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**Return of Private Foundation  
or Section 4947(a)(1) Nonexempt Charitable Trust  
Treated as a Private Foundation**

**2003**

Department of the Treasury  
Internal Revenue Service

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

For calendar year 2003, or tax year beginning 9/01/03, and ending 8/31/04

G Check all that apply:  Initial return  Final return  Amended return  Address change  Name change

Use the IRS label. Otherwise, print or type. See Specific Instructions.

Name of organization  
**The Center for Economic Research and Social Change, Inc.**

Number and street (or P O box number if mail is not delivered to street address) Room/suite  
**4015 N Rockwell**

City or town, state, and ZIP code  
**Chicago IL 60618**

**A Employer identification number**  
36-4400754

**B Telephone number** (see page 10 of the instructions)  
773-583-7884

**C** If exemption application is pending, check here

**D** 1. Foreign organizations, check here   
2. Foreign organizations meeting the 85% test, check here and attach computation

**E** If private foundation status was terminated under section 507(b)(1)(A), check here

**F** If the foundation is in a 60-month termination under section 507(b)(1)(B), check here

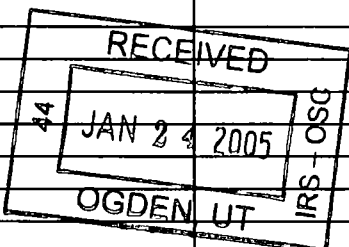
**H** Check type of organization:  Section 501(c)(3) exempt private foundation  
 Section 4947(a)(1) nonexempt charitable trust  Other taxable private foundation

**I** Fair market value of all assets at end of year (from Part II, col. (c), line 16) **\$ 217,950** (Part I, column (d) must be on cash basis.)

**J** Accounting method:  Cash  Accrual  
 Other (specify) \_\_\_\_\_

SCANNED JAN 26 2005

Part I Analysis of Revenue and Expenses (The total of amounts in columns (b), (c), & (d) may not necessarily equal the amounts in column (a) (see page 10 of the instr.))		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
1	Contributions, gifts, grants, etc., received (attach schedule) Check <input type="checkbox"/> if the foundation is not required to attach Sch. B	355,108			
2	Distributions from split-interest trusts				
3	Interest on savings and temporary cash investments				
4	Dividends and interest from securities	10,544	10,544	10,544	
5a	Gross rents				
b	(Net rental income or (loss) _____)				
6a	Net gain or (loss) from sale of assets not on line 10	33,441			
b	Gross sales price for all assets on line 6a <u>301,521</u>				
7	Capital gain net income (from Part IV, line 2) <u>Stmt 1</u>		33,441		
8	Net short-term capital gain			15,624	
9	Income modifications				
10a	Gross sales less returns and allowances <u>139,332</u>				
b	Less: Cost of goods sold <u>61,002</u>				
c	Gross profit or (loss) (attach schedule) <u>Stmt 2</u>	78,330		78,330	
11	Other income (attach schedule) <u>Stmt 3</u>	161,651		161,651	
12	<b>Total. Add lines 1 through 11</b>	639,074	43,985	266,149	
13	Compensation of officers, directors, trustees, etc.	40,511			35,650
14	Other employee salaries and wages	420,521			367,989
15	Pension plans, employee benefits	94,927			83,536
16a	Legal fees (attach schedule)				
b	Accounting fees (attach schedule)				
c	Other professional fees (att. schedule) <u>Stmt 4</u>	5,500			4,840
17	Interest				
18	Taxes (att. schedule) (see pg 13 of the instr.)				
19	Depreciation (att. schedule) & depletion	10,869			
20	Occupancy	52,186			45,924
21	Travel, conferences, and meetings	33,341			33,341
22	Printing and publications	64,843			57,062
23	Other expenses (attach schedule) <u>Stmt 5</u>	79,235			69,957
24	<b>Total operating and administrative expenses.</b> Add lines 13 through 23	801,933			698,299
25	Contributions, gifts, grants paid				
26	<b>Total expenses and disbursements.</b> Add lines 24 and 25	801,933		0	698,299
27	Subtract line 26 from line 12.				
a	<b>Excess of revenue over expenses and disbursements</b>	-162,859			
b	<b>Net investment income</b> (if negative, enter -0-)		43,985		
c	<b>Adjusted net income</b> (if negative, enter -0-)			266,149	



Part II	Balance Sheets	Attached schedules and amounts in the description column should be for end-of-year amounts only (See instructions)	Beginning of year		End of year	
			(a) Book Value	(b) Book Value	(c) Fair Market Value	
A S S E T S	1	Cash-non-interest-bearing	5,752	4,806	4,806	
	2	Savings and temporary cash investments	35,214	7,701	7,701	
	3	Accounts receivable ▶ 53,658				
		Less: allowance for doubtful accounts ▶	41,796	53,658	53,658	
	4	Pledges receivable ▶				
		Less: allowance for doubtful accounts ▶				
	5	Grants receivable				
	6	Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions)				
	7	Other notes and loans receivable ▶				
		Less: allowance for doubtful accounts ▶				
	8	Inventories for sale or use	33,733	58,995	58,995	
	9	Prepaid expenses and deferred charges	7,500	7,500	7,500	
	10a	Investments-U S and state government obligations (attach schedule)				
	b	Investments-corporate stock (attach schedule) Stmt 6	213,768	74,422	74,422	
	c	Investments-corporate bonds (attach schedule)				
	11	Investments-land, buildings, and equipment: basis ▶				
	Less: accumulated depreciation ▶					
12	Investments-mortgage loans					
13	Investments-other (attach schedule)					
14	Land, buildings, and equipment: basis ▶ 54,341					
	Less: accumulated depreciation ▶ 43,473	21,737	10,868	10,868		
15	Other assets (describe ▶ )					
16	<b>Total assets</b> (to be completed by all filers-see page 16 of the instructions. Also, see page 1, item I)	359,500	217,950	217,950		
L I A B I L I T I E S	17	Accounts payable and accrued expenses	32,923	19,870		
	18	Grants payable				
	19	Deferred revenue	15,704	25,232		
	20	Loans from officers, directors, trustees, and other disqualified persons				
	21	Mortgages and other notes payable (att. schedule)				
	22	Other liabilities (describe ▶ )				
	23	<b>Total liabilities</b> (add lines 17 through 22)	48,627	45,102		
N E T A S S E T S O R F U N D B A L A N C E S	<b>Organizations that follow SFAS 117, check here</b> <input checked="" type="checkbox"/> <b>and complete lines 24 through 26 and lines 30 and 31.</b>					
	24	Unrestricted	310,873	172,848		
	25	Temporarily restricted				
	26	Permanently restricted				
	<b>Organizations that do not follow SFAS 117, check here</b> <input type="checkbox"/> <b>and complete lines 27 through 31.</b>					
	27	Capital stock, trust principal, or current funds				
	28	Paid-in or capital surplus, or land, bldg., and equipment fund				
	29	Retained earnings, accumulated income, endowment, or other funds				
30	<b>Total net assets or fund balances</b> (see page 17 of the instructions)	310,873	172,848			
31	<b>Total liabilities and net assets/fund balances</b> (see page 17 of the instructions)	359,500	217,950			

**Part III Analysis of Changes in Net Assets or Fund Balances**

1	Total net assets or fund balances at beginning of year-Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	310,873
2	Enter amount from Part I, line 27a	2	-162,859
3	Other increases not included in line 2 (itemize) ▶ See Stmt 7	3	24,834
4	Add lines 1, 2, and 3	4	172,848
5	Decreases not included in line 2 (itemize) ▶	5	
6	<b>Total net assets or fund balances at end of year</b> (line 4 minus line 5)-Part II, column (b), line 30	6	172,848

**Part IV Capital Gains and Losses for Tax on Investment Income**

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs MLC Co)	(b) How acquired P-Purchase D-Donation	(c) Date acquired (mo, day, yr)	(d) Date sold (mo, day, yr)
1a Altria	D	Various	Various
b Oracle	D	8/31/01	12/11/03
c NOOF	D	1/15/04	Various
d CTO	D	9/18/03	Various
e			

(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a 175,627		156,525	19,102
b 6,370		7,655	-1,285
c 43,878		44,360	-482
d 75,646		59,540	16,106
e			

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col (i) over col (j), if any	(l) Gains (Col (h) gain minus col (k), but not less than -0-) or Losses (from col. (h))
a			19,102
b			-1,285
c			-482
d			16,106
e			

2 Capital gain net income or (net capital loss). If gain, also enter in Part I, line 7 If (loss), enter -0- in Part I, line 7	2	33,441
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions). If (loss), enter -0- in Part I, line 8	3	15,624

**Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income**

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income.)

If section 4940(d)(2) applies, leave this part blank.

Was the organization liable for the section 4942 tax on the distributable amount of any year in the base period?  Yes  No  
If "Yes," the organization does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year; see page 17 of the instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2002	594,847	404,273	147.139928
2001	483,468	662,566	72.969033
2000	310,312	823,460	37.683919
1999			
1998			

2 Total of line 1, column (d)	2	257.792879
3 Average distribution ratio for the 5-year base period-divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	85.930960
4 Enter the net value of noncharitable-use assets for 2003 from Part X, line 5	4	238,758
5 Multiply line 4 by line 3	5	205,167
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	440
7 Add lines 5 and 6	7	205,607
8 Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions on page 17.	8	698,299

**Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948-see page 17 of the instructions)**

1a	Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling letter: (attach copy of ruling letter if necessary-see instructions)		
b	Domestic organizations that meet the section 4940(e) requirements in Part V, check here <input checked="" type="checkbox"/> and enter 1% of Part I, line 27b	1	440
c	All other domestic organizations enter 2% of line 27b Exempt foreign organizations enter 4% of Part I, line 12, col (b)		
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2	0
3	Add lines 1 and 2	3	440
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4	0
5	<b>Tax based on investment income.</b> Subtract line 4 from line 3. If zero or less, enter -0-	5	440
6	Credits/Payments:		
a	2003 estimated tax payments and 2002 overpayment credited to 2003	6a	727
b	Exempt foreign organizations-tax withheld at source	6b	
c	Tax paid with application for extension of time to file (Form 8868)	6c	
d	Backup withholding erroneously withheld	6d	
7	Total credits and payments. Add lines 6a through 6d	7	727
8	Enter any penalty for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	8	
9	<b>Tax due.</b> If the total of lines 5 and 8 is more than line 7, enter amount owed	9	
10	<b>Overpayment.</b> If line 7 is more than the total of lines 5 and 8, enter the amount overpaid	10	287
11	Enter the amount of line 10 to be: <b>Credited to 2004 estimated tax</b> 287 <b>Refunded</b>	11	

**Part VII-A Statements Regarding Activities**

	Yes	No
1a During the tax year, did the organization attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see page 18 of the instructions for definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the organization in connection with the activities.		X
1c Did the organization file Form 1120-POL for this year?		N/A
2 Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: (1) On the organization. \$ (2) On organization managers. \$		
e Enter the reimbursement (if any) paid by the organization during the year for political expenditure tax imposed on organization managers. \$		
2 Has the organization engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities.		X
3 Has the organization made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes		X
4a Did the organization have unrelated business gross income of \$1,000 or more during the year?		X
4b If "Yes," has it filed a tax return on Form 990-T for this year?		N/A
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.		N/A
6 Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	X	
7 Did the organization have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, col. (c), and Part XV	X	
8a Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) IL		
8b If the answer is "Yes" to line 7, has the organization furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," att. explanation	X	
9 Is the organization claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2003 or the taxable year beginning in 2003 (see instructions for Part XIV on page 25)? If "Yes," complete Part XIV	X	
10 Did any persons become substantial contributors during the tax year? If "Yes," attach a schedule listing their names & addresses Stmt 8	X	
11 Did the organization comply with the public inspection requirements for its annual returns and exemption application? Web site address www.isreview.org	X	
12 The books are in care of Julie Fain Telephone no. 773-583-7884 Located at 4015 N Rockwell Chicago, IL ZIP+4 60618		
13 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 -Check here and enter the amount of tax-exempt interest received or accrued during the year		

**Part VII-B Statements Regarding Activities for Which Form 4720 May Be Required**

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

		Yes	No
<b>1a</b>	During the year did the organization (either directly or indirectly):		
(1)	Engage in the sale or exchange, or leasing of property with a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2)	Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3)	Furnish goods, services, or facilities to (or accept them from) a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4)	Pay compensation to, or pay or reimburse the expenses of, a disqualified person? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(5)	Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(6)	Agree to pay money or property to a government official? (Exception. Check "No" if the organization agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
<b>b</b>	If any answer is "Yes" to 1a(1)-(6), did any of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 19 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/> N/A	<b>1b</b>	
<b>c</b>	Did the organization engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2003? <input type="checkbox"/> N/A	<b>1c</b>	
<b>2</b>	Taxes on failure to distribute income (section 4942) (does not apply for years the organization was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):		
<b>a</b>	At the end of tax year 2003, did the organization have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2003? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes," list the years <input checked="" type="checkbox"/> 20 <input type="checkbox"/> 20 <input type="checkbox"/> 20 <input type="checkbox"/> 19		
<b>b</b>	Are there any years listed in 2a for which the organization is not applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to all years listed, answer "No" and attach statement-see page 19 of the instructions.) <input type="checkbox"/> N/A	<b>2b</b>	
<b>c</b>	If the provisions of section 4942(a)(2) are being applied to any of the years listed in 2a, list the years here. <input checked="" type="checkbox"/> 20 <input type="checkbox"/> 20 <input type="checkbox"/> 20 <input type="checkbox"/> 19		
<b>3a</b>	Did the organization hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
<b>b</b>	If "Yes," did it have excess business holdings in 2003 as a result of (1) any purchase by the organization or disqualified persons after May 26, 1969; (2) the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the organization had excess business holdings in 2003.) <input type="checkbox"/> N/A	<b>3b</b>	
<b>4a</b>	Did the organization invest during the year any amount in a manner that would jeopardize its charitable purposes?	<b>4a</b>	X
<b>b</b>	Did the organization make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2003?	<b>4b</b>	X
<b>5a</b>	During the year did the organization pay or incur any amount to:		
(1)	Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(2)	Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(3)	Provide a grant to an individual for travel, study, or other similar purposes? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(4)	Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
(5)	Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
<b>b</b>	If any answer is "Yes" to 5a(1)-(5), did any of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see page 20 of the instructions)? Organizations relying on a current notice regarding disaster assistance check here <input type="checkbox"/> N/A	<b>5b</b>	
<b>c</b>	If the answer is "Yes" to question 5a(4), does the organization claim exemption from the tax because it maintained expenditure responsibility for the grant? <input type="checkbox"/> N/A <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes," attach the statement required by Regulations section 53.4945-5(d)		
<b>6a</b>	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
<b>b</b>	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If you answered "Yes" to 6b, also file Form 8870.	<b>6b</b>	X

**Part VIII Information About Officers, Directors, Trustees, Foundation Managers, Highly Paid Employees, and Contractors**

**1 List all officers, directors, trustees, foundation managers and their compensation (see page 20 of the instructions):**

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (if not paid, enter -0-)	(d) Contrib to employee benefit plans and deferred compensation	(e) Expense account, other allowances
See Attached 4015 N Rockwell Chicago, IL 60618	Various	40,511	4,417	0

**2 Compensation of five highest-paid employees (other than those included on line 1-see page 20 of the instructions). If 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, other allowances
None				

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

**3 Five highest-paid independent contractors for professional services-(see page 20 of the instructions). If none, enter "NONE."**

(a) Name and address of each person paid more than \$50,000	(b) Type of service	(c) Compensation
None		

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

**Part IX-A Summary of Direct Charitable Activities**

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.

	Expenses
1 See Attached	707,863
2	
3	
4	

**Part IX-B Summary of Program-Related Investments (see page 21 of the instructions)**

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2	Amount
1 N/A	
2	
All other program-related investments See page 21 of the instructions	
3	
<b>Total.</b> Add lines 1 through 3	

**Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see page 21 of the instructions.)**

1 Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a Average monthly fair market value of securities	1a	222,896
b Average of monthly cash balances	1b	19,498
c Fair market value of all other assets (see page 22 of the instructions)	1c	0
d Total (add lines 1a, b, and c)	1d	242,394
e Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0
2 Acquisition indebtedness applicable to line 1 assets	2	0
3 Subtract line 2 from line 1d	3	242,394
4 Cash deemed held for charitable activities. Enter 1 1/2% of line 3 (for greater amount, see page 23 of the instructions)	4	3,636
5 Net value of noncharitable-use assets. Subtract line 4 from line 3. Enter here and on Part V, line 4	5	238,758
6 Minimum investment return. Enter 5% of line 5	6	11,938

**Part XI Distributable Amount (see page 23 of the instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here  and do not complete this part.)**

1 Minimum investment return from Part X, line 6	1	
2a Tax on investment income for 2003 from Part VI, line 5	2a	
b Income tax for 2003. (This does not include the tax from Part VI.)	2b	
c Add lines 2a and 2b	2c	
3 Distributable amount before adjustments. Subtract line 2c from line 1	3	
4a Recoveries of amounts treated as qualifying distributions	4a	
b Income distributions from section 4947(a)(2) trusts	4b	
c Add lines 4a and 4b	4c	
5 Add lines 3 and 4c	5	
6 Deduction from distributable amount (see page 23 of the instructions)	6	
7 Distributable amount as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1	7	

**Part XII Qualifying Distributions (see page 23 of the instructions)**

1 Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a Expenses, contributions, gifts, etc -total from Part I, column (d), line 26	1a	698,299
b Program-related investments-Total from Part IX-B	1b	
2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3 Amounts set aside for specific charitable projects that satisfy the:		
a Suitability test (prior IRS approval required)	3a	
b Cash distribution test (attach the required schedule)	3b	
4 Qualifying distributions. Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	698,299
5 Organizations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see page 24 of the instructions)	5	440
6 Adjusted qualifying distributions. Subtract line 5 from line 4	6	697,859

Note: The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years



**Part XIII Undistributed Income** (see page 24 of the instructions)

	(a) Corpus	(b) Years prior to 2002	(c) 2002	(d) 2003
1 Distributable amount for 2003 from Part XI, line 7				
2 Undistributed income, if any, as of the end of 2002.				
a Enter amount for 2002 only				
b Total for prior years: 20____, 20____, 19____				
3 Excess distributions carryover, if any, to 2003.				
a From 1998				
b From 1999				
c From 2000				
d From 2001				
e From 2002				
f Total of lines 3a through e				
4 Qualifying distributions for 2003 from Part XII, line 4: ▶ \$ _____				
a Applied to 2002, but not more than line 2a				
b Applied to undistributed income of prior years (Election required-see page 24 of the instructions)				
c Treated as distributions out of corpus (Election required-see page 24 of the instructions)				
d Applied to 2003 distributable amount				
e Remaining amount distributed out of corpus				
5 Excess distributions carryover applied to 2003 (If an amount appears in column (d), the same amount must be shown in column (a).)				
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5				
b Prior years' undistributed income. Subtract line 4b from line 2b				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b. Taxable amount-see page 24 of the instructions				
e Undistributed income for 2002. Subtract line 4a from line 2a. Taxable amount-see page 24 of the instructions				
f Undistributed income for 2003 Subtract lines 4d and 5 from line 1. This amount must be distributed in 2004				
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(E) or 4942(g)(3) (see page 25 of the instructions)				
8 Excess distributions carryover from 1998 not applied on line 5 or line 7 (see page 25 of the instructions)				
9 Excess distributions carryover to 2004. Subtract lines 7 and 8 from line 6a				
10 Analysis of line 9:				
a Excess from 1999				
b Excess from 2000				
c Excess from 2001				
d Excess from 2002				
e Excess from 2003				

**Part XIV Private Operating Foundations** (see page 25 of the instructions and Part VII-A, question 9)

**1a** If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2003, enter the date of the ruling N/A

**b** Check box to indicate whether the organization is a private operating foundation described in section  4942(j)(3) or  4942(j)(5)

	Tax year		Prior 3 years		(e) Total
	(a) 2003	(b) 2002	(c) 2001	(d) 2000	
<b>2a</b> Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed	11,938	20,214	33,128		65,280
<b>b</b> 85% of line 2a	10,147	17,182	28,159		55,488
<b>c</b> Qualifying distributions from Part XII, line 4 for each year listed	698,299	595,004	483,468	310,312	2,087,083
<b>d</b> Amounts included in line 2c not used directly for active conduct of exempt activities					
<b>e</b> Qualifying distributions made directly for active conduct of exempt activities Subtract line 2d from line 2c	698,299	595,004	483,468	310,312	2,087,083
<b>3</b> Complete 3a, b, or c for the alternative test relied upon:					
<b>a</b> "Assets" alternative test-enter:					
<b>(1)</b> Value of all assets					
<b>(2)</b> Value of assets qualifying under section 4942(j)(3)(B)(i)					
<b>b</b> "Endowment" alternative test-Enter 2/3 of minimum investment return shown in Part X, line 6 for each year listed	7,959	13,476	22,085	16,469	59,989
<b>c</b> "Support" alternative test-enter:					
<b>(1)</b> Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
<b>(2)</b> Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
<b>(3)</b> Largest amount of support from an exempt organization					
<b>(4)</b> Gross investment income					

**Part XV Supplementary Information** (Complete this part only if the organization had \$5,000 or more in assets at any time during the year-see page 25 of the instructions.)

**1 Information Regarding Foundation Managers:**

**a** List any managers of the foundation who have contributed more than 2% of the total contributions received by the foundation before the close of any tax year (but only if they have contributed more than \$5,000). (See section 507(d)(2))  
N/A

**b** List any managers of the foundation who own 10% or more of the stock of a corporation (or an equally large portion of the ownership of a partnership or other entity) of which the foundation has a 10% or greater interest.  
N/A

**2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs:**  
Check here  if the organization only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the organization makes gifts, grants, etc. (see page 25 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

**a** The name, address, and telephone number of the person to whom applications should be addressed:  
N/A

**b** The form in which applications should be submitted and information and materials they should include:  
N/A

**c** Any submission deadlines:  
N/A

**d** Any restrictions or limitations on awards, such as by geographical areas, charitable fields, kinds of institutions, or other factors  
N/A

**Part XV Supplementary Information (continued)**

**3 Grants and Contributions Paid During the Year or Approved for Future Payment**

Recipient	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
Name and address (home or business)				
a Paid during the year N/A				
<b>Total</b>			<b>▶ 3a</b>	
b Approved for future payment N/A				
<b>Total</b>			<b>▶ 3b</b>	





**Schedule of Contributors**

**2003**

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

Name of organization

The Center for Economic Research  
and Social Change, Inc.

Employer identification number

36-4400754

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

501(c)( ) (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 they 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).

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

Schedule B (Form 990, 990-EZ, or 990-PF) (2003)

Name of organization

The Center for Economic Research

Employer identification number

36-4400754

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

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
<u>1</u>	Lance Selfa 1844 W. Belle Plaine #3 Chicago, IL 60613	\$ 5,500	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
<u>2</u>	Jason Yanowitz 11 A Jay St Cambridge, MA	\$ 103,900	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input checked="" type="checkbox"/> (Complete Part II if there is a noncash contribution.)
<u>3</u>	Joel Geier 130 Westmoreland Drive Wilmette, IL 60091	\$ 5,750	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
<u>4</u>	David Whitehouse 2439 W Farragut Chicago, IL 60625	\$ 5,150	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
<u>5</u>	Jesse Sharkey 2442 W. Morse Chicago, IL 60645	\$ 6,500	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
<u>6</u>	William Kimmel 961 W. 19th St # 1-F Chicago, IL 60608	\$ 5,500	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization

The Center for Economic Research

Employer identification number

36-4400754

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

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
7	Daniel Katch 661 Baltic St. # 2 Brooklyn, NY 11217	\$ 6,050	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
8	Ahmed Sehrawy 4015 N Rockwell Chicago, IL 60618	\$ 7,200	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
9	Various Under \$ 5,000	\$ 209,558	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.)



Name of organization

The Center for Economic Research

Employer identification number

36-4400754

**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
2	Stock Donation of \$ 103,900 .....	\$ 103,900	.....
—	.....	\$ .....	.....
—	.....	\$ .....	.....
—	.....	\$ .....	.....
—	.....	\$ .....	.....
—	.....	\$ .....	.....

**Depreciation and Amortization**

OMB No. 1545-0172

Form **4562**

(Including Information on Listed Property)

**2003**

Department of the Treasury  
Internal Revenue Service

▶ See separate instructions.      ▶ Attach to your tax return.

Attachment  
Sequence No **67**

Name(s) shown on return The Center for Economic Research and Social Change, Inc.      Identifying number 36-4400754

Business or activity to which this form relates  
Indirect Depreciation

**Part I Election To Expense Certain Property Under Section 179**

**Note: If you have any listed property, complete Part V before you complete Part I.**

1	Maximum amount. See page 2 of the instructions for a higher limit for certain businesses	1	100,000
2	Total cost of section 179 property placed in service (see page 2 of the instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation	3	400,000
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 page 2 of the instructions	5	
<b>(a) Description of property</b>		<b>(b) Cost (business use only)</b>	<b>(c) Elected cost</b>
6			
7	Listed property. Enter the amount from line 29	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 line 13 of your 2002 Form 4562	10	
11	Business income limitation. Enter the 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 2004. Add lines 9 and 10, less line 12	13	

**Note: Do not use Part II or Part III below for listed property. Instead, use Part V.**

**Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.)**

14	Special depreciation allowance for qualified prop (other than listed prop) placed in service during the tax year (see pg 3 of the instr)	14	
15	Property subject to section 168(f)(1) election (see page 4 of the instructions)	15	
16	Other depreciation (including ACRS) (see page 4 of the instructions)	16	10,869

**Part III MACRS Depreciation (Do not include listed property.) (See page 4 of the instructions.)**

**Section A**

17	MACRS deductions for assets placed in service in tax years beginning before 2003	17	0
18	If you are electing under section 168(i)(4) to group any assets placed in service during the tax year into one or more general asset accounts, check here <input type="checkbox"/>		

**Section B-Assets Placed in Service During 2003 Tax Year Using the General Depreciation System**

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only-see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
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			39 yrs.	MM	S/L	
				MM	S/L	

**Section C-Assets Placed in Service During 2003 Tax Year Using the Alternative Depreciation System**

20a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 40-year			40 yrs	MM	S/L	

**Part IV Summary (see page 6 of the instructions)**

21	Listed property. Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations-see instr.	22	10,869
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

For Paperwork Reduction Act Notice, see separate instructions.

Form **4562** (2003)

## Federal Statements

## Statement 1 - Form 990-PF, Part I, Line 6a - Sale of Assets

Desc	How Rec'd	Whom Sold	Date Acquired	Date Sold	Sale Price	Cost & Expense	Deprec	Net G/L
Altria	Donation	Stock Market Sale	Various	Various	\$ 175,627	\$ 156,525	\$	19,102
Oracle	Donation	Stock Market Sale	8/31/01	12/11/03	6,370	7,655		-1,285
NOOF	Donation	Stock Market Sale	1/15/04	Various	43,878	44,360		-482
CTO	Donation	Stock Market Sale	9/18/03	Various	75,646	59,540		16,106
Total					\$ 301,521	\$ 268,080	\$ 0	\$ 33,441

## Federal Statements

**Statement 2 - Form 990-PF, Part I, Line 10c - Gross Sales less Cost of Goods Sold**

Description	Gross Sales	COGS	Gross Profit
Book Sales	\$ 139,332	\$ 61,002	\$ 78,330
Total	\$ 139,332	\$ 61,002	\$ 78,330

**Statement 3 - Form 990-PF, Part I, Line 11 - Other Income**

Description	Amount
Magazine Income	\$ 82,257
Convention/Program	79,394
Total	\$ 161,651

**Statement 4 - Form 990-PF, Part I, Line 16c - Other Professional Fees**

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Indirect other professional fees	\$ 5,500	\$	\$	\$ 4,840
Total	\$ 5,500	\$ 0	\$ 0	\$ 4,840

**Statement 5 - Form 990-PF, Part I, Line 23 - Other Expenses**

Description	Total	Net Investment	Adjusted Net	Charitable Purpose
Expenses	\$	\$	\$	\$
Artwork	2,790			2,790
Bank Charges	8,968			7,892
Bad Debts	1,786			1,786
Equipment Rental	4,649			4,091
Insurance	2,228			1,961
Miscellaneous	640			
Office Supplies	3,899			3,431
Payroll Service	1,880			1,654
Postage	34,957			30,762
Telephone	15,403			13,555
Travel & Entertainment	1,235			1,235
Writer Fees	800			800
Total	\$ 79,235	\$ 0	\$ 0	\$ 69,957

**Statement 6 - Form 990-PF, Part II, Line 10b - Corporate Stock Investments**

<u>Description</u>	<u>Beginning of Year</u>	<u>End of Year</u>	<u>Basis of Valuation</u>	<u>Fair Market Value</u>
Phillip Morris	\$ 206,100	\$ 73,425	Market	\$ 73,425
Oracle	7,668	997	Market	997
Total	<u>\$ 213,768</u>	<u>\$ 74,422</u>		<u>\$ 74,422</u>

**Statement 7 - Form 990-PF, Part III, Line 3 - Other Increases**

<u>Description</u>	<u>Amount</u>
Unrealized Appreciation	\$ 24,834
Total	<u>\$ 24,834</u>

The Center for Economic Research  
and Social Change, Inc

8-31-04

36-4400754

CERSC Donors over \$5000, FY2003-2004

Statement 8 Form 990 PF

Part VII-A Line 10

Lance Selfa

1844 W. Belle Plaine #3

Chicago, IL 60613

\$5500

Ahmed Sehrawy

\$7200

Daniel Katch

661 Baltic St. #2

Brooklyn, NY 11217

\$6050

David Whitehouse

2439 W. Farragut Ave.

Chicago, IL 60625

\$5150

Jason Yanowitz

11A Jay St.

Cambridge, MA

\$104900 -

Jesse Sharkey

2442 W. Morse

Chicago, IL 60645

\$6500

Joel Geier

130 Westmoreland Drive

Wilmette, IL 60091

\$5750

William Kimmel

961 W. 19th Street #1-F

Chicago, IL 60608

\$5500

## Federal Statements

Statement 9 - Form 990-PF, Part VIII - Information About Officers, Directors, Etc.

Name	Address	City, State, Zip	Title	Average Hours	Comp	Benefits	Expenses
Ahmed Sehrawy	Chicago, IL 60618	4015 N Rockwell	Pres/Sec	40	40,511	4,417	0
Lance Selfa	Chicago, IL 60618	4015 N Rockwell	Vice Pres	10	0	0	0
Sharon Smith	Chicago, IL 60618	4015 N Rockwell	Treasurer	10	0	0	0
Paul D'Amato	Chicago, IL 60618	4015 N Rockwell	Director	5	0	0	0
William Roberts	Chicago, IL 60618	4015 N Rockwell	Director	5	0	0	0

**Statement 10 - Form 990-PF, Part IX-A, Line 1 - Summary of Direct Charitable Activities**

Provide educational materials, information, and instruction on issues relating to labor, civil, women's rights and other issues of social inequality and economic justice. The mission is carried out through a variety of means, including magazine, book, web-based publishing, and sponsorship of public meetings, seminars, and conferences.



## Federal Asset Report Indirect Depreciation

Asset	Description	Date In Service	Cost	Bus %	Sec 179	Sec 168(k)	Basis for Depr	PerConv Meth	Prior	Current
<b>Other Depreciation:</b>										
1	Equipment	1/31/01	36,661				36,661	5 MO S/L	21,996	7,333
2	Leasehold Improvements	6/30/01	17,680				17,680	5 MO S/L	10,608	3,536
	<b>Total Other Depreciation</b>		<u>54,341</u>				<u>54,341</u>		<u>32,604</u>	<u>10,869</u>
	<b>Total ACRS and Other Depreciation</b>		<u>54,341</u>				<u>54,341</u>		<u>32,604</u>	<u>10,869</u>
	<b>Grand Totals</b>		54,341				54,341		32,604	10,869
	<b>Less: Dispositions</b>		<u>0</u>				<u>0</u>		<u>0</u>	<u>0</u>
	<b>Net Grand Totals</b>		<u>54,341</u>				<u>54,341</u>		<u>32,604</u>	<u>10,869</u>