

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 Sep 1, 2002, and ending Aug 31, 2003

B Check if applicable: Address change, Name change, Initial return, Final return, Amended return, Application pending. C Name of organization: The Gladney Fund. D Employer Identification Number: 75-2414153. E Telephone number: (817) 922-5945. F Accounting method: Accrual.

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? No. H (b) If 'Yes,' enter number of affiliates. H (c) Are all affiliates included? No. H (d) Is this a separate return filed by an organization covered by a group ruling? No.

G Web site: Gladneyfund.org

J Organization type: 501(c) 3

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: 3,004,068.

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

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

Table with 21 rows and 4 columns: Description, (A) Securities, (B) Other, Amount. Includes lines 1-21 for revenue, expenses, and net assets.

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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 \$ 3,467,899 non-cash \$ 0)	22 3,467,899.	3,467,899		
23 Specific assistance to individuals (att sch)	23 0.	0.		
24 Benefits paid to or for members (att sch)	24 0	0.		
25 Compensation of officers, directors, etc	25 314,599.	0.	92,821.	221,778.
26 Other salaries and wages	26 255,295.	0.	67,732.	187,563.
27 Pension plan contributions	27 29,476.	0.	11,663.	17,813.
28 Other employee benefits	28 35,659.	0.	10,312.	25,347.
29 Payroll taxes	29 41,242.	0.	13,526.	27,716.
30 Professional fundraising fees	30 0.	0.	0.	0.
31 Accounting fees	31 11,202.	0.	11,202.	0.
32 Legal fees	32 0.	0.	0.	0.
33 Supplies	33 84,425.	55,907.	11,583.	16,935.
34 Telephone	34 12,257.	0.	11,193.	1,064.
35 Postage and shipping	35 24,670.	485.	12,135.	12,050.
36 Occupancy	36 37,456.	0.	37,456.	0.
37 Equipment rental and maintenance	37 2,162.	0.	2,162.	0.
38 Printing and publications	38 138,914.	113,462.	0.	25,452.
39 Travel	39 67,305.	39.	9,142.	58,124.
40 Conferences, conventions, and meetings	40 1,584.	0.	1,385.	199.
41 Interest	41 0.	0.	0.	0.
42 Depreciation, depletion, etc (attach schedule)	42			
43 Other expenses not covered above (itemize)				
a Misc expense	43a -9,759.	0.	-9,759.	0.
b Board Meetings	43b 6,823.	0.	6,823.	0.
c Bank/CC fees	43c 10,396.	0.	10,396.	0.
d Dues/subscriptions	43d 5,793.	0.	2,267.	3,526.
e See Other Expenses Stmt	43e 328,121.	129,180.	86,186.	112,755.
44 Total functional expenses (add lines 22 - 43) Organizations completing columns (B) - (D), carry these totals to lines 13 - 15	44 4,865,519.	3,766,972.	388,225.	710,322

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? <input type="checkbox"/> Financial support for the Gladney Center for Adoption	Program Service Expenses (Required for 501(c)(3) and (4) organizations and 4947(a)(1) trusts, but optional for others)
a The Gladney Fund exists to provide continuous support to the Gladney Center. During the year its financial support assisted the Center in placing over 300 children with adoptive parents. (Grants and allocations \$ 1,750,000.)	1,750,000.
b The Fund raised funds to assist the Center in building new facilities to enable it to better serve the adoption process and to provide a better environment for the birth mothers. (Grants and allocations \$ 1,717,899.)	1,717,899.
c The Gladney Fund conducted outreach to help make its constituents more aware of its programs and adoption facilities. Outreach was conducted through its magazine and an on-site openhouse. (Grants and allocations \$ 0.)	299,073.
d _____ _____ _____ (Grants and allocations \$)	
e Other program services (Grants and allocations \$)	
f Total of Program Service Expenses (should equal line 44, column (B), program services)	3,766,972

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	553,642.	45	610,202
	46 Savings and temporary cash investments		46	
	47a Accounts receivable		47a	
	b Less allowance for doubtful accounts		47b	47c
	48a Pledges receivable	4,509,767.	48a	
	b Less allowance for doubtful accounts	185,823.	48b	48c
	49 Grants receivable		49	4,323,944.
	50 Receivables from officers, directors, trustees, and key employees (attach schedule)		50	
	51a Other notes & loans receivable (attach sch)		51a	
	b Less allowance for doubtful accounts		51b	51c
	52 Inventories for sale or use		52	
	53 Prepaid expenses and deferred charges	3,200.	53	
	54 Investments – securities (attach schedule) L-54 Stmt <input type="checkbox"/> Cost <input type="checkbox"/> FMV	20,292,937.	54	22,054,299.
	55a Investments – land, buildings, & equipment basis		55a	
	b Less accumulated depreciation (attach schedule)		55b	55c
56 Investments – other (attach schedule)		56		
57a Land, buildings, and equipment basis		57a		
b Less accumulated depreciation (attach schedule)		57b	57c	
58 Other assets (describe ▶ <u>Loan Receivable</u>)		58	17,191.	
59 Total assets (add lines 45 through 58) (must equal line 74)	26,836,426.	59	27,005,636.	
LIABILITIES	60 Accounts payable and accrued expenses	262,814.	60	410,062.
	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)		64b	
	65 Other liabilities (describe ▶ _____)		65	
66 Total liabilities (add lines 60 through 65)	262,814.	66	410,062.	
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	8,572,973.	67	8,745,703.
	68 Temporarily restricted	9,450,361.	68	9,090,348.
	69 Permanently restricted	8,550,278.	69	8,759,523.
	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)	26,573,612.	73	26,595,574.
	74 Total liabilities and net assets/fund balances (add lines 66 and 73)	26,836,426.	74	27,005,636.

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	4,887,481.	a Total expenses and losses per audited financial statements	a	4,865,519.
b Amounts included on line a but not on line 12, Form 990			b Amounts included on line a but not on line 17, Form 990		
(1) Net unrealized gains on investments \$ 1,883,413			(1) Donated services and use of facilities \$		
(2) Donated services and use of facilities \$			(2) Prior year adjustments reported on line 20, Form 990 \$		
(3) Recoveries of prior year grants \$			(3) Losses reported on line 20, Form 990 \$		
(4) Other (specify)			(4) Other (specify)		
----- \$			----- \$		
Add amounts on lines (1) through (4)	b	1,883,413.	Add amounts on lines (1) through (4)	b	
c Line a minus line b	c	3,004,068.	c Line a minus line b	c	4,865,519.
d Amounts included on line 12, Form 990 but not on line a:			d Amounts included on line 17, Form 990 but not on line a:		
(1) Investment expenses not included on line 6b, Form 990 \$			(1) Investment expenses not included on line 6b, Form 990 \$		
(2) Other (specify)			(2) Other (specify)		
----- \$			----- \$		
Add amounts on lines (1) and (2)	d		Add amounts on lines (1) and (2)	d	
e Total revenue per line 12, Form 990 (line c plus line d)	e	3,004,068.	e Total expenses per line 17, Form 990 (line c plus line d)	e	4,865,519.

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 attached list				

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?		
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
81a	Enter direct or indirect political expenditures See line 81 instructions 81 a 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) 82 b		
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?		
85a	501(c)(4), (5), or (6) organizations a Were substantially all dues nondeductible by members?		
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			
85c	Dues, assessments, and similar amounts from members		
85d	Section 162(e) lobbying and political expenditures		
85e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices		
85f	Taxable amount of lobbying and political expenditures (line 85d less 85e)		
85g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?		
85h	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?		
86a	501(c)(7) organizations Enter a Initiation fees and capital contributions included on line 12 86 a		
86b	b Gross receipts, included on line 12, for public use of club facilities 86 b		
87a	501(c)(12) organizations Enter a Gross income from members or shareholders 87 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) 87 b		
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 ▶ 0, section 4912 ▶ 0; section 4955 ▶ 0.		
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		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 ▶ PA		
90b	b Number of employees employed in the pay period that includes March 12, 2002 (See instructions)		9
91	The books are in care of ▶ The Gladney Fund Telephone number ▶ (817) 922-5945 Located at ▶ 6300 John Ryan Drive, Fort Worth TX ZIP + 4 ▶ 76132		
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		

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 _____					
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					
96 Dividends & interest from securities			14	334,119.	
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					
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue	a _____				
b _____					
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))				334,119.	
105 Total (add line 104, columns (B), (D), and (E))					334,119.

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)
▼	

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See instructions) N/A

(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
	%			
	%			
	%			
	%			

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 p

b Did the organization, during the year, pay premiums, directly or indi

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 all attachments, and I believe it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which he or she has any knowledge.

► Patrick J. Monaghan
Signature of officer

► Patrick J. Monaghan, VP Finance
Type or print name and title

Paid Preparer's Use Only

Preparer's signature ► _____

Firm's name (or yours if self employed) address, and ZIP + 4
 ► The Gladney Fund
 6300 John Ryan Dr.
 Fort Worth

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

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

(Except Private Foundation) and Section 501(e), 501(f), 501(k),
501(n), or Section 4947(a)(1) Nonexempt Charitable Trust
Supplementary Information — (See separate instructions.)

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

OMB No 1545 0047

2002

Name of the organization The Gladney Fund	Employer identification number 75-2414153
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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
Nonya Jordan ----- 6300 John Ryan Dr, Fort Worth, TX	Director 40	58,098.	5,813.	

Total number of other employees paid over \$50,000 ▶	None			

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
None -----		

Total number of others receiving over \$50,000 for professional services ▶	None	

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 ▶ \$ _____ 0. (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B) 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	1	X
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 <input type="checkbox"/> A church, convention of churches, or association of churches Section 170(b)(1)(A)(i)		
6 <input type="checkbox"/> A school Section 170(b)(1)(A)(ii) (Also complete Part V)		
7 <input type="checkbox"/> A hospital or a cooperative hospital service organization Section 170(b)(1)(A)(iii)		
8 <input type="checkbox"/> A Federal, state, or local government or governmental unit Section 170(b)(1)(A)(v)		
9 <input type="checkbox"/> 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 <input type="checkbox"/> 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)		
11 a <input type="checkbox"/> 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)		
11 b <input type="checkbox"/> A community trust Section 170(b)(1)(A)(vi) (Also complete the Support Schedule in Part IV-A)		
12 <input type="checkbox"/> 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 <input checked="" type="checkbox"/> 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
		12
14 <input type="checkbox"/> 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.*

N/A

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.)					
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose					
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975					
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:

a Enter 2% of amount in column (e), line 24 ▶ **26 a**

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 ▶ **26 b**

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

d Add: Amounts from column (e) for lines **18** _____ **19** _____
22 _____ **26 b** _____ ▶ **26 d**

e Public support (line 26c minus line 26d total) ▶ **26 e**

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

27 Organizations described on line 12:

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** _____ ▶ **27 c**

d Add: Line 27a total _____ and line 27b total _____ ▶ **27 d**

e Public support (line 27c total minus line 27d total) ▶ **27 e**

f Total support for section 509(a)(2) test. Enter amount from line 23, column (e) ▶ **27 f**

g **Public support percentage (line 27e (numerator) divided by line 27f (denominator))** ▶ **27 g** %

h **Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))** ▶ **27 h** %

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	0												
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 –														
	<table style="width: 100%; border: none;"> <tr> <td style="width: 50%;">If the amount on line 40 is –</td> <td style="width: 50%;">The lobbying nontaxable amount is –</td> </tr> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 40</td> </tr> <tr> <td>Over \$500,000 but not over \$1,000,000</td> <td>\$100,000 plus 15% of the excess over \$500,000</td> </tr> <tr> <td>Over \$1,000,000 but not over \$1,500,000</td> <td>\$175,000 plus 10% of the excess over \$1,000,000</td> </tr> <tr> <td>Over \$1,500,000 but not over \$17,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000</td> </tr> <tr> <td>Over \$17,000,000</td> <td>\$1,000,000</td> </tr> </table>	If the amount on line 40 is –	The lobbying nontaxable amount is –	Not over \$500,000	20% of the amount on line 40	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000	Over \$17,000,000	\$1,000,000	41	0.
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	0.												
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				
46	Lobbying ceiling amount (150% of line 45(e))				
47	Total lobbying expenditures				
48	Grassroots non-taxable amount				
49	Grassroots ceiling amount (150% of line 48(e))				
50	Grassroots lobbying expenditures				

Part VI-B Lobbying Activity by Nonelecting Public Charities

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

N/A

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

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

Yes	No	Amount

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

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?

a Transfers from the reporting organization to a noncharitable exempt organization of

(i) Cash

(ii) Other assets

b 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

c 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

Table with columns: Yes, No and rows for categories 51 a (i), a (ii), b (i), b (ii), b (iii), b (iv), b (v), b (vi), c.

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

52 a Is the organization directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527?

Yes No

b If 'Yes,' complete the following schedule

Table with columns (a) Name of organization, (b) Type of organization, (c) Description of relationship.

Form 990, Page 2, Part II, Line 43

Other Expenses Stmt

Other expenses not covered above (itemize):	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
Membership exp	33,511.	0.	0	33,511
Investment fees	38,220.	0	38,220	0.
Other prof fees	194,068.	119,180	33,789.	41,099.
Liability insurance	14,177.	0.	14,177	0.
Public relations	10,475.	0.	0.	10,475
Uncollectable pledges	27,670.	0.	0.	27,670.
Forgiven loan exp	10,000.	10,000.	0.	0.
Total	<u>328,121.</u>	<u>129,180</u>	<u>86,186.</u>	<u>112,755.</u>

Form 990, Page 3, Part IV, Line 54

Investments - Securities Statement

Line 54 – Investments - Securities:	Beginning of Year	End of Year
Equity Securities	10,472,881.	12,878,130.
Debt Securities and Other Obligations	8,261,485.	8,689,935.
Money Market Mutual Funds	1,558,571.	486,234.
Total	<u>20,292,937.</u>	<u>22,054,299.</u>

Supporting Statement of:

Form 990 p 1/Line 20

Description	Amount
Realized and unrealized market gains on investments	1,883,413
Total	<u>1,883,413.</u>

The Gladney Fund

75-2414153

Supporting Schedule to Form 990 - 2002

Part V List of Officers, Directors, Trustees and Key Employees

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation	(D) Contributions to employee benefit plans & deferred compensation	(E) Expense account and other allowances
Kenneth F. Albright 2600 Nations Bank Center Tulsa, OK 74119	Director 2 hours per wk	0.00	0.00	0.00
David W Amend 8150 N. Central Expwy, suite 1100 Dallas, TX 75206	Director 2 hours per wk	0.00	0.00	0.00
Diane S. Archer 6325 Hawkwood Lane Charlotte, NC 28277	Director 2 hours per wk	0.00	0.00	0.00
Kenneth Barr 1000 Macon Street Fort Worth, TX 76102	Director 2 hours per wk	0.00	0.00	0.00
David C Bauer 8 Bonnett Avenue Larchmont, NY 10538	Director 2 hours per wk	0.00	0.00	0.00
Mark H. Bettencourt 4888 Loop Central Drive, St. 860 Houson, TX 77081	Chairman 2 hours per wk	0.00	0.00	0.00
Cary Clayborn 300 Crescent Court Dallas, TX	Director 2 hours per wk	0.00	0.00	0.00
Byron Cook 2200 Arcady Lane Corsicana, TX 75110	Director 2 hours per wk	0.00	0.00	0.00
James Crawford 2501 Hurstview Dr Hurst, TX	Director 2 hours per wk	0.00	0.00	0.00
Rick Currey 4535 S Lindhurst Dallas, TX 75229	Director 2 hours per wk	0.00	0.00	0.00
Diane D'Agostino 5100 San Felipe ST, #644-E Houston, TX 77056	Director 2 hours per wk	0.00	0.00	0.00
C Thomas Daulton 5721 Stonegate Road Dallas, TX 75209	Board Treasurer 2 hours per wk	0.00	0.00	0.00
John Dziminski 3947 Vinecrest Dr Dallas, TX 75229	Director 2 hours per wk	0.00	0.00	0.00

The Gladney Fund

75-2414153

Supporting Schedule to Form 990 - 2002

Part V List of Officers, Directors, Trustees and Key Employees

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation	(D) Contributions to employee benefit plans & deferred compensation	(E) Expense account and other allowances
Susan Sykora Eçkman 1710 Pennington Way Oklahoma City, OK 73116	Director 2 hours per wk	0.00	0 00	0.00
Thomas Favrot 400 Fairway Dr New Orleans, LA	Director 2 hours per wk	0.00	0.00	0.00
Franz Josef Frechen 350 East 79th Street #44B New York, NY 10021	Director 2 hours per wk	0.00	0.00	0.00
Robert L. Freedman 380 Madison Ave, 3rd Floor New York, NY 10017	Director 2 hours per wk	0.00	0.00	0.00
Frank R. Garrot 192 Old Kings Highway North Darien. CT 06820	Director 2 hours per wk	0.00	0.00	0.00
Cathy Gildenhorn 5008 Baltan Road Bethesda, MD 20816	Director 2 hours per wk	0.00	0.00	0.00
Luther T. Griffith 2639 Arden Rd, NW Atlanta, GA 30327	Director 2 hours per wk	0.00	0.00	0.00
Kenneth H. Heitner 1070 Park Ave New York, NY 10128	Director 2 hours per wk	0.00	0.00	0.00
Eric F Hyden 5409 Benbridge Drive Fort Worth, TX 76107	Director 2 hours per wk	0.00	0.00	0.00
Frederick M Jackson 5859 Burgundy Dallas, TX 75230	Director 2 hours per wk	0.00	0 00	0.00
Drew Kanaly 4550 Post Oak Place Dr. Houston, TX 77027	Director 2 hours per wk	0 00	0.00	0.00
Joan Katz 5916 Cypress Point Fort Worth, TX 76132	Chairman-Elect 2 hours per wk	0.00	0 00	0.00
Scott Kline 1717 Main St, Suite 3700 Dallas, TX 75201	Director 2 hours per wk	0.00	0.00	0.00

The Gladney Fund

75-2414153

Supporting Schedule to Form 990 - 2002

Part V: List of Officers, Directors, Trustees and Key Employees

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation	(D) Contributions to employee benefit plans & deferred compensation	(E) Expense account and other allowances
Mark McLeland 3451 Ranchview Court Fort Worth, TX 76109	Director 2 hours per wk	0.00	0.00	0.00
Michael J. McMahon 2300 Hemphill Fort Worth, TX 76110	Director 2 hours per wk	0.00	0.00	0.00
Mazell M. Merrill 6454 E. Lancaster Fort Worth, TX 76112	Director 2 hours per wk	0.00	0.00	0.00
Pat Muller 1 Cossant Manor Rd Chadds Ford, PA 19317	Director 2 hours per wk	0.00	0.00	0.00
Jan D O'Neil 5 Weeping Hollow Midland, TX 79705	Director 2 hours per wk	0.00	0.00	0.00
Stacey J. Reynolds 2683 Linda Maire Dr Oakton, VA 22124	Director 2 hours per wk	0.00	0.00	0.00
DeWitt T. Ray 3535 Travis Street, Suite 130 Dallas, TX 75204	Past Chairman 2 hours per wk	0.00	0.00	0.00
Mark A. Robertson 3033 Northwest 63rd St. Suite 160 Oklahoma City, OK 73116	Director 2 hours per wk	0.00	0.00	0.00
Delia Schulte 975 Park Avenue, #2C New York, NY 10028	Director 2 hours per wk	0.00	0.00	0.00
Marvin Schiebout P.O.Box 11842 Charlotte, NC 28220	Director 2 hours per wk	0.00	0.00	0.00
Dennis E. Singleton III 138 Isabella Atherton, CA 94027	Director 2 hours per wk	0.00	0.00	0.00
Barry Twomey 111 Congress Ave Austin, TX 78701	Director 2 hours per wk	0.00	0.00	0.00
Mary Williams Watt 819 Briar Ridge Houston, TX 77057	Director 2 hours per wk	0.00	0.00	0.00

The Gladney Fund

75-2414153

Supporting Schedule to Form 990 - 2002

Part V List of Officers, Directors, Trustees and Key Employees

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation	(D) Contributions to employee benefit plans & deferred compensation	(E) Expense account and other allowances
James Huey 6300 John Ryan Dr Fort Worth, Tx 76132	President The Gladney Fund 40 hours per wk	134,862.00	0.00	0.00
Sally Ridgway 6300 John Ryan Dr Fort Worth, TX 76132	Vice President The Gladney Fund 40 hours per wk	100,382.00	12,000.00	
Patrick Monaghan 6300 John Ryan Dr Fort Worth, TX 76132	VP Finance, The Gladney Fund 40 hours per wk	79,355 00	0.00	0.00