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Form 990

Return of Organization Exempt From Income Tax

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

OMB No. 1545-0047

2007

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 2007 calendar year, or tax year beginning 9/1/2007, and ending 8/31/2008

- B Check if applicable: Address change, Name change, Initial return, Termination, Amended return, Application pending

C Name of organization: The Phoenix Charter School. Address: 8501 Jack Finney Blvd, Greenville, TX 75402

D Employer identification number: 75-2113095. E Telephone number: (903) 454-7153. F Accounting method: Accrual

G Website: phoenixschool.net. J Organization type: 501(c)(3)

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. I Group Exemption Number

K Check here if the organization is not a 509(a)(3) supporting organization and its gross receipts are normally not more than \$25,000.

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

L Gross receipts Add lines 6b, 8b, 9b, and 10b to line 12: 3,877,896

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

SCANNED JUN 01 2011

Table with 21 rows for Revenue, Expenses, and Net Assets. Includes sub-rows for contributions, program service revenue, membership dues, interest on savings, dividends, gross rents, net rental income, other investment income, gross amount from sales of assets, special events, gross sales of inventory, and other revenue.

STATUTE LINE RECEIVED MAY 02 2011

BRANCH OGDEN

16 6/1/11

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

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22 a	Grants paid from donor advised funds (attach schedule) (cash \$ 0 noncash \$ 0) If this amount includes foreign grants, check here <input type="checkbox"/>	0	0		
22 b	Other grants and allocations (attach schedule) (cash \$ 0 noncash \$ 0) If this amount includes foreign grants, check here <input type="checkbox"/>	0	0		
23	Specific assistance to individuals (attach schedule)	0	0		
24	Benefits paid to or for members (attach schedule)	0	0		
25 a	Compensation of current officers, directors, key employees, etc listed in Part V-A	70,000	0	70,000	0
25 b	Compensation of former officers, directors, key employees, etc. listed in Part V-B	0	0	0	0
25 c	Compensation and other distributions, not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0	0	0	0
26	Salaries and wages of employees not included on lines 25a, b, and c	0	0	0	0
27	Pension plan contributions not included on lines 25a, b, and c	0	0	0	0
28	Employee benefits not included on lines 25a - 27	0	0	0	0
29	Instructional Services	1,994,585	1,994,585	0	0
30	Instructional Resources & Media	21,364	21,364	0	0
31	Curriculum & Instructional Staff Development	24,347	24,347	0	0
32	Instructional Leadership	107,323	107,323	0	0
33	School Leadership	257,193	257,193	0	0
34	Guidance, Counseling & Evaluation Services	44,292	44,292	0	0
35	Student Health Services	30,703	30,703	0	0
36	Student Transportation	371	371	0	0
37	Student Food Services	196,644	196,644	0	0
38	Extracurricular / Cocurricular Activities	83,616	83,616	0	0
39	General Administration	186,062	0	186,062	0
40	Plant Maintenance & Operation	518,707	518,707	0	0
41	Interest	0	0	0	0
42	Depreciation, depletion, etc. (attach schedule)	81,400	81,400	0	0
43	Other expenses not covered above (itemize):				
43 a	Security Services	65,616	65,616	0	0
43 b	Data Processing Services	126,128	126,128	0	0
43 c	Community Services	13,561	13,561	0	0
43 d		0	0	0	0
43 e		0	0	0	0
43 f		0	0	0	0
43 g		0	0	0	0
44	Total functional expenses. Add lines 22a through 43g. (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	3,821,912	3,565,850	256,062	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 \$ 0, (ii) the amount allocated to Program services \$ _____,
 (iii) the amount allocated to Management and general \$ _____, and (iv) the amount allocated to Fundraising \$ _____

Part IV Balance Sheets (See the instructions.)

				(A)		(B)
				Beginning of year		End of year
Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only						
Assets	45 Cash—non-interest-bearing			169,737	45	423,430
	46 Savings and temporary cash investments				46	
	47 a Accounts receivable	47a	0			
	b Less: allowance for doubtful accounts	47b	0	0	47c	0
	48 a Pledges receivable	48a	0			
	b Less: allowance for doubtful accounts	48b	0	0	48c	0
	49 Grants receivable			160,357	49	123,103
	50 a Receivables from current and former officers, directors, trustees, and key employees (attach schedule)			0	50a	0
	b Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) (attach schedule)				50b	
	51 a Other notes and loans receivable (attach schedule)	51a	0			
	b Less: allowance for doubtful accounts	51b	0	0	51c	0
	52 Inventories for sale or use				52	
	53 Prepaid expenses and deferred charges			28,500	53	
	54 a Investments—publicly-traded securities	<input type="checkbox"/> Cost <input type="checkbox"/> FMV		0	54a	0
	b Investments—other securities (attach schedule)	<input type="checkbox"/> Cost <input type="checkbox"/> FMV		0	54b	0
	55 a Investments—land, buildings, and equipment: basis	55a	0			
	b Less: accumulated depreciation (attach schedule)	55b	0	0	55c	0
	56 Investments—other (attach schedule)			0	56	0
	57 a Land, buildings, and equipment: basis	57a	3,476,322			
	b Less: accumulated depreciation (attach schedule)	57b	459,012	2,055,924	57c	3,017,310
58 Other assets, including program-related investments (describe <input type="checkbox"/> Security Deposits)			200	58	200	
59 Total assets (must equal line 74). Add lines 45 through 58			2,414,718	59	3,564,043	
Liabilities	60 Accounts payable and accrued expenses			137,988	60	201,803
	61 Grants payable				61	
	62 Deferred revenue				62	124,087
	63 Loans from officers, directors, trustees, and key employees (attach schedule)			0	63	0
	64 a Tax-exempt bond liabilities (attach schedule)			0	64a	0
	b Mortgages and other notes payable (attach schedule)			1,823,172	64b	2,728,611
	65 Other liabilities (describe <input type="checkbox"/>)			0	65	0
66 Total liabilities. Add lines 60 through 65			1,961,160	66	3,054,501	
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			45,682	67	409,748
	68 Temporarily restricted			407,876	68	99,794
	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 and column (B) must equal line 21).			453,558	73	509,542	
74 Total liabilities and net assets/fund balances. Add lines 66 and 73			2,414,718	74	3,564,043	

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

a	Total revenue, gains, and other support per audited financial statements		a	3,877,895
b	Amounts included on line a but not on Part I, line 12:			
1	Net unrealized gains on investments	b1		
2	Donated services and use of facilities	b2		
3	Recoveries of prior year grants	b3		
4	Other (specify):	b4	0	
	Add lines b1 through b4		b	0
c	Subtract line b from line a		c	3,877,895
d	Amounts included on Part I, line 12, but not on line a:			
1	Investment expenses not included on Part I, line 6b	d1		
2	Other (specify):	d2	0	
	Add lines d1 and d2		d	0
e	Total revenue (Part I, line 12). Add lines c and d		e	3,877,895

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

a	Total expenses and losses per audited financial statements		a	3,821,910
b	Amounts included on line a but not on Part I, line 17:			
1	Donated services and use of facilities	b1		
2	Prior year adjustments reported on Part I, line 20	b2		
3	Losses reported on Part I, line 20	b3		
4	Other (specify):	b4	0	
	Add lines b1 through b4		b	0
c	Subtract line b from line a		c	3,821,910
d	Amounts included on Part I, line 17, but not on line a:			
1	Investment expenses not included on Part I, line 6b	d1		
2	Other (specify):	d2	0	
	Add lines d1 and d2		d	0
e	Total expenses (Part I, line 17). Add lines c and d		e	3,821,910

Part V-A Current Officers, Directors, Trustees, and Key Employees (List each person who was an officer, director, trustee, or key employee at any time during the year even if they were not compensated) (See the instructions.)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (If not paid, enter -0-)	(D) Contributions to employee benefit plans & deferred compensation plans	(E) Expense account and other allowances
Name Vickie Glasscock Str 5205 Inwood Drive City Rowlett ST TX ZIP 75084	Title Superintendent Hr/WK 40	70,000	2,748	30
Name Teresa Schuster Str 8501 Jack Finney Bly City Greenville ST TX ZIP 75402	Title Bd Member Hr/WK 1	0	0	0
Name Tricia Henry Str 8501 Jack Finney Bly City Greenville ST TX ZIP 75402	Title Bd Secretary Hr/WK 1	0	0	0
Name James Otis Str 8501 Jack Finney Bly City Greenville ST TX ZIP 75402	Title Bd Member Hr/WK 1	0	0	0
Name Teresa Preston Str 8501 Jack Finney Bly City Greenville ST TX ZIP 75402	Title Bd President Hr/WK 1	0	0	0
Name N/A Str City ST ZIP	Title Hr/WK			
Name N/A Str City ST ZIP	Title Hr/WK			
Name N/A Str City ST ZIP	Title Hr/WK			
Name N/A Str City ST ZIP	Title Hr/WK			
Name N/A Str City ST ZIP	Title Hr/WK			

Part V-A Current Officers, Directors, Trustees, and Key Employees (continued)		Yes	No
75 a	Enter the total number of officers, directors, and trustees permitted to vote on organization business at board meetings 4		
b	Are any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, related to each other through family or business relationships? If "Yes," attach a statement that identifies the individuals and explains the relationship(s)	75b	X
c	Do any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, receive compensation from any other organizations, whether tax exempt or taxable, that are related to the organization? See the instructions for the definition of "related organization." If "Yes," attach a statement that includes the information described in the instructions.	75c	X
d	Does the organization have a written conflict of interest policy?	75d	X

Part V-B Former Officers, Directors, Trustees, and Key Employees That Received Compensation or Other Benefits (If any former officer, director, trustee, or key employee received compensation or other benefits (described below) during the year, list that person below and enter the amount of compensation or other benefits in the appropriate column. See the instructions.)

(A) Name and address	(B) Loans and Advances	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans & deferred compensation plans	(E) Expense account and other allowances
Name <u>N/A</u> Str City ST ZIP				
Name <u>N/A</u> Str City ST ZIP				
Name <u>N/A</u> Str City ST ZIP				
Name <u>N/A</u> Str City ST ZIP				
Name <u>N/A</u> Str City ST ZIP				
Name <u>N/A</u> Str City ST ZIP				
Name <u>N/A</u> Str City ST ZIP				
Name <u>N/A</u> Str City ST ZIP				
Name <u>N/A</u> Str City ST ZIP				
Name <u>N/A</u> Str City ST ZIP				

Part VI Other Information (See the instructions)		Yes	No
76	Did the organization make a change in its activities or methods of conducting activities? If "Yes," attach a detailed statement of each change	76	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	77	X
78 a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	78a	X
b	If "Yes," has it filed a tax return on Form 990-T for this year?	78b	N/A
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement	79	X
80 a	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?	80a	X
b	If "Yes," enter the name of the organization ▶ and check whether it is <input type="checkbox"/> exempt or <input type="checkbox"/> nonexempt	81a	
81 a	Enter direct and indirect political expenditures (See line 81 instructions)	81a	
b	Did the organization file Form 1120-POL for this year?	81b	X

Part VI Other Information (continued)

		Yes	No
82 a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?		X
b	If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III)		
	82b N/A		
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
b	Did the organization comply with the disclosure requirements relating to <i>quid pro quo</i> contributions?	X	
84 a	Did the organization solicit any contributions or gifts that were not tax deductible?		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	N/A	
85	501(c)(4), (5), or (6) Were substantially all dues nondeductible by members?	N/A	
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.	N/A	
c	Dues, assessments, and similar amounts from members	85c	N/A
d	Section 162(e) lobbying and political expenditures	85d	N/A
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85e	N/A
f	Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f	N/A
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	85g	N/A
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85h	N/A
86	501(c)(7) orgs. Enter: a Initiation fees and capital contributions included on line 12	86a	
b	Gross receipts, included on line 12, for public use of club facilities	86b	
87	501(c)(12) orgs. Enter: a Gross income from members or shareholders	87a	
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)	87b	
88 a	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	88a	X
b	At any time during the year, did the organization, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Part XI	88b	X
89 a	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	89a	
b	501(c)(3) and 501(c)(4) orgs. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction	89b	X
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958	89c	
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization	89d	
e	All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction?	89e	X
f	All organizations. Did the organization acquire a direct or indirect interest in any applicable insurance contract?	89f	
g	For supporting organizations and sponsoring organizations maintaining donor advised funds. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	89g	N/A
90 a	List the states with which a copy of this return is filed		
b	Number of employees employed in the pay period that includes March 12, 2007 (See instructions)	90b	102
91 a	The books are in care of ▶ Name Vickie Glasscock Telephone no ▶ 903-454-7153 Located at ▶ 8501 Jack Finney Blvd City Greenville ST TX ZIP + 4 ▶ 75402		
b	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	91b	X
	If "Yes," enter the name of the foreign country ▶		
	See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts		

Part VI Other information (continued)

c At any time during the calendar year, did the organization maintain an office outside of the United States? Yes No
 If "Yes," enter the name of the foreign country ▶

91c

92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041—Check here and enter the amount of tax-exempt interest received or accrued during the tax year . . . ▶ 92 N/A

Part VII Analysis of Income-Producing Activities (See the 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 Tuition			03		33,142
b Student Activity			03		67,235
c Food Service			03		44,639
d					
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments					
96 Dividends and 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 personal property					
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))		0		0	145,016
105 Total (add line 104, columns (B), (D), and (E))					145,016

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

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See the 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)
93	All revenues are used to finance the operation of the School

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See the 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
	%		0	0
	%		0	0
	%		0	0
	%		0	0

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

Part XI Information Regarding Transfers To and From Controlled Entities. Complete only if the organization is a controlling organization as defined in section 512(b)(13).

106 Did the reporting organization make any transfers to a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity. Yes No

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a			
b			
c			
Totals				0

107 Did the reporting organization receive any transfers from a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity. Yes No

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a			
b			
c			
Totals				0

108 Did the organization have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in question 107 above? Yes No

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. Preparation of preparer (other than officer) is based on all information of which preparer has any knowledge.

Vickie B. Blawieck
 Signature of officer _____ Date _____
 Type or print name and title _____

Paid Preparer's Use Only

Preparer's signature: *[Signature]* Date: 5/7/2009 Check if self-employed: Preparer's SSN or PTIN (See Gen Inst X): 454-62-9971
 Firm's name (or yours if self-employed), address, and ZIP + 4: John R Pechacek, CPA P.O. Box 549, Bellville, TX 77418-0549 EIN: 74-1500056 Phone no: 979-865-3169

SCHEDULE A
(Form 990 or 990-EZ)

Organization Exempt Under Section 501(c)(3)

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

Supplementary Information—(See separate instructions.)

OMB No 1545-0047

2007

Department of the Treasury
Internal Revenue Service

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

Name of the organization The Phoenix Charter School	Employer identification number 75-2113095
---	---

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See page 1 of the instructions. List each one. If there are none, enter "None.")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
Connie Jones, 8501 Jack Finney Blvd. Greenville, TX 75402	High School Principal 40	52,255	2,748	169
Kathy Toole, 8501 Jack Finney Blvd. Greenville, TX 75402	Elementary Principal 40	52,000		370
Jennifer Dawson, 1187 FM 2737 Caddo Mills, TX 75135	Upper Elem. Principal 40	50,000		113

Total number of other employees paid over \$50,000 ▶ 0

Part II-A Compensation of the Five Highest Paid Independent Contractors for Professional Services
(See page 2 of the instructions. List each one (whether individuals or firms). If there are none, enter "None.")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation

Total number of others receiving over \$50,000 for professional services ▶ 0

Part II-B Compensation of the Five Highest Paid Independent Contractors for Other Services
(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter "None." See page 2 of the instructions.)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation

Total number of other contractors receiving over \$50,000 for other services ▶ 0

(HTA)

Part III Statements About Activities (See page 2 of the instructions.)

Yes No

		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 ► \$ _____ (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B)		X
Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes" must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities			
2	During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions)		
a	Sale, exchange, or leasing of property?		X
b	Lending of money or other extension of credit?		X
c	Furnishing of goods, services, or facilities?		X
d	Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?		X
e	Transfer of any part of its income or assets?		X
3 a	Did the organization make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how the organization determines that recipients qualify to receive payments.)		X
b	Did the organization have a section 403(b) annuity plan for its employees?		X
c	Did the organization receive or hold an easement for conservation purposes, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," attach a detailed statement		X
d	Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services?		X
4 a	Did the organization maintain any donor advised funds? If "Yes," complete lines 4b through 4g. If "No," complete lines 4f and 4g.		X
b	Did the organization make any taxable distributions under section 4966?		X
c	Did the organization make a distribution to a donor, donor advisor, or related person?		X
d	Enter the total number of donor advised funds owned at the end of the tax year ► _____		
e	Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year ► _____		
f	Enter the total number of separate funds or accounts owned at the end of the tax year (excluding donor advised funds included on line 4d) where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts. ► _____		
g	Enter the aggregate value of assets held in all funds or accounts included on line 4f at the end of the tax year ► _____		

Part IV Reason for Non-Private Foundation Status (See pages 4 through 8 of the instructions.)

I certify that the organization is not a private foundation because it is: (Please check only ONE applicable box.)

- 5 A church, convention of churches, or association of churches Section 170(b)(1)(A)(i)
- 6 A school. Section 170(b)(1)(A)(ii) (Also complete Part V.)
- 7 A hospital or a cooperative hospital service organization Section 170(b)(1)(A)(iii)
- 8 A federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v)
- 9 A medical research organization operated in conjunction with a hospital Section 170(b)(1)(A)(iii) Enter the hospital's name, city, and state ▶ City ST Country
- 10 An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv) (Also complete the Support Schedule in Part IV-A)
- 11 a 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 A community trust. Section 170(b)(1)(A)(vi) (Also complete the Support Schedule in Part IV-A)
- 12 An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2) (Also complete the Support Schedule in Part IV-A)
- 13 An organization that is not controlled by any disqualified persons (other than foundation managers) and otherwise meets the requirements of section 509(a)(3) Check the box that describes the type of supporting organization
 Type I Type II Type III-Functionally Integrated Type III-Other

Provide the following information about the supported organizations. (See page 8 of the instructions.)

(a) Name(s) of supported organization(s)	(b) Employer identification number (EIN)	(c) Type of organization (described in lines 5 through 12 above or IRC section)	(d) Is the supported organization listed in the supporting organization's governing documents?		(e) Amount of support
			Yes	No	
					0
					0
					0
					0
					0
					0
Total					0

- 14 An organization organized and operated to test for public safety Section 509(a)(4) (See page 8 of the instructions)

Part V Private School Questionnaire (See page 9 of the instructions.)
(To be completed ONLY by schools that checked the box on line 6 in Part IV)

		Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?	X	
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?	X	
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe, if "No," please explain (If you need more space, attach a separate statement) <u>At least once annually, the School publicizes its non-discrimination policy in a newspaper in general circulation within its normal service areas.</u>	X	
32	Does the organization maintain the following		
a	Records indicating the racial composition of the student body, faculty, and administrative staff?	X	
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	X	
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	X	
d	Copies of all material used by the organization or on its behalf to solicit contributions? If you answered "No" to any of the above, please explain (If you need more space, attach a separate statement)	X	
33	Does the organization discriminate by race in any way with respect to		
a	Students' rights or privileges?		X
b	Admissions policies?		X
c	Employment of faculty or administrative staff?		X
d	Scholarships or other financial assistance?		X
e	Educational policies?		X
f	Use of facilities?		X
g	Athletic programs?		X
h	Other extracurricular activities? If you answered "Yes" to any of the above, please explain (If you need more space, attach a separate statement)		X
34 a	Does the organization receive any financial aid or assistance from a governmental agency?	X	
b	Has the organization's right to such aid ever been revoked or suspended? If you answered "Yes" to either 34a or b, please explain using an attached statement		X
35	Does the organization certify that it has complied with the applicable requirements of sections 4 01 through 4 05 of Rev. Proc 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation	X	

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 11 of the 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

(The term "expenditures" means amounts paid or incurred)

		(a) Affiliated group totals	(b) To be completed for all electing organizations
36	Total lobbying expenditures to influence public opinion (grassroots lobbying)		
37	Total lobbying expenditures to influence a legislative body (direct lobbying)		
38	Total lobbying expenditures (add lines 36 and 37)	0	0
39	Other exempt purpose expenditures		
40	Total exempt purpose expenditures (add lines 38 and 39)	0	0
41	Lobbying nontaxable amount Enter the amount from the following table—		
	If the amount on line 40 is—	The lobbying nontaxable amount is—	
	Not over \$500,000	20% of the amount on line 40	
	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000	
	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000	
	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000	
	Over \$17,000,000	\$1,000,000	
42	Grassroots nontaxable amount (enter 25% of line 41)	0	0
43	Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36	0	0
44	Subtract line 41 from line 38 Enter -0- if line 41 is more than line 38	0	0

Caution: If there is an amount on either line 43 or line 44, you must file Form 4720

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 45 through 50 on page 13 of the instructions.)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2007	(b) 2006	(c) 2005	(d) 2004	(e) Total
45	Lobbying nontaxable amount				0
46	Lobbying ceiling amount (150% of line 45(e))				0
47	Total lobbying expenditures				0
48	Grassroots nontaxable amount				0
49	Grassroots ceiling amount (150% of line 48(e))				0
50	Grassroots lobbying expenditures				0

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See page 14 of the instructions.)

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

	Yes	No	Amount
a Volunteers		X	
b Paid staff or management (Include compensation in expenses reported on lines c through h.)		X	
c Media advertisements		X	
d Mailings to members, legislators, or the public		X	
e Publications, or published or broadcast statements		X	
f Grants to other organizations for lobbying purposes		X	
g Direct contact with legislators, their staffs, government officials, or a legislative body		X	
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means		X	
i Total lobbying expenditures (Add lines c through h.)			0

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

Line 1 (990) - Public Support and Contributions

	Cash	Non Cash
Line 1a - Contributions to Donor Advised Funds		
Line 1b - Direct public support		
1 Contributions	1	
2 Membership dues and assessments (contributions from the public)	2	
3 Commercial co-venture	3	
4 Special events contributions (Line 9 - Special Events)	0 4	
5	5	
6	6	
7	7	
8	8	
9	9	
10 Total	0 10	0
Line 1c - Indirect public support		
Line 1d - Government contributions (grants)	3,732,880	

Part IV, Line 57 (990) - Land, Buildings, and Equipment

		3,476,322	377,612	459,012	2,055,924	3,017,310
Category or Item		Cost/Other Basis	Beginning Accumulated Depreciation	Ending Accumulated Depreciation	Beginning Balance	Ending Balance
1	Land		0	0	572,300	697,846
2	Buildings & Improvements	2,557,796	297,971	353,644	1,445,157	2,204,152
3	Vehicles	26,053	2,714	7,780	16,286	18,273
4	Furniture & Equipment	194,627	76,927	97,588	22,181	97,039
5					0	0
6					0	0
7					0	0
8					0	0
9					0	0
10					0	0
11					0	0
12					0	0
13					0	0
14					0	0
15					0	0
16					0	0
17					0	0
18					0	0
19					0	0
20					0	0

Part IV, Line 58 (990) - Other Assets

		200	200
Description		Beginning	End
1	Security Deposits	200	200
2			
3			
4			
5			
6			
7			
8			
9			
10			

Part IV, Line 64b (990) - Mortgages and Other Notes Payable

	Lender's name	Check if lender is a business	Security provided	Original amount	Balance due beginning of year	Balance due end of year	Date of note	Maturity date
1	Dell Financial Services	X	Computer Hardware & Software	88,519	0	59,012	4/11/2008	4/1/2010
2	Paris Junior College	X	Land & Buildings	867,000	0	867,000	8/18/2008	8/18/2033
3	Alliance Bank	X	Land & Buildings	1,824,545	1,823,172	1,802,599	7/1/2007	8/1/2037
4								
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14								
15								
16								
17								
18								

2,780,064 1,823,172 2,728,611

Part VII, Line 93 (990) - Program Service Revenue

	Program Service Revenue	Unrelated business income		Excluded by section 512, 513, or 514		
		(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	(E) Related or exempt function income
a	Tuition			03		33,142
b	Student Activity			03		67,235
c	Food Service			03		44,639
d						
e						
f						
g						
h						
i						
j						
k						
l						
m						
n						
o						
p						
q						
r						
s						
t						
u						
v						
w						
x						
y						
z						

Part VIII (990) - Relationship of Activities to the Accomplishment of Exempt Purposes

	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).
1	93	All revenues are used to finance the operation of the School.
2		
3		
4		
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14		
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16		
17		
18		
19		
20		

Part V, Lines 34a and 34b (Sch A (990/990-EZ)) - Financial Aid or Government Agency Assistance

Does the organization receive any financial aid or assistance from a governmental agency?

Yes No

Has the organization's right to such aid ever been revoked or suspended?

Yes No

If "Yes" to either question above, please explain

As a government sponsored public charter school, The Phoenix School receives both state and federal grants and assistance - all of which are utilized in the operation of the School
