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CHANGE IN ACCOUNTING PERIOD
Return of Organization Exempt from Income Tax

2004

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 2004 calendar year, or tax year beginning 7/01, 2004, and ending 3/31, 2005

B Check if applicable: Address change, Name change, Initial return, Final return, Amended return, Application pending. Please use IRS label or print or type. See specific instructions. Instructional Telecommunications Foundation, Inc. P.O. Box 6060 Boulder, CO 80306. D Employer Identification Number 84-0943035. E Telephone number 303-442-0599. F Accounting method: Cash, Accrual, Other (specify)

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

J Organization type (check only one): 501(c) 4 (insert no.) 4947(a)(1) or 527

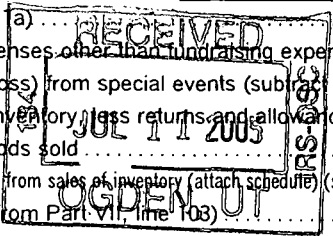
K Check here if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS; but if the organization received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return. L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 98,637.

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

SCANNED AUG 08 2005



Part II Statement of Functional Expenses All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others.

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22 Grants and allocations (att sch) (cash \$ _____ non-cash \$ _____)	22				
23 Specific assistance to individuals (att sch)	23				
24 Benefits paid to or for members (att sch)	24				
25 Compensation of officers, directors, etc	25	29,387.	29,387.		
26 Other salaries and wages	26	14,750.	14,750.		
27 Pension plan contributions	27				
28 Other employee benefits	28				
29 Payroll taxes	29				
30 Professional fundraising fees	30				
31 Accounting fees	31	2,750.		2,750.	
32 Legal fees	32	5,179.	5,179.		
33 Supplies	33	953.		953.	
34 Telephone	34	1,886.	1,886.		
35 Postage and shipping	35	2,681.		2,681.	
36 Occupancy	36	2,257.	2,257.		
37 Equipment rental and maintenance	37	3,235.	3,235.		
38 Printing and publications	38	1,818.	1,818.		
39 Travel	39	1,454.		1,454.	
40 Conferences, conventions, and meetings	40				
41 Interest	41				
42 Depreciation, depletion, etc (attach schedule)	42	8,861.	8,861.		
43 Other expenses not covered above (itemize):					
a See Statement 2	43a	216,759.	212,011.	4,748.	
b	43b				
c	43c				
d	43d				
e	43e				
44 Total functional expenses (add lines 22 - 43). Organizations completing columns (B) - (D), carry these totals to lines 13 - 15	44	291,970.	279,384.	12,586.	0.

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"/> See Statement 3	Program Service Expenses (Required for 501(c)(3) and (4) organizations and 4947(a)(1) trusts; but optional for others.)
All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) & (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants & allocations to others.)	
a The Organization delivered instructional television programs for use in curriculum at elementary and secondary schools in Indiana, Missouri, Nevada, Pennsylvania, Arizona, California and Utah. (Grants and allocations \$ _____)	279,384.
b _____ (Grants and allocations \$ _____)	
c _____ (Grants and allocations \$ _____)	
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)	279,384.

Part IV Balance Sheets (See Instructions)

				(A)		(B)
				Beginning of year		End of year
ASSETS	45	Cash — non-interest-bearing			45	
	46	Savings and temporary cash investments		85,202.	46	16,160.
	47a	47a	Accounts receivable			
		47b	b Less: allowance for doubtful accounts		47c	
	48a	48a	Pledges receivable			
		48b	b Less: allowance for doubtful accounts		48c	
	49	Grants receivable			49	
	50	Receivables from officers, directors, trustees, and key employees (attach schedule)			50	
	51a	51a	Other notes & loans receivable (attach sch.) .. See St. 4. 2,168,250.			
		51b	b Less: allowance for doubtful accounts	1,640,250.	51c	2,168,250.
	52	Inventories for sale or use			52	
	53	Prepaid expenses and deferred charges			53	
	54	Investments — securities (attach schedule).. See St. 5. <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV		4,093,798.	54	3,348,768.
	55a	55a	Investments — land, buildings, & equipment: basis			
		55b	b Less: accumulated depreciation (attach schedule)		55c	
	56	Investments — other (attach schedule)		-101,255.	56	-33,254.
	57a	57a	Land, buildings, and equipment: basis			
		57b	b Less: accumulated depreciation (attach schedule) .. See Statement 7. 403,878.	5,152.	57c	65,522.
	58	Other assets (describe <input type="checkbox"/> See Statement 8		6,836.	58	6,828.
59	Total assets (add lines 45 through 58) (must equal line 74)		5,729,983.	59	5,572,274.	
LIABILITIES	60	Accounts payable and accrued expenses		20,195.	60	126,877.
	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	
		64b	b Mortgages and other notes payable (attach schedule)		64b	
	65	Other liabilities (describe <input type="checkbox"/> See Statement 9		6,487.	65	1,051.
66	Total liabilities (add lines 60 through 65)		26,682.	66	127,928.	
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		5,703,301.	67	5,444,346.
	68	Temporarily restricted			68	
	69	Permanently restricted			69	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74.					
	70	Capital stock, trust principal, or current funds			70	
	71	Paid-in or capital surplus, or land, building, and equipment fund			71	
	72	Retained earnings, endowment, accumulated income, or other funds			72	
	73	Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72; column (A) must equal line 19; column (B) must equal line 21)		5,703,301.	73	5,444,346.
	74	Total liabilities and net assets/fund balances (add lines 66 and 73)		5,729,983.	74	5,572,274.

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	N/A
b Amounts included on line a but not on line 12, Form 990:		
(1) Net unrealized gains on investments		
(2) Donated services and use of facilities		
(3) Recoveries of prior year grants		
(4) Other (specify):		
Add amounts on lines (1) through (4)	b	
c Line a minus line b	c	
d Amounts included on line 12, Form 990 but not on line a:		
(1) Investment expenses not included on line 6b, Form 990		
(2) Other (specify):		
Add amounts on lines (1) and (2)	d	
e Total revenue per line 12, Form 990 (line c plus line d)	e	

a Total expenses and losses per audited financial statements	a	N/A
b Amounts included on line a but not on line 17, Form 990:		
(1) Donated services and use of facilities		
(2) Prior year adjustments reported on line 20, Form 990		
(3) Losses reported on line 20, Form 990		
(4) Other (specify):		
Add amounts on lines (1) through (4)	b	
c Line a minus line b	c	
d Amounts included on line 17, Form 990 but not on line a:		
(1) Investment expenses not included on line 6b, Form 990		
(2) Other (specify):		
Add amounts on lines (1) and (2)	d	
e Total expenses per line 17, Form 990 (line c plus line d)	e	

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
John Schwartz 2945 Center Green Ct., # D Boulder, CO 80301	Pres./Director Part-time	18,000.	0.	0.
Dee Dee Halleck 2945 Center Green Ct., # D Boulder, CO 80301	VP/Director Part-time	0.	0.	0.
Frances Valdez 2945 Center Green Ct., # D Boulder, CO 80301	Treas./Director Part-time	0.	0.	0.
Bill Askin 2945 Center Green Ct., # D Boulder, CO 80301	Sec./Director Part-time	0.	0.	0.
Adam Miller 2945 Center Green Ct., # D Boulder, CO 80301	Assist. Sec. Part-time	11,387.	0.	0.

75 Did any officer, director, trustee, or key employee receive aggregate compensation of more than \$100,000 from your organization and all related organizations, of which more than \$10,000 was provided by the related organizations? Yes No
If 'Yes,' attach schedule - see instructions.

Part VI Other Information (See instructions.)

	Yes	No
76 Did the organization engage in any activity not previously reported to the IRS? If 'Yes,' attach a detailed description of each activity		X
77 Were any changes made in the organizing or governing documents but not reported to the IRS? If 'Yes,' attach a conformed copy of the changes.		X
78a Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?		X
78b If 'Yes,' has it filed a tax return on Form 990-T for this year?		N/A
79 Was there a liquidation, dissolution, termination, or substantial contraction during the year? If 'Yes,' attach a statement.		X
80a Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc, to any other exempt or nonexempt organization?		X
81a Enter direct and indirect political expenditures. See line 81 instructions. 81a 0. 81b Did the organization file Form 1120-POL for this year?		X
82a Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?		X
82b If 'Yes,' you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.) 82b N/A		
83a Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
83b Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	X	
84a Did the organization solicit any contributions or gifts that were not tax deductible?		X
84b If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		N/A
85a 501(c)(4), (5), or (6) organizations. Were substantially all dues nondeductible by members?		X
85b 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.		X
85c Dues, assessments, and similar amounts from members. 85c 0.		
85d Section 162(e) lobbying and political expenditures. 85d 0.		
85e Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices. 85e 0.		
85f Taxable amount of lobbying and political expenditures (line 85d less 85e). 85f 0.		
85g Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?		N/A
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?		N/A
86a 501(c)(7) organizations. Enter: a Initiation fees and capital contributions included on line 12. 86a N/A		
86b Gross receipts, included on line 12, for public use of club facilities. 86b N/A		
87a 501(c)(12) organizations. Enter: a Gross income from members or shareholders. 87a N/A		
87b Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.) 87b N/A		
88 At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If 'Yes,' complete Part IX		X
89a 501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 ▶ N/A ; section 4912 ▶ N/A ; section 4955 ▶ N/A		
89b 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 ▶ None		
90b Number of employees employed in the pay period that includes March 12, 2004 (See instructions.) 90b 0		
91 The books are in care of ▶ The Organization Telephone number ▶ 303-442-0599 Located at ▶ 2945 Center Green Ct., #D, Boulder, CO ZIP + 4 ▶ 80301		
92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 - Check here. N/A ▶ <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the tax year. 92 N/A		

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

Note: Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue:					
a _____					
b _____					
c _____					
d _____					
e _____					
f Medicare/Medicaid payments					
g Fees & contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings & temporary cash invmnts			14	98,534.	
96 Dividends & interest from securities					
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 Other income					103.
c Partnership loss	900001				
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))				98,534.	103.
105 Total (add line 104, columns (B), (D), and (E))					98,637.

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).
103b	Other income related to the organization's exempt purpose.

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

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
N/A	0%			

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

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

b Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No

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

Please Sign Here

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

Signature of officer: [Signature] Date: 7/8/05

Type or print name and title: Adam Miller, Assistant Secretary

Paid Preparer's Use Only

Preparer's signature: [Signature] Date: 6/30/05 Check if self-employed: Preparer's SSN or PTIN (See General Instruction W): N/A

Firm's name (or yours if self-employed), address, and ZIP + 4: JDS Professional Group, CPAs
5655 S. Yosemite Street Suite 100
Englewood, CO 80111-3218 EIN: N/A Phone no.: (303) 771-0123

Statement 1
Form 990, Part I, Line 20
Other Changes in Net Assets or Fund Balances

1998-2001 City of Philadelphia Taxes.....	\$	-10,567.
Other prior period adjustments.....		-224.
Unrealized investment loss.....		-54,831.
Total	\$	-65,622.

Statement 2
Form 990, Part II, Line 43
Other Expenses

	(A) Total	(B) Program Services	(C) Management & General	(D) Fundraising
Acquisition and Licensing	31,230.	31,230.		
Administrative support	1,819.		1,819.	
Consulting	4,993.	4,993.		
Contract playback	27,350.	27,350.		
Dues & subscriptions	250.		250.	
EBS Admin Asst Reimburse	5,183.	5,183.		
EBS Spectrum Director	5,700.	5,700.		
EBS Spectrum Interns	2,832.	2,832.		
Engineering expense	43,144.	43,144.		
Gen. EBS expenses	4,540.	4,540.		
General office exp	739.		739.	
Insurance	7,938.	7,938.		
Interest expense	49.		49.	
Licenses & permits	1,482.		1,482.	
Meals & entertainment	79.		79.	
Miscellaneous	58.		58.	
Miscellaneous property tax	122.		122.	
Reference materials	5.	5.		
Storage rent	150.		150.	
Tape/ DVD Stock	1,102.	1,102.		
Teachers Guides	310.	310.		
Tower rent	77,684.	77,684.		
Total	\$ 216,759.	\$ 212,011.	\$ 4,748.	\$ 0.

Statement 3
Form 990, Part III
Organization's Primary Exempt Purpose

To provide educational telecommunications to educational institutions.

Statement 4
Form 990, Part IV, Line 51
Other Notes and Loans Receivable

<u>Other Notes and Loans</u>	<u>Balance Due</u>	<u>Doubtful Accounts Allowance</u>
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Client 1533

84-0943035

Statement 4 (continued)
Form 990, Part IV, Line 51
Other Notes and Loans Receivable

Public Communicators		\$ 2,168,250.	\$ 0.
	Total Other Notes and Loans	<u>\$ 2,168,250.</u>	<u>\$ 0.</u>
	Total Net Receivables		<u>\$ 2,168,250.</u>

Statement 5
Form 990, Part IV, Line 54
Investments - Securities

Corporate Stocks	Valuation Method	Amount
Clearwire Stock Class B Preferred	Market Value	\$ 232,563.
Clearwire Stock Class C Preferred	Market Value	20,000.
	Total	<u>\$ 252,563.</u>

Other Securities	Valuation Method	Amount
Clearwire Stock Class A Preferred	Market Value	180,936.
Charles Schwab Investment Account - Bonds	Market Value	2,915,269.
	Total	<u>\$ 3,096,205.</u>

Total Investments - Securities \$ 3,348,768.

Statement 6
Form 990, Part IV, Line 56
Investments - Other

Description of Investment	Valuation Method	Book Value
Free Speech Media LLC	Cost	\$ -61,254.
Independent Spectrum	Cost	28,000.
	Total	<u>\$ -33,254.</u>

Statement 7
Form 990, Part IV, Line 57
Land, Buildings, and Equipment

Category	Basis	Accum. Deprec.	Book Value
Machinery and Equipment	\$ 469,400.	\$ 403,878.	\$ 65,522.
Total	<u>\$ 469,400.</u>	<u>\$ 403,878.</u>	<u>\$ 65,522.</u>

Statement 8
Form 990, Part IV, Line 58
Other Assets

Security Deposit.....	Total	\$	6,828.
		\$	<u>6,828.</u>

Statement 9
Form 990, Part IV, Line 65
Other Liabilities

Rounding.....		\$	1.
Security deposit.....			1,050.
	Total	\$	<u>1,051.</u>