38	44	0.	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) 1999	(b) 1998	(c) 1997	(d) 1996	(e) Total
45 Lobbying nontaxable amount					
46 Lobbying ceiling amount (150% of line 45(e))					
47 Total lobbying expenditures					
48 Grassroots nontaxable amount					
49 Grassroots ceiling amount (150% of line 48(e))					
50 Grassroots lobbying expenditures					

Part VI-B Lobbying Activity by Nonelecting Public Charities

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

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

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

Part VII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations (See instructions.)

51 Did the reporting organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?

Table with 3 columns: Question, Yes, No. Rows include: Transfers from the reporting organization to a noncharitable exempt organization of: (i) Cash, (ii) Other assets; Other transactions: (i) Sales or exchanges of assets with a noncharitable exempt organization, (ii) Purchases of assets from a noncharitable exempt organization, (iii) Rental of facilities, equipment, or other assets, (iv) Reimbursement arrangements, (v) Loans or loan guarantees, (vi) Performance of services or membership or fundraising solicitations; Sharing of facilities, equipment, mailing lists, other assets, or paid employees.

d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting organization. If the organization received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received:

Schedule table with 4 columns: (a) Line no., (b) Amount involved, (c) Name of noncharitable exempt organization, (d) Description of transfers, transactions, & sharing arrangements.

52a Is the organization directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? [] Yes [X] No

b If "Yes," complete the following schedule:

Schedule table with 3 columns: (a) Name of organization, (b) Type of organization, (c) Description of relationship.

Depreciation and Amortization (Including Information on Listed Property)

Department of the Treasury
Internal Revenue Service (99)

▶ See separate instructions.

▶ Attach this form to your return.

1999
Attachment
Sequence No. **67**

Name(s) shown on return

Business or activity to which this form relates

Identifying number
59-2369510

TRUE SCHOOL INC

Part I Election To Expense Certain Tangible Property (Section 179) (Note: If you have any "listed property," complete Part V before you complete Part I.)

1 Maximum dollar limitation. If an enterprise zone business, see the instructions	1	\$19,000
2 Total cost of section 179 property placed in service. See the instructions	2	15,278.
3 Threshold cost of section 179 property before reduction in limitation	3	\$200,000
4 Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5 Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see the instructions	5	19,000.
6	(a)	(b)
	Description of property	Cost (business use only)
		(c)
		Elected cost
7 Listed property. Enter amount from line 27	7	
8 Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7.	8	
9 Tentative deduction. Enter the smaller of line 5 or line 8	9	
10 Carryover of disallowed deduction from 1998. See the instructions.	10	
11 Business income limitation. Enter smaller of business income (not less than zero) or line 5 (see instructions).	11	
12 Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13 Carryover of disallowed deduction to 2000. Add lines 9 and 10, less line 12	13	

Note: Do not use Part II or Part III below for listed property (automobiles, certain other vehicles, cellular telephones, certain computers, or property used for entertainment, recreation, or amusement). Instead, use Part V for listed property.

Part II MACRS Depreciation for Assets Placed in Service ONLY During Your 1999 Tax Year (Do Not Include Listed Property.)

Section A -- General Asset Account Election

14 If you are making the election under section 168(i)(4) to group any assets placed in service during the tax year into one or more general asset accounts, check this box. See the instructions

Section B -- General Depreciation System (GDS) (See the instructions.)

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depr. (business/investment use only -- see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
15a 3-year property						
b 5-year property						
c 7-year property		15,278.	7 yrs	HY	S/L	1,092.
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property			27.5 yrs.	MM	S/L	
i Nonresidential real property	06/30/99	946.	39 yrs.	MM	S/L	13.
				MM	S/L	

Section C -- Alternative Depreciation System (ADS) (See the instructions.)

16a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 40-year			40 yrs.	MM	S/L	

Part III Other Depreciation (Do Not Include Listed Property.) (See the instructions.)

17 GDS and ADS deductions for assets placed in service in tax years beginning before 1999.	17	25,476.
18 Property subject to section 168(f)(1) election.	18	
19 ACRS and other depreciation	19	8,527.

Part IV Summary (See the instructions.)

20 Listed property. Enter amount from line 26	20	
21 Total. Add deductions on line 12, lines 15 and 16 in column (g), and lines 17 through 20. Enter here and on the appropriate lines of your return. Partnerships and S corporations -- see instructions.	21	35,108.
22 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs.	22	

For Paperwork Reduction Act Notice, see the instructions.

Supplemental Schedules
Company: TRUE SCHOOL INC

1999
EIN: 59-2369510

Form 4562 Asset Listing.

Asset #	Description	T	Acq. Date	Pct. Used	Inv Cr.	Cost Basis	Depr Method	Conv	Est Life	Prior Depr.	Sec 179	1999 Depr
1	BUILDINGS	R	09/01/83	100%	N	255,000	MACRS SL	MM	39	58,842	0	6,538
2	BLDG IMPROVEMENTS	R	01/01/95	100%	N	67,008	ACRS SL	MM	39	6,872	0	1,718
3	COURSE EQUIPMENT	N	01/01/94	100%	N	68,089	ACRS SL	HY	10	37,428	0	6,809
4	LAND	R	09/01/83	100%	N	320,000		MM	0	0	0	0
5	OFFICE EQUIPMENT	U	09/01/83	100%	N	36,811	MACRS DDB	HY	5	36,811	0	0
6	VEHICLES	N	01/01/90	100%	N	26,403	MACRS DDB	HY	5	26,403	0	0
7	BLDG IMPROVEMENTS	R	01/01/96	100%	N	73,782	MACRS SL	MM	15	16,846	0	4,919
8	COURSE EQUIPMENT	N	06/30/96	100%	N	20,773	MACRS SL	HY	7	11,024	0	2,968
9	OFFICE EQUIPMENT	N	06/30/96	100%	N	5,189	MACRS SL	HY	7	2,753	0	741
10	COURSE EQUIPMENT	N	01/01/97	100%	N	28,073	MACRS SL	HY	7	4,010	0	4,010
11	OFFICE EQUIPMENT	N	01/01/97	100%	N	150	MACRS SL	HY	7	21	0	21
12	BLDG IMPROVEMENTS	R	01/01/97	100%	N	44,335	MACRS SL	MM	39	1,137	0	1,137
13	COURSE EQUIPMENT	N	06/30/98	100%	N	8,855	MACRS SL	HY	7	1,265	0	1,265
14	LAND IMPROVEMENTS	R	06/30/98	100%	N	8,825		MM	0	0	0	0
15	OFFICE EQUIPMENT	N	06/30/98	100%	N	3,126	MACRS SL	HY	7	447	0	447
16	1990 CHEVY VAN	U	06/17/98	100%	N	17,150	MACRS SL	HY	5	3,430	0	3,430
17	BLDG IMPROVEMENTS	R	06/30/99	100%	N	946	MACRS SL	MM	39	0	0	13
18	COURSE EQUIPMENT	N	06/30/99	100%	N	11,165	MACRS SL	HY	7	0	0	798
19	OFFICE FURNITURE	N	06/30/99	100%	N	4,113	MACRS SL	HY	7	0	0	294
Prior Year Totals										207,289	0	
Current Year Totals						999,793				0	35,108	

Form 990 - Exempt Organization Tax Return
 Line 43 - Other Expenses

Description	(A) Total	(B) Program Services	(C) Mgmt. & General	(D) Fund-raising
ADVERTISING/PROMOTION	42,449.	42,449.	0.	0.
CREDIT CARD DISCOUNT	8,146.	8,146.	0.	0.
CASUAL LABOR	5,992.	5,992.	0.	0.
COMPUTER EXPENSE	3,233.	3,233.	0.	0.
COPIER EXPENSE	6,710.	6,710.	0.	0.
CURRIC EXPENSE	3,110.	3,110.	0.	0.
FIELD REPS	14,111.	14,111.	0.	0.
INSURANCE	23,021.	23,021.	0.	0.
LAB/SHOP EXPENSE	1,900.	1,900.	0.	0.
LICENSE FEES	145,547.	145,547.	0.	0.
MISCELLANEOUS EXPENSE	5,807.	5,807.	0.	0.
OFFICE SUPPLIES	6,327.	6,327.	0.	0.
PURCHASES FOR RESALE	4,479.	4,479.	0.	0.
REPAYMENTS	13,818.	13,818.	0.	0.
STAFF TRAINING	527.	527.	0.	0.
STUDENT ACTIVITIES	14,047.	14,047.	0.	0.
TAXES - OTHER	404.	404.	0.	0.
UTILITIES	39,674.	39,674.	0.	0.
VEHICLE EXPENSE	6,992.	6,992.	0.	0.
CLOSING COST/REFINACE	11,920.	0.	11,920.	0.
TOTAL	358,214.	346,294.	11,920.	0.

Supplemental Letter of Explanation
 Company: TRUE SCHOOL INC

1999
 EIN: 59-2369510

FORM 990 - Exempt Organization Tax Return

Part 1, Line 20 - Adjustment to fund balance due to prior year depreciation understatement.

Part IV, Line 64b - Mortgage schedule attached.

Please detach and return top portion with payment by JANUARY 08, 2000.

DETAIL

SCHOOL INC DBA DELPHI			Customer No. 21-4310434	Invoice No. 09910551104	Due Date 01/08/00	Total Due 4,699.29
OBLIGATION NO. 265	RATE 7.450	NOTE DATE 07/08/99	ORIG/RENEWAL AMOUNT 505,000.00	MATURITY 07/08/14		
Date	Transaction Description	Activity	Balance			
	Starting Balance		499,003.29			
	Previous Principal Due	1,600.70				
	Previous Interest Due	3,098.59				
12/06/99	Principal Payment	1,600.70-	497,402.59			
12/06/99	Interest Payment	3,098.59-				
ADJUST	Prior Principal Actvty	0.66-				
	Int 024 days @ 7.4500	2,470.43				
	Int 007 days @ 7.4500	720.55				
01/08/00	Principal Due	1,508.97				
	PAST DUE	THIS PERIOD	TOTAL DUE			
PRINCIPAL	0.00	1,508.97	1,508.97			
INTEREST	0.00	3,190.32	3,190.32			
TOTAL	0.00	4,699.29	4,699.29			

Thank you for your business!

COMMERCIAL LOAN SERVICE CENTER 21
 NATIONSBANK NA
 P O BOX 45264
 JACKSONVILLE FL 32232-5264

NationsBank

Please retain this portion of invoice for your records

Page 1 of 1

**Commercial
 Loan Invoice**