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|                                                                                                                                                              |                                                                                                                                                                                                  |                                                                                       |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|
| Form <b>990</b><br><br>Department of the Treasury<br>Internal Revenue Service | <b>Return of Organization Exempt From Income Tax</b><br><br><b>Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)</b> | OMB No 1545-0047<br><div> <div>2008</div> <div>Open to Public Inspection</div> </div> |
|                                                                                                                                                              | The organization may have to use a copy of this return to satisfy state reporting requirements                                                                                                   |                                                                                       |

|                                                                                                                                                                                                                                                                                               |                                                                                                         |                                                                                                                                                 |                                                                                                                        |                                                       |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------|
| <b>A For the 2008</b> calendar year, or tax year beginning 07-01-2008 and ending 06-30-2009                                                                                                                                                                                                   |                                                                                                         |                                                                                                                                                 |                                                                                                                        |                                                       |
| <b>B</b> Check if applicable<br><input type="checkbox"/> Address change<br><input type="checkbox"/> Name change<br><input type="checkbox"/> Initial return<br><input type="checkbox"/> Termination<br><input type="checkbox"/> Amended return<br><input type="checkbox"/> Application pending | <b>Please use IRS label or print or type. See Specific Instructions.</b>                                | <b>C</b> Name of organization<br>NATIONAL ACADEMY OF DESIGN                                                                                     |                                                                                                                        | <b>D</b> Employer identification number<br>13-1628183 |
|                                                                                                                                                                                                                                                                                               |                                                                                                         | Doing Business As                                                                                                                               |                                                                                                                        | <b>E</b> Telephone number<br>(212) 369-4880           |
|                                                                                                                                                                                                                                                                                               |                                                                                                         | Number and street (or P O box if mail is not delivered to street address)<br>1083 FIFTH AVENUE                                                  | Room/suite                                                                                                             | <b>G</b> Gross receipts \$ 24,119,748                 |
|                                                                                                                                                                                                                                                                                               |                                                                                                         | City or town, state or country, and ZIP + 4<br>NEW YORK, NY 10128                                                                               |                                                                                                                        |                                                       |
|                                                                                                                                                                                                                                                                                               | <b>F</b> Name and address of Principal Officer<br>DAVID KAPP<br>1083 FIFTH AVENUE<br>NEW YORK, NY 10128 |                                                                                                                                                 | <b>H(a)</b> Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |                                                       |
| <b>I</b> Tax-exempt status <input checked="" type="checkbox"/> 501(c) ( 3 ) (Insert no ) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527                                                                                                                                  |                                                                                                         | <b>H(b)</b> Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No<br>(If "No," attach a list See instructions ) |                                                                                                                        |                                                       |
| <b>J</b> Web site: www.nationalacademy.org                                                                                                                                                                                                                                                    |                                                                                                         | <b>H(c)</b> Group Exemption Number                                                                                                              |                                                                                                                        |                                                       |
| <b>K</b> Type of organization <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> trust <input type="checkbox"/> association <input type="checkbox"/> other                                                                                                              |                                                                                                         |                                                                                                                                                 | <b>L</b> Year of Formation 1825                                                                                        | <b>M</b> State of legal domicile NY                   |

## Part I Summary

|                             |            |                                                                                                                                                      |                          |                     |
|-----------------------------|------------|------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------|---------------------|
| Activities & Governance     | <b>1</b>   | Briefly describe the organization's mission or most significant activities<br>To promote the fine arts in America through instruction and exhibition |                          |                     |
|                             | <b>2</b>   | Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its assets                   |                          |                     |
|                             | <b>3</b>   | Number of voting members of the governing body (Part VI, line 1a) . . . . .                                                                          | <b>3</b>                 | <u>18</u>           |
|                             | <b>4</b>   | Number of independent voting members of the governing body (Part VI, line 1b) . . . . .                                                              | <b>4</b>                 | <u>18</u>           |
|                             | <b>5</b>   | Total number of employees (Part V, line 2a) . . . . .                                                                                                | <b>5</b>                 | <u>31</u>           |
|                             | <b>6</b>   | Total number of volunteers (estimate if necessary) . . . . .                                                                                         | <b>6</b>                 | <u>18</u>           |
|                             | <b>7a</b>  | Total gross unrelated business revenue from Part VIII, line 12, column (C) . . .                                                                     | <b>7a</b>                | <u>0</u>            |
|                             | <b>b</b>   | Net unrelated business taxable income from Form 990-T, line 34 . . .                                                                                 | <b>7b</b>                | <u>0</u>            |
| Revenue                     | <b>8</b>   | Contributions and grants (Part VIII, line 1h) . . . . .                                                                                              | <b>Prior Year</b>        | <b>Current Year</b> |
|                             | <b>9</b>   | Program service revenue (Part VIII, line 2g) . . . . .                                                                                               | 2,198,902                | 1,093,323           |
|                             | <b>10</b>  | Investment income (Part VIII, column (A), lines 3, 4, and 7d) . . . . .                                                                              | 1,383,710                | 1,470,723           |
|                             | <b>11</b>  | Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)                                                                             | 1,054,237                | 11,085,416          |
|                             | <b>12</b>  | Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)                                                                     | 380,420                  | 323,893             |
|                             |            |                                                                                                                                                      | 5,017,269                | 13,973,355          |
| Expenses                    | <b>13</b>  | Grants and similar amounts paid (Part IX, column (A), lines 1–3)                                                                                     | 372,108                  | 178,964             |
|                             | <b>14</b>  | Benefits paid to or for members (Part IX, column (A), line 4)                                                                                        |                          | 0                   |
|                             | <b>15</b>  | Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)                                                                    | 1,353,037                | 1,583,279           |
|                             | <b>16a</b> | Professional fundraising fees (Part IX, column (A), line 11e)                                                                                        |                          | 0                   |
|                             | <b>b</b>   | (Total fundraising expenses, Part IX, column (D), line 25 <u>343,017</u> )                                                                           |                          |                     |
|                             | <b>17</b>  | Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)                                                                                         | 2,746,917                | 2,981,626           |
|                             | <b>18</b>  | Total expenses—add lines 13–17 (must equal Part IX, line 25, column (A))                                                                             | 4,472,062                | 4,743,869           |
|                             | <b>19</b>  | Revenue less expenses Subtract line 18 from line 12                                                                                                  | 545,207                  | 9,229,486           |
|                             |            |                                                                                                                                                      |                          |                     |
| Net Assets or Fund Balances |            |                                                                                                                                                      | <b>Beginning of Year</b> | <b>End of Year</b>  |
|                             | <b>20</b>  | Total assets (Part X, line 16)                                                                                                                       | 16,875,612               | 24,418,751          |
|                             | <b>21</b>  | Total liabilities (Part X, line 26)                                                                                                                  | 1,714,212                | 1,164,079           |
|                             | <b>22</b>  | Net assets or fund balances Subtract line 21 from line 20                                                                                            | 15,161,400               | 23,254,672          |

## Part II Signature Block

|                          |                                                                                                                                                                                                                                                                                                                     |  |                                                                      |                                                 |                                 |
|--------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|----------------------------------------------------------------------|-------------------------------------------------|---------------------------------|
| 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 |  |                                                                      |                                                 |                                 |
|                          | *****                                                                                                                                                                                                                                                                                                               |  |                                                                      | 2010-05-12                                      |                                 |
|                          | Signature of officer                                                                                                                                                                                                                                                                                                |  |                                                                      | Date                                            |                                 |
|                          | MICHAEL MCKAY DIRECTOR OF FINANCE                                                                                                                                                                                                                                                                                   |  |                                                                      |                                                 |                                 |
|                          | Type or print name and title                                                                                                                                                                                                                                                                                        |  |                                                                      |                                                 |                                 |
| Paid Preparer's Use Only | Preparer's signature                                                                                                                                                                                                                                                                                                |  | Date                                                                 | Check if self-employed <input type="checkbox"/> | Preparer's PTIN (See Gen Inst ) |
|                          | Firm's name (or yours if self-employed), address, and ZIP + 4                                                                                                                                                                                                                                                       |  | LUTZ AND CARR CPAS LLP<br>300 EAST 42ND STREET<br>NEW YORK, NY 10017 |                                                 | EIN                             |
|                          |                                                                                                                                                                                                                                                                                                                     |  |                                                                      |                                                 | Phone no (212) 697-2299         |

May the IRS discuss this return with the preparer shown above? (See instructions) . . . . . ☒ Yes ☐ No

Part III

Statement of Program Service Accomplishments (See the instructions.)

1

Briefly describe the organization’s mission

See Additional Data Table

2

Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?

YesNo

If “Yes,” describe these new services on Schedule O

3

Did the organization cease conducting or make significant changes in how it conducts any program services?

YesNo

If “Yes,” describe these changes on Schedule O

4

Describe the exempt purpose achievements for each of the organization’s three largest program services by expenses

Section 501(c)(3) and (4) organizations and 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a

(Code ) (Expenses \$ 2,007,880 including grants of \$ 15,160 ) (Revenue \$ 189,726 )

Museum - The Academy’s museum is home to a rich collection of 19th, 20th, and 21st century American art The museum maintains a full exhibition schedule, displaying works from it’s own permanent collection, AS WELL AS special exhibitions of works on loan from other institutions and individuals The Academy also publishes books and catalogs relating to it’s special exhibitions and produces public programming (lectures, panel discussions, etc ) around it’s exhibitions Attendance for the year ended June 30, 2009 was approximately 20,000

4b

(Code ) (Expenses \$ 1,717,342 including grants of \$ 26,260 ) (Revenue \$ 1,342,640 )

School - The Academy operates the oldest art school in New York, offering a full range of instruction for professional artists and interestED amateurs In the year ended June 30, 2009, approximately 600 students of all ages were enrolled in the art school In addition to classes in painting, sculpture, drawing, and prinmaking, there are lectures and workshops conducted by distinguished artists and scholars (often related to exhibits in the Academy’s museum)

4c

(Code ) (Expenses \$ including grants of \$ ) (Revenue \$ )

4d

Other program services (Describe in Schedule O )

(Expenses \$ including grants of \$ ) (Revenue \$ )

4e

Total program service expenses \$ 3,725,222 Must equal Part IX, Line 25, column (B).

Part IV

Checklist of Required Schedules

|     |                                                                                                                                                                                                                                                                                                                                       | Yes | No  |    |
|-----|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|-----|----|
| 1   | Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A                                                                                                                    | 1   | Yes |    |
| 2   | Is the organization required to complete Schedule B, Schedule of Contributors?                                                                                                                                                                       | 2   | Yes |    |
| 3   | Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I                                                                                                                                                  | 3   |     | No |
| 4   | Section 501(c)(3) organizations Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II                                                                                                                                                                                                            | 4   |     | No |
| 5   | Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? If "Yes," complete Schedule C, Part III                                                                                                                                  | 5   |     |    |
| 6   | Did the organization maintain any donor advised funds or any accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I                    | 6   |     | No |
| 7   | Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," complete Schedule D, Part II                                                                                                                         | 7   |     | No |
| 8   | Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III                                                                                                    | 8   | Yes |    |
| 9   | Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV  | 9   |     | No |
| 10  | Did the organization hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V                                                                                                                                    | 10  | Yes |    |
| 11  | Did the organization report an amount in Part X, lines 10, 12, 13, 15, or 25? If "Yes," complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable                                                                                           | 11  | Yes |    |
| 12  | Did the organization receive an audited financial statement for the year for which it is completing this return that was prepared in accordance with GAAP? If "Yes," complete Schedule D, Parts XI, XII, and XIII                                  | 12  | Yes |    |
| 13  | Is the organization a school as described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E                                                                                                                                               | 13  | Yes |    |
| 14a | Did the organization maintain an office, employees, or agents outside of the U S ?                                                                                                                                                                                                                                                    | 14a |     | No |
| b   | Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the U S ? If "Yes," complete Schedule F, Part I                                                                                                                        | 14b |     | No |
| 15  | Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Part II                                                                                                                         | 15  |     | No |
| 16  | Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Part III                                                                                                                             | 16  |     | No |
| 17  | Did the organization report more than \$15,000 on Part IX, column (A), line 11e? If "Yes," complete Schedule G, Part I                                                                                                                                                                                                                | 17  |     | No |
| 18  | Did the organization report more than \$15,000 total on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II                                                                                                                                                                                                            | 18  | Yes |    |
| 19  | Did the organization report more than \$15,000 on Part VIII, line 9a? If "Yes," complete Schedule G, Part III                                                                                                                                                                                                                         | 19  |     | No |
| 20  | Did the organization operate one or more hospitals? If "Yes," complete Schedule H                                                                                                                                                                                                                                                     | 20  |     | No |
| 21  | Did the organization report more than \$5,000 on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II                                                                                                                        | 21  |     | No |
| 22  | Did the organization report more than \$5,000 on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III                                                                                                                       | 22  | Yes |    |
| 23  | Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5? If "Yes," complete Schedule J                                                                                                                                    | 23  | Yes |    |
| 24a | Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer questions 24b–24d and complete Schedule K. If "No," go to question 25                                                         | 24a |     | No |
| b   | Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?                                                                                                                                                                                                                                     | 24b |     |    |
| c   | Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?                                                                                                                                                                                            | 24c |     |    |
| d   | Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?                                                                                                                                                                                                                               | 24d |     |    |
| 25a | Section 501(c)(3) and 501(c)(4) organizations Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I                                                                                                                                          | 25a |     | No |
| b   | Did the organization become aware that it had engaged in an excess benefit transaction with a disqualified person from a prior year? If "Yes," complete Schedule L, Part I                                                                                                                                                            | 25b |     | No |
| 26  | Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? If "Yes," complete Schedule L, Part II                                                                                                | 26  |     | No |
| 27  | Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, or substantial contributor, or to a person related to such an individual? If "Yes," complete Schedule L, Part III                                                                                                            | 27  |     | No |

Part IV

Checklist of Required Schedules (Continued)

|                                                                                                                                                                                                                                                                                                                                                       | Yes | No |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|----|
| 28 During the tax year, did any person who is a current or former officer, director, trustee, or key employee                                                                                                                                                                                                                                         |     |    |
| a Have a direct business relationship with the organization (other than as an officer, director, trustee, or employee), or an indirect business relationship through ownership of more than 35% in another entity (individually or collectively with other person(s) listed in Part VII, Section A)? If "Yes," complete Schedule L, Part IV . . . . . |     | No |
| b Have a family member who had a direct or indirect business relationship with the organization? If "Yes," complete Schedule L, Part IV . . . . .                                                                                                                                                                                                     |     | No |
| c Serve as an officer, director, trustee, key employee, partner, or member of an entity (or a shareholder of a professional corporation) doing business with the organization? If "Yes," complete Schedule L, Part IV . . . . .                                                                                                                       |     | No |
| 29 Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M                                                                                                                                                        |     | No |
| 30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M . . . . .                                                                              | Yes |    |
| 31 Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I . . . . .                                                                                                                                    |     | No |
| 32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II . . . . .                                                                                                                                                                                                     |     | No |
| 33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations section 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I . . . . .                                                                                                                                                      |     | No |
| 34 Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1 . . . . .                                                                                                                                                                                                        |     | No |
| 35 Is any related organization a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R, Part V, line 2 . . . . .                                                                                                                                                                                                  |     | No |
| 36 501(c)(3) organizations Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2 . . . . .                                                                                                                                                                          |     | No |
| 37 Did the organization conduct more than 5 percent of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI . . . . .                                                                                                     |     | No |

Part V

Statements Regarding Other IRS Filings and Tax Compliance

|     |                                                                                                                                                                                                                                                                                                      |       |     |    |
|-----|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------|-----|----|
|     |                                                                                                                                                                                                                                                                                                      |       | Yes | No |
| 1a  | Enter the number reported in Box 3 of Form 1096, <i>Annual Summary and Transmittal of U.S. Information Returns</i> . Enter -0- if not applicable . . . . .                                                                                                                                           | 1a242 |     |    |
| b   | Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable                                                                                                                                                                                                                      | 1b0   |     |    |
| c   | Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners? . . . . .                                                                                                                                   | 1c    | Yes |    |
| 2a  | Enter the number of employees reported on Form W-3, <i>Transmittal of Wage and Tax Statements</i> filed for the calendar year ending with or within the year covered by this return . . . . .                                                                                                        | 2a31  |     |    |
| b   | If at least one is reported in 2a, did the organization file all required federal employment tax returns? . . .<br><b>Note:</b> <i>If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return.</i>                                                                 | 2b    |     |    |
| 3a  | Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return? . . . . .                                                                                                                                                                       | 3a    |     | No |
| b   | If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O . . . . .                                                                                                                                                                                           | 3b    |     |    |
| 4a  | 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)? . . . . .                                                 | 4a    |     | No |
| b   | If "Yes," enter the name of the foreign country _____<br>See the instructions for exceptions and filing requirements for <b>Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts</b> .                                                                                                   |       |     |    |
| 5a  | Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . . .                                                                                                                                                                                          | 5a    |     | No |
| b   | Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?                                                                                                                                                                                     | 5b    |     | No |
| c   | If "Yes," to 5a or 5b, did the organization file Form 8886-T, <i>Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction</i> ? . . . . .                                                                                                                                        | 5c    |     |    |
| 6a  | Did the organization solicit any contributions that were not tax deductible? . . . . .                                                                                                                                                                                                               | 6a    |     | No |
| b   | If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? . . . . .                                                                                                                                              | 6b    |     |    |
| 7   | <i>Organizations that may receive deductible contributions under section 170(c).</i>                                                                                                                                                                                                                 |       |     |    |
| a   | Did the organization provide goods or services in exchange for any quid pro quo contribution of \$75 or more? . . . . .                                                                                                                                                                              | 7a    | Yes |    |
| b   | If "Yes," did the organization notify the donor of the value of the goods or services provided? . . . . .                                                                                                                                                                                            | 7b    | Yes |    |
| c   | Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282? . . . . .                                                                                                                                                       | 7c    |     | No |
| d   | If "Yes," indicate the number of Forms 8282 filed during the year . . . . .                                                                                                                                                                                                                          | 7d    |     |    |
| e   | Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? . . . . .                                                                                                                                                          | 7e    |     | No |
| f   | Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . . .                                                                                                                                                                                   | 7f    |     | No |
| g   | For all contributions of qualified intellectual property, did the organization file Form 8899 as required? . . . .                                                                                                                                                                                   | 7g    | Yes |    |
| h   | For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required? . . . . .                                                                                                                                                                      | 7h    | Yes |    |
| 8   | <i>Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.</i> Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year? . . . . . | 8     |     |    |
| 9   | <i>Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds.</i>                                                                                                                                                                                                         |       |     |    |
| a   | Did the organization make any taxable distributions under section 4966? . . . . .                                                                                                                                                                                                                    | 9a    |     |    |
| b   | Did the organization make a distribution to a donor, donor advisor, or related person? . . . . .                                                                                                                                                                                                     | 9b    |     |    |
| 10  | <i>Section 501(c)(7) organizations.</i> Enter                                                                                                                                                                                                                                                        |       |     |    |
| a   | Initiation fees and capital contributions included on Part VIII, line 12 . . . . .                                                                                                                                                                                                                   | 10a   |     |    |
| b   | Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities                                                                                                                                                                                                          | 10b   |     |    |
| 11  | <i>Section 501(c)(12) organizations.</i> Enter                                                                                                                                                                                                                                                       |       |     |    |
| a   | Gross income from members or shareholders . . . . .                                                                                                                                                                                                                                                  | 11a   |     |    |
| b   | Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them ) . . . . .                                                                                                                                                               | 11b   |     |    |
| 12a | <i>Section 4947(a)(1) non-exempt charitable trusts.</i> Is the organization filing Form 990 in lieu of Form 1041? . . . .                                                                                                                                                                            | 12a   |     |    |
| b   | If "Yes," enter the amount of tax-exempt interest received or accrued during the year                                                                                                                                                                                                                | 12b   |     |    |

Part VI

Governance, Management, and Disclosure (Sections A, B, and C request information about policies not required by the Internal Revenue Code.)

Section A. Governing Body and Management

For each "Yes" response to lines 2-7 below, and for a "No" response to lines 8 or 9b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

|    |                                                                                                                                                                                                                               |     |    |
|----|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|----|
|    |                                                                                                                                                                                                                               | Yes | No |
| 1a | Enter the number of voting members of the governing body . . . . .                                                                                                                                                            |     |    |
| 1b | Enter the number of voting members that are independent . . . . .                                                                                                                                                             |     |    |
| 2  | Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee? . . . . .                                               |     | No |
| 3  | Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? . . . . . |     | No |
| 4  | Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed? . . . . .                                                                                               | Yes |    |
| 5  | Did the organization become aware during the year of a material diversion of the organization's assets? . . . . .                                                                                                             |     | No |
| 6  | Does the organization have members or stockholders? . . . . .                                                                                                                                                                 | Yes |    |
| 7a | Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body? . . . . .                                                                                         | Yes |    |
| 7b | Are any decisions of the governing body subject to approval by members, stockholders, or other persons? . . . . .                                                                                                             |     | No |
| 8  | Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following . . . . .                                                                                    |     |    |
| 8a | the governing body? . . . . .                                                                                                                                                                                                 | Yes |    |
| 8b | each committee with authority to act on behalf of the governing body? . . . . .                                                                                                                                               | Yes |    |
| 9a | Does the organization have local chapters, branches, or affiliates? . . . . .                                                                                                                                                 |     | No |
| 9b | If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization? . . . . .  |     |    |
| 10 | Was a copy of the Form 990 provided to the organization's governing body before it was filed? All organizations must describe in Schedule O the process, if any, the organization uses to review the Form 990 . . . . .       |     | No |
| 11 | Is there any officer, director or trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O . . . . .      |     | No |

Section B. Policies

|     |                                                                                                                                                                                                                                                                                                          |     |    |
|-----|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|----|
|     |                                                                                                                                                                                                                                                                                                          | Yes | No |
| 12a | Does the organization have a written conflict of interest policy? If "No", go to line 13 . . . . .                                                                                                                                                                                                       | Yes |    |
| 12b | Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts? . . . . .                                                                                                                                                              | Yes |    |
| 12c | Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done . . . . .                                                                                                                                             | Yes |    |
| 13  | Does the organization have a written whistleblower policy? . . . . .                                                                                                                                                                                                                                     |     | No |
| 14  | Does the organization have a written document retention and destruction policy? . . . . .                                                                                                                                                                                                                |     | No |
| 15  | Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision . . . . .                                                                            |     |    |
| 15a | The organization's CEO, Executive Director, or top management official? . . . . .                                                                                                                                                                                                                        | Yes |    |
| 15b | Other officers or key employees of the organization? . . . . .<br>Describe the process in Schedule O                                                                                                                                                                                                     |     | No |
| 16a | Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? . . . . .                                                                                                                                          |     | No |
| 16b | If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable Federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements? . . . . . |     |    |

Section C. Disclosure

|    |                                                                                                                                                                                                                                                                                                                                                                     |
|----|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 17 | List the States with which a copy of this Form 990 is required to be filed <u>NY</u>                                                                                                                                                                                                                                                                                |
| 18 | Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c) (3)s only) available for public inspection. Indicate how you make these available. Check all that apply.<br><input type="checkbox"/> own website <input checked="" type="checkbox"/> another's website <input checked="" type="checkbox"/> upon request |
| 19 | Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public. See Additional Data Table.                                                                                                                                                          |
| 20 | State the name, physical address, and telephone number of the person who possesses the books and records of the organization.<br>MICHAEL MCKAY DIRECTOR OF FINANCE A<br>1083 FIFTH AVENUE<br>NEW YORK, NY 10128<br>(212) 369-4880                                                                                                                                   |

## Section A Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

☐ Check this box if the organization did not compensate any officer, director, trustee or key employee

Form 990 (2008)

[illegible]

**2** Total number of individuals (including those in 1a) who received more than \$100,000 in reportable compensation from the organization **1**

|   |                                                                                                                                                                                                                                              | Yes | No  |
|---|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|-----|
| 3 | Did the organization list any <b>former</b> officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i> . . . . .                                       | 3   | No  |
| 4 | For any individual listed online 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i> . . . . . | 4   | Yes |
| 5 | Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i> . . . . .                                    | 5   | No  |

## **Section B. Independent Contractors**

**1** Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization

| (A)                                                                                                                                                      | (B)                         | (C)          |
|----------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|--------------|
| Name and business address                                                                                                                                | Description of services     | Compensation |
| carney security<br>45 East 28th Street<br>New York, NY 10016                                                                                             | SECURITY PERSONNEL (GUARDS) | 305,023      |
|                                                                                                                                                          |                             |              |
|                                                                                                                                                          |                             |              |
|                                                                                                                                                          |                             |              |
|                                                                                                                                                          |                             |              |
| <b>2</b> Total number of independent contractors (including those in 1) who received more than \$100,000 in compensation from the organization . . . . . |                             | 1            |

Part VIII

Statement of Revenue

|                                                           |                                                                                     |                                                                                                                                                                                                  |                                                                                      | (A)<br>Total Revenue | (B)<br>Related or<br>Exempt<br>Function<br>Revenue | (C)<br>Unrelated<br>Business<br>Revenue | (D)<br>Revenue<br>Excluded from<br>Tax under IRC<br>512, 513, or 514 |            |
|-----------------------------------------------------------|-------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|----------------------|----------------------------------------------------|-----------------------------------------|----------------------------------------------------------------------|------------|
| Contributions, gifts, grants<br>and other similar amounts | 1a                                                                                  | Federated campaigns . . .                                                                                                                                                                        | 1a                                                                                   |                      |                                                    |                                         |                                                                      |            |
|                                                           | b                                                                                   | Membership dues . . . . .                                                                                                                                                                        |                                                                                      |                      |                                                    |                                         |                                                                      |            |
|                                                           |                                                                                     |                                                                                                                                                                                                  | 1b                                                                                   |                      |                                                    |                                         |                                                                      |            |
|                                                           | c                                                                                   | Fundraising events . . . . .                                                                                                                                                                     |                                                                                      | 303,932              |                                                    |                                         |                                                                      |            |
|                                                           |                                                                                     |                                                                                                                                                                                                  | 1c                                                                                   |                      |                                                    |                                         |                                                                      |            |
|                                                           | d                                                                                   | Related organizations . . .                                                                                                                                                                      | 1d                                                                                   |                      |                                                    |                                         |                                                                      |            |
|                                                           | e                                                                                   | Government grants (contributions)                                                                                                                                                                | 1e                                                                                   | 61,733               |                                                    |                                         |                                                                      |            |
|                                                           | f                                                                                   | All other contributions, gifts, grants, and<br>similar amounts not included above                                                                                                                |                                                                                      | 727,658              |                                                    |                                         |                                                                      |            |
|                                                           |                                                                                     |                                                                                                                                                                                                  | 1f                                                                                   |                      |                                                    |                                         |                                                                      |            |
| g                                                         | Noncash contributions included in<br>lines 1a-1f \$                                 |                                                                                                                                                                                                  |                                                                                      |                      |                                                    |                                         |                                                                      |            |
| h                                                         | Total (Add lines 1a-1f) . . . . .                                                   |                                                                                                                                                                                                  |                                                                                      | 1,093,323            |                                                    |                                         |                                                                      |            |
| Program Service Revenue                                   |                                                                                     |                                                                                                                                                                                                  | Business Code                                                                        |                      |                                                    |                                         |                                                                      |            |
|                                                           | 2a                                                                                  | TUITION/EDUCATION FEES                                                                                                                                                                           | 611,600                                                                              | 1,342,640            | 1,342,640                                          |                                         |                                                                      |            |
|                                                           | b                                                                                   | eXHIBITION RENTAL FEES                                                                                                                                                                           | 900,002                                                                              | 70,000               | 70,000                                             |                                         |                                                                      |            |
|                                                           | c                                                                                   | ADMISSIONS                                                                                                                                                                                       | 713,990                                                                              | 58,083               | 58,083                                             |                                         |                                                                      |            |
|                                                           | d                                                                                   |                                                                                                                                                                                                  |                                                                                      |                      |                                                    |                                         |                                                                      |            |
|                                                           | e                                                                                   |                                                                                                                                                                                                  |                                                                                      |                      |                                                    |                                         |                                                                      |            |
|                                                           | f                                                                                   | All other program service revenue                                                                                                                                                                |                                                                                      |                      |                                                    |                                         |                                                                      |            |
|                                                           | g                                                                                   | Total. Add lines 2a-2f . . . . .<br>\$ 1,470,723                                                                                                                                                 |                                                                                      |                      |                                                    |                                         |                                                                      |            |
|                                                           | Other Revenue                                                                       | 3                                                                                                                                                                                                | Investment income (including dividends, interest<br>other similar amounts) . . . . . |                      | 619,624                                            |                                         |                                                                      | 619,624    |
| 4                                                         |                                                                                     | Income from investment of tax-exempt bond proceeds . . . . .                                                                                                                                     |                                                                                      |                      |                                                    |                                         |                                                                      |            |
| 5                                                         |                                                                                     | Royalties . . . . .                                                                                                                                                                              |                                                                                      |                      |                                                    |                                         |                                                                      |            |
| 6a                                                        |                                                                                     | Gross Rents                                                                                                                                                                                      | (i) Real                                                                             | (ii) Personal        | 230,646                                            |                                         |                                                                      | 230,646    |
|                                                           |                                                                                     |                                                                                                                                                                                                  | 230,646                                                                              |                      |                                                    |                                         |                                                                      |            |
|                                                           |                                                                                     |                                                                                                                                                                                                  |                                                                                      |                      |                                                    |                                         |                                                                      |            |
|                                                           |                                                                                     |                                                                                                                                                                                                  | 230,646                                                                              |                      |                                                    |                                         |                                                                      |            |
| b                                                         |                                                                                     | Less rental<br>expenses                                                                                                                                                                          |                                                                                      |                      |                                                    |                                         |                                                                      |            |
| c                                                         |                                                                                     | Rental income<br>or (loss)                                                                                                                                                                       |                                                                                      |                      |                                                    |                                         |                                                                      |            |
| d                                                         |                                                                                     | Net rental income or (loss) . . . . .                                                                                                                                                            |                                                                                      | 230,646              |                                                    |                                         |                                                                      |            |
| 7a                                                        |                                                                                     | Gross amount<br>from sales of<br>assets other<br>than inventory                                                                                                                                  | (i) Securities                                                                       | (ii) Other           | 10,465,792                                         |                                         |                                                                      | 10,465,792 |
|                                                           |                                                                                     |                                                                                                                                                                                                  | 7,000,628                                                                            | 13,500,000           |                                                    |                                         |                                                                      |            |
|                                                           |                                                                                     |                                                                                                                                                                                                  | 10,034,836                                                                           |                      |                                                    |                                         |                                                                      |            |
|                                                           |                                                                                     |                                                                                                                                                                                                  | -3,034,208                                                                           | 13,500,000           |                                                    |                                         |                                                                      |            |
| b                                                         |                                                                                     | Less cost or<br>other basis and<br>sales expenses                                                                                                                                                |                                                                                      |                      |                                                    |                                         |                                                                      |            |
| c                                                         |                                                                                     | Gain or (loss)                                                                                                                                                                                   |                                                                                      |                      |                                                    |                                         |                                                                      |            |
| d                                                         |                                                                                     | Net gain or (loss) . . . . .                                                                                                                                                                     |                                                                                      | 10,465,792           |                                                    |                                         |                                                                      |            |
| 8a                                                        |                                                                                     | Gross income from fundraising<br>events (not including<br>\$ 58,569<br>of contributions reported on line<br>1c) See Part IV, line 18<br>Attach Schedule G if total exceeds<br>\$15,000 . . . . . | a                                                                                    | 303,932              |                                                    |                                         |                                                                      |            |
|                                                           |                                                                                     |                                                                                                                                                                                                  |                                                                                      | 58,569               |                                                    |                                         |                                                                      |            |
|                                                           |                                                                                     |                                                                                                                                                                                                  |                                                                                      |                      |                                                    |                                         |                                                                      |            |
| b                                                         |                                                                                     | Less direct expenses . . . . .                                                                                                                                                                   | b                                                                                    |                      |                                                    |                                         |                                                                      |            |
| c                                                         |                                                                                     | Net income or (loss) from fundraising events . . . . .                                                                                                                                           |                                                                                      |                      |                                                    |                                         |                                                                      |            |
| 9a                                                        |                                                                                     | Gross income from gaming<br>activities See part IV, line 19<br>Complete Schedule G if total<br>exceeds \$15,000 . . . . .                                                                        | a                                                                                    |                      |                                                    |                                         |                                                                      |            |
|                                                           |                                                                                     |                                                                                                                                                                                                  |                                                                                      |                      |                                                    |                                         |                                                                      |            |
|                                                           |                                                                                     |                                                                                                                                                                                                  |                                                                                      |                      |                                                    |                                         |                                                                      |            |
| b                                                         |                                                                                     | Less direct expenses . . . . .                                                                                                                                                                   | b                                                                                    |                      |                                                    |                                         |                                                                      |            |
| c                                                         | Net income or (loss) from gaming activities . . . . .                               |                                                                                                                                                                                                  |                                                                                      |                      |                                                    |                                         |                                                                      |            |
| 10a                                                       | Gross sales of inventory, less<br>returns and allowances . . . . .                  | a                                                                                                                                                                                                | 114,631                                                                              | 61,643               | 61,643                                             |                                         |                                                                      |            |
|                                                           |                                                                                     |                                                                                                                                                                                                  | 52,988                                                                               |                      |                                                    |                                         |                                                                      |            |
|                                                           |                                                                                     |                                                                                                                                                                                                  |                                                                                      |                      |                                                    |                                         |                                                                      |            |
| b                                                         | Less cost of goods sold . . . . .                                                   | b                                                                                                                                                                                                |                                                                                      |                      |                                                    |                                         |                                                                      |            |
| c                                                         | Net income or (loss) from sales of inventory . . . . .                              |                                                                                                                                                                                                  | 61,643                                                                               |                      |                                                    |                                         |                                                                      |            |
|                                                           | Miscellaneous Revenue                                                               | Business Code                                                                                                                                                                                    |                                                                                      |                      |                                                    |                                         |                                                                      |            |
| 11a                                                       | MISCELLANEOUS                                                                       | 900,099                                                                                                                                                                                          | 27,080                                                                               | 27,080               |                                                    |                                         |                                                                      |            |
| b                                                         | rights & reproduction                                                               | 900,002                                                                                                                                                                                          | 4,524                                                                                |                      |                                                    |                                         | 4,524                                                                |            |
| c                                                         |                                                                                     |                                                                                                                                                                                                  |                                                                                      |                      |                                                    |                                         |                                                                      |            |
| d                                                         | All other revenue                                                                   |                                                                                                                                                                                                  |                                                                                      |                      |                                                    |                                         |                                                                      |            |
| e                                                         | Total. Add lines 11a-11d . . . . .<br>\$ 31,604                                     |                                                                                                                                                                                                  |                                                                                      |                      |                                                    |                                         |                                                                      |            |
| 12                                                        | Total Revenue. Add lines 1h, 2g, 3, 4, 5, 6d, 7d,<br>8c, 9c, 10c, and 11e . . . . . |                                                                                                                                                                                                  |                                                                                      | 13,973,355           | 1,559,446                                          | 0                                       | 11,320,586                                                           |            |

Part IX

Statement of Functional Expenses

| Section 501(c)(3) and 501(c)(4) organizations must complete all columns.<br>All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D). |                                                                                                                                                                                                                    |                       |                                 |                                        |                             |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|---------------------------------|----------------------------------------|-----------------------------|
| Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.                                                                                                           |                                                                                                                                                                                                                    | (A)<br>Total expenses | (B)<br>Program service expenses | (C)<br>Management and general expenses | (D)<br>Fundraising expenses |
| 1                                                                                                                                                                                        | Grants and other assistance to governments and organizations in the U S See Part IV, line 21                                                                                                                       |                       |                                 |                                        |                             |
| 2                                                                                                                                                                                        | Grants and other assistance to individuals in the U S See Part IV, line 22                                                                                                                                         | 178,964               | 178,964                         |                                        |                             |
| 3                                                                                                                                                                                        | Grants and other assistance to governments, organizations and individuals outside the U S See Part IV, lines 15 and 16                                                                                             |                       |                                 |                                        |                             |
| 4                                                                                                                                                                                        | Benefits paid to or for members                                                                                                                                                                                    |                       |                                 |                                        |                             |
| 5                                                                                                                                                                                        | Compensation of current officers, directors, trustees, and key employees . . . . .                                                                                                                                 | 292,023               | 158,130                         | 114,921                                | 18,972                      |
| 6                                                                                                                                                                                        | Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) . . . . .                                                            |                       |                                 |                                        |                             |
| 7                                                                                                                                                                                        | Other salaries and wages                                                                                                                                                                                           | 1,025,910             | 789,930                         |                                        | 141,816                     |
| 8                                                                                                                                                                                        | Pension plan contributions (include section 401(k) and section 403(b) employer contributions) . . . . .                                                                                                            | 21,496                | 19,131                          | 2,278                                  | 87                          |
| 9                                                                                                                                                                                        | Other employee benefits . . . . .                                                                                                                                                                                  | 134,192               | 97,752                          | 26,999                                 | 9,441                       |
| 10                                                                                                                                                                                       | Payroll taxes . . . . .                                                                                                                                                                                            | 109,658               | 76,260                          | 17,321                                 | 16,077                      |
| 11                                                                                                                                                                                       | Fees for services (non-employees)                                                                                                                                                                                  |                       |                                 |                                        |                             |
| a                                                                                                                                                                                        | Management . . . . .                                                                                                                                                                                               | 96,575                |                                 | 96,575                                 |                             |
| b                                                                                                                                                                                        | Legal . . . . .                                                                                                                                                                                                    | 66,916                |                                 | 66,916                                 |                             |
| c                                                                                                                                                                                        | Accounting . . . . .                                                                                                                                                                                               | 55,364                |                                 | 55,364                                 |                             |
| d                                                                                                                                                                                        | Lobbying . . . . .                                                                                                                                                                                                 |                       |                                 |                                        |                             |
| e                                                                                                                                                                                        | Professional fundraising See Part IV, line 17 . . . . .                                                                                                                                                            |                       |                                 |                                        |                             |
| f                                                                                                                                                                                        | Investment management fees . . . . .                                                                                                                                                                               | 36,805                |                                 | 36,805                                 |                             |
| g                                                                                                                                                                                        | Other . . . . .                                                                                                                                                                                                    | 220,975               | 164,729                         | 22                                     | 56,224                      |
| 12                                                                                                                                                                                       | Advertising and promotion . . . . .                                                                                                                                                                                | 208,472               | 188,465                         |                                        | 20,007                      |
| 13                                                                                                                                                                                       | Office expenses . . . . .                                                                                                                                                                                          | 247,199               | 201,751                         | 1,930                                  | 43,518                      |
| 14                                                                                                                                                                                       | Information technology . . . . .                                                                                                                                                                                   | 107,287               | 83,989                          | 16,768                                 | 6,530                       |
| 15                                                                                                                                                                                       | Royalties . . . . .                                                                                                                                                                                                |                       |                                 |                                        |                             |
| 16                                                                                                                                                                                       | Occupancy . . . . .                                                                                                                                                                                                | 331,814               | 309,301                         | 10,830                                 | 11,683                      |
| 17                                                                                                                                                                                       | Travel . . . . .                                                                                                                                                                                                   | 6,434                 | 5,336                           | 149                                    | 949                         |
| 18                                                                                                                                                                                       | Payments of travel or entertainment expenses for any Federal, state or local public officials . . . . .                                                                                                            |                       |                                 |                                        |                             |
| 19                                                                                                                                                                                       | Conferences, conventions and meetings . . . . .                                                                                                                                                                    | 51,454                | 48,668                          |                                        | 2,786                       |
| 20                                                                                                                                                                                       | Interest . . . . .                                                                                                                                                                                                 | 26,987                |                                 | 26,987                                 |                             |
| 21                                                                                                                                                                                       | Payments to affiliates . . . . .                                                                                                                                                                                   |                       |                                 |                                        |                             |
| 22                                                                                                                                                                                       | Depreciation, depletion, and amortization . . . . .                                                                                                                                                                | 117,744               | 110,679                         | 4,710                                  | 2,355                       |
| 23                                                                                                                                                                                       | Insurance . . . . .                                                                                                                                                                                                | 67,483                | 61,702                          | 2,891                                  | 2,890                       |
| 24                                                                                                                                                                                       | Other expenses—Itemize expenses not covered above (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below )                                                |                       |                                 |                                        |                             |
| a                                                                                                                                                                                        | FACULTY/MODELS/monitors                                                                                                                                                                                            | 666,815               | 666,815                         |                                        |                             |
| b                                                                                                                                                                                        | SECURITY & ART HANDLING                                                                                                                                                                                            | 304,437               | 294,755                         |                                        | 9,682                       |
| c                                                                                                                                                                                        | PARTICIPATION/LOAN FEES                                                                                                                                                                                            | 125,948               | 125,948                         |                                        |                             |
| d                                                                                                                                                                                        | BAD DEBT EXPENSE                                                                                                                                                                                                   | 100,000               |                                 | 100,000                                |                             |
| e                                                                                                                                                                                        | ART SHIPPING & SUPPLIES                                                                                                                                                                                            | 83,805                | 83,805                          |                                        |                             |
| f                                                                                                                                                                                        | All other expenses                                                                                                                                                                                                 | 59,112                | 59,112                          |                                        |                             |
| 25                                                                                                                                                                                       | Total functional expenses. Add lines 1 through 24f                                                                                                                                                                 | 4,743,869             | 3,725,222                       | 675,630                                | 343,017                     |
| 26                                                                                                                                                                                       | Joint Costs. Check <input type="checkbox"/> if following SOP 98-2 Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation |                       |                                 |                                        |                             |

**Part X**    **Balance Sheet**

|                                                                                             |                                                                                                                                                                                               | (A)                                                           |            | (B)         |           |                      |
|---------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------|------------|-------------|-----------|----------------------|
|                                                                                             |                                                                                                                                                                                               | Beginning of year                                             |            | End of year |           |                      |
| Assets                                                                                      | <b>1</b> Cash—non-interest-bearing . . . . .                                                                                                                                                  | 221,481                                                       | <b>1</b>   | 249,518     |           |                      |
|                                                                                             | <b>2</b> Savings and temporary cash investments . . . . .                                                                                                                                     | 1,252,229                                                     | <b>2</b>   | 1,223,243   |           |                      |
|                                                                                             | <b>3</b> Pledges and grants receivable, net . . . . .                                                                                                                                         | 656,974                                                       | <b>3</b>   | 438,636     |           |                      |
|                                                                                             | <b>4</b> Accounts receivable, net . . . . .                                                                                                                                                   |                                                               | <b>4</b>   |             |           |                      |
|                                                                                             | <b>5</b> Receivables from current and former officers, directors, trustees, key employees or other related parties <i>Complete Part II of Schedule L</i> . . . . .                            |                                                               | <b>5</b>   |             |           |                      |
|                                                                                             | <b>6</b> Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) <i>Complete Part II of Schedule L</i> . . . . .     |                                                               | <b>6</b>   |             |           |                      |
|                                                                                             | <b>7</b> Notes and loans receivable, net . . . . .                                                                                                                                            |                                                               | <b>7</b>   | 302,803     |           |                      |
|                                                                                             | <b>8</b> Inventories for sale or use . . . . .                                                                                                                                                | 65,144                                                        | <b>8</b>   | 47,173      |           |                      |
|                                                                                             | <b>9</b> Prepaid expenses and deferred charges . . . . .                                                                                                                                      | 325,737                                                       | <b>9</b>   | 76,776      |           |                      |
|                                                                                             | <b>10a</b> Land, buildings, and equipment cost basis                                                                                                                                          | <table><tr><td><b>10a</b></td><td>3,829,095</td></tr></table> | <b>10a</b> | 3,829,095   |           |                      |
|                                                                                             | <b>10a</b>                                                                                                                                                                                    | 3,829,095                                                     |            |             |           |                      |
|                                                                                             | <b>b</b> Less accumulated depreciation <i>Complete Part VI of Schedule D</i> . . . . .                                                                                                        | <table><tr><td><b>10b</b></td><td>2,322,068</td></tr></table> | <b>10b</b> | 2,322,068   | 1,538,354 | <b>10c</b> 1,507,027 |
|                                                                                             | <b>10b</b>                                                                                                                                                                                    | 2,322,068                                                     |            |             |           |                      |
|                                                                                             | <b>11</b> Investments—publicly traded securities . . . . .                                                                                                                                    | 12,800,663                                                    | <b>11</b>  | 20,558,545  |           |                      |
|                                                                                             | <b>12</b> Investments—other securities See Part IV, line 11 <i>Complete Part VII of Schedule D</i> . . . . .                                                                                  |                                                               | <b>12</b>  |             |           |                      |
|                                                                                             | <b>13</b> Investments—program-related See Part IV, line 11 <i>Complete Part VIII of Schedule D</i> . . . . .                                                                                  |                                                               | <b>13</b>  |             |           |                      |
| <b>14</b> Intangible assets . . . . .                                                       |                                                                                                                                                                                               | <b>14</b>                                                     |            |             |           |                      |
| <b>15</b> Other assets See Part IV, line 11 <i>Complete Part IX of Schedule D</i> . . . . . | 15,030                                                                                                                                                                                        | <b>15</b>                                                     | 15,030     |             |           |                      |
| <b>16</b> <b>Total assets.</b> Add lines 1 through 15 (must equal line 34)                  | 16,875,612                                                                                                                                                                                    | <b>16</b>                                                     | 24,418,751 |             |           |                      |
| Liabilities                                                                                 | <b>17</b> Accounts payable and accrued expenses . . . . .                                                                                                                                     | 333,010                                                       | <b>17</b>  | 185,709     |           |                      |
|                                                                                             | <b>18</b> Grants payable . . . . .                                                                                                                                                            |                                                               | <b>18</b>  |             |           |                      |
|                                                                                             | <b>19</b> Deferred revenue . . . . .                                                                                                                                                          | 49,476                                                        | <b>19</b>  | 51,585      |           |                      |
|                                                                                             | <b>20</b> Tax-exempt bond liabilities . . . . .                                                                                                                                               |                                                               | <b>20</b>  |             |           |                      |
|                                                                                             | <b>21</b> Escrow account liability <i>Complete Part IV of Schedule D</i> . . . . .                                                                                                            |                                                               | <b>21</b>  |             |           |                      |
|                                                                                             | <b>22</b> Payable to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons <i>Complete Part II of Schedule L</i> . . . . . |                                                               | <b>22</b>  |             |           |                      |
|                                                                                             | <b>23</b> Secured mortgages and notes payable to unrelated third parties . . . . .                                                                                                            | 183,804                                                       | <b>23</b>  |             |           |                      |
|                                                                                             | <b>24</b> Unsecured notes and loans payable . . . . .                                                                                                                                         |                                                               | <b>24</b>  |             |           |                      |
|                                                                                             | <b>25</b> Other liabilities <i>Complete Part X of Schedule D</i> . . . . .                                                                                                                    | 1,147,922                                                     | <b>25</b>  | 926,785     |           |                      |
|                                                                                             | <b>26</b> <b>Total liabilities.</b> Add lines 17 through 25 . . . . .                                                                                                                         | 1,714,212                                                     | <b>26</b>  | 1,164,079   |           |                      |
| Net Assets or Fund Balances                                                                 | <b>Organizations that follow SFAS 117, check here</b> <input checked="" type="checkbox"/> <b>and complete lines 27 through 29, and lines 33 and 34.</b>                                       |                                                               |            |             |           |                      |
|                                                                                             | <b>27</b> Unrestricted net assets . . . . .                                                                                                                                                   | 2,456,360                                                     | <b>27</b>  | 14,052,116  |           |                      |
|                                                                                             | <b>28</b> Temporarily restricted net assets . . . . .                                                                                                                                         | 6,909,522                                                     | <b>28</b>  | 4,339,234   |           |                      |
|                                                                                             | <b>29</b> Permanently restricted net assets . . . . .                                                                                                                                         | 5,795,518                                                     | <b>29</b>  | 4,863,322   |           |                      |
|                                                                                             | <b>Organizations that do not follow SFAS 117, check here</b> <input type="checkbox"/> <b>and complete lines 30 through 34.</b>                                                                |                                                               |            |             |           |                      |
|                                                                                             | <b>30</b> Capital stock or trust principal, or current funds . . . . .                                                                                                                        |                                                               | <b>30</b>  |             |           |                      |
|                                                                                             | <b>31</b> Paid-in or capital surplus, or land, building or equipment fund . . . . .                                                                                                           |                                                               | <b>31</b>  |             |           |                      |
|                                                                                             | <b>32</b> Retained earnings, endowment, accumulated income, or other funds . . . . .                                                                                                          |                                                               | <b>32</b>  |             |           |                      |
|                                                                                             | <b>33</b> Total net assets or fund balances . . . . .                                                                                                                                         | 15,161,400                                                    | <b>33</b>  | 23,254,672  |           |                      |
|                                                                                             | <b>34</b> Total liabilities and net assets/fund balances . . . . .                                                                                                                            | 16,875,612                                                    | <b>34</b>  | 24,418,751  |           |                      |

**Part XI**    **Financial Statements and Reporting**

|           |                                                                                                                                                                                                                                     |           | Yes | No |
|-----------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|-----|----|
| <b>1</b>  | Accounting method used to prepare the Form 990 <input type="checkbox"/> cash <input checked="" type="checkbox"/> accrual <input type="checkbox"/> other                                                                             |           |     |    |
| <b>2a</b> | Were the organization's financial statements compiled or reviewed by an independent accountant? . . . . .                                                                                                                           | <b>2a</b> |     | No |
| <b>b</b>  | Were the organization's financial statements audited by an independent accountant? . . . . .                                                                                                                                        | <b>2b</b> | Yes |    |
| <b>c</b>  | If "Yes" to lines 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? . . . . . | <b>2c</b> | Yes |    |
| <b>3a</b> | As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133? . . . . .                                                                  | <b>3a</b> |     | No |
| <b>b</b>  | If "Yes," did the organization undergo the required audit or audits? . . . . .                                                                                                                                                      | <b>3b</b> |     |    |

SCHEDULE A

(Form 990 or 990EZ)

Department of the Treasury  
Internal Revenue Service

Public Charity Status and Public Support

To be completed by all section 501(c)(3) organizations and section 4947(a)(1) nonexempt charitable trusts.  
Attach to Form 990 or Form 990-EZ. See separate instructions.

OMB No 1545-0047

2008

Open to Public Inspection

|                                                        |                                              |
|--------------------------------------------------------|----------------------------------------------|
| Name of the organization<br>NATIONAL ACADEMY OF DESIGN | Employer identification number<br>13-1628183 |
|--------------------------------------------------------|----------------------------------------------|

Part I Reason for Public Charity Status (to be completed by all organizations) (See Instructions)

The organization is not a private foundation because it is (Please check only **one** organization )

|    |                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|----|-------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1  | <input type="checkbox"/>            | A church, convention of churches, or association of churches described in <b>Section 170(b)(1)(A)(i).</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| 2  | <input checked="" type="checkbox"/> | A school described in <b>Section 170(b)(1)(A)(ii).</b> (Attach Schedule E )                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| 3  | <input type="checkbox"/>            | A hospital or a cooperative hospital service organization described in <b>Section 170(b)(1)(A)(iii).</b> (Attach Schedule H )                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| 4  | <input type="checkbox"/>            | A medical research organization operated in conjunction with a hospital described in <b>Section 170(b)(1)(A)(iii).</b> Enter the hospital's name, city, and state                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| 5  | <input type="checkbox"/>            | An organization operated for the benefit of a college or university owned or operated by a governmental unit described in <b>Section 170(b)(1)(A)(iv).</b> (Complete Part II )                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 6  | <input type="checkbox"/>            | A federal, state, or local government or governmental unit described in <b>Section 170(b)(1)(A)(v).</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| 7  | <input type="checkbox"/>            | An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in <b>Section 170(b)(1)(A)(vi)</b> (Complete Part II )                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| 8  | <input type="checkbox"/>            | A community trust described in <b>Section 170(b)(1)(A)(vi)</b> (Complete Part II )                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| 9  | <input type="checkbox"/>            | An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt 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 <b>Section 509(a)(2).</b> (Complete Part III )                                                                                                                                                                         |
| 10 | <input type="checkbox"/>            | An organization organized and operated exclusively to test for public safety See <b>Section 509(a)(4).</b> (See instructions )                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |
| 11 | <input type="checkbox"/>            | An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2) See <b>Section 509(a)(3).</b> Check the box that describes the type of supporting organization and complete lines 11e through 11h<br><div><div>a</div><div><input type="checkbox"/> Type I</div><div>b</div><div><input type="checkbox"/> Type II</div><div>c</div><div><input type="checkbox"/> Type III - Functionally Integrated</div><div>d</div><div><input type="checkbox"/> Type III - Other</div></div> |
| e  | <input type="checkbox"/>            | By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)                                                                                                                                                                                                                                                                                                                                                                    |
| f  | <input type="checkbox"/>            | If the organization received a written determination from the IRS that it is a Type I, Type II or Type III supporting organization, check this box                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
| g  | <input type="checkbox"/>            | Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?<br><div><div>(i)</div><div>a person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the the supported organization?</div><div>(ii)</div><div>a family member of a person described in (i) above?</div><div>(iii)</div><div>a 35% controlled entity of a person described in (i) or (ii) above?</div></div>                                                                                                                                      |
| h  | <input type="checkbox"/>            | Provide the following information about the organizations the organization supports                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |

|          | Yes | No |
|----------|-----|----|
| 11g(i)   |     |    |
| 11g(ii)  |     |    |
| 11g(iii) |     |    |

| (i) Name of Supported Organization | (ii) EIN | (iii) Type of organization (described on lines 1- 9 above or IRC section (See Instructions)) | (iv) Is the organization in col (i) listed in your governing document? |    | (v) Did you notify the organization in col (i) of your support? |    | (vi) Is the organization in col (i) organized in the U S ? |    | (vii) Amount of support? |
|------------------------------------|----------|----------------------------------------------------------------------------------------------|------------------------------------------------------------------------|----|-----------------------------------------------------------------|----|------------------------------------------------------------|----|--------------------------|
|                                    |          |                                                                                              | Yes                                                                    | No | Yes                                                             | No | Yes                                                        | No |                          |
|                                    |          |                                                                                              |                                                                        |    |                                                                 |    |                                                            |    |                          |
|                                    |          |                                                                                              |                                                                        |    |                                                                 |    |                                                            |    |                          |
|                                    |          |                                                                                              |                                                                        |    |                                                                 |    |                                                            |    |                          |
|                                    |          |                                                                                              |                                                                        |    |                                                                 |    |                                                            |    |                          |
|                                    |          |                                                                                              |                                                                        |    |                                                                 |    |                                                            |    |                          |
|                                    |          |                                                                                              |                                                                        |    |                                                                 |    |                                                            |    |                          |
| Total                              |          |                                                                                              |                                                                        |    |                                                                 |    |                                                            |    |                          |

Part II

Support Schedule for Organizations Described in IRC 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)  
(Complete only if you checked the box on line 5, 7, or 8 of Part I.)

| Public Support                                                                                                                                                                                    |          |          |          |          |          |           |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|----------|----------|----------|----------|-----------|
| Calendar year (or fiscal year beginning in)                                                                                                                                                       | (a) 2004 | (b) 2005 | (c) 2006 | (d) 2007 | (e) 2008 | (f) Total |
| 1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")                                                                                               |          |          |          |          |          |           |
| 2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf                                                                                                 |          |          |          |          |          |           |
| 3 The value of services or facilities furnished by a governmental unit to the organization without charge                                                                                         |          |          |          |          |          |           |
| 4 Total. Add line 1-3                                                                                                                                                                             |          |          |          |          |          |           |
| 5 The portion of total contribution by each person (other than a government unit or publicly supported organization) included on line 1 that exceed 2% of the amount shown on line 11, column (f) |          |          |          |          |          |           |
| 6 Public Support subtract line 5 from line 4                                                                                                                                                      |          |          |          |          |          |           |

| Total Support                                                                                                                                                            |          |          |          |          |          |                          |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|----------|----------|----------|----------|--------------------------|
| Calendar year (or fiscal year beginning in)                                                                                                                              | (a) 2004 | (b) 2005 | (c) 2006 | (d) 2007 | (e) 2008 | (f) Total                |
| 7 Amounts from line 4                                                                                                                                                    |          |          |          |          |          |                          |
| 8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources                                         |          |          |          |          |          |                          |
| 9 Net income from unrelated business activities, whether or not the business is regularly carried on                                                                     |          |          |          |          |          |                          |
| 10 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV )                                                                        |          |          |          |          |          |                          |
| 11 Total Support (Add lines 7 through 10)                                                                                                                                |          |          |          |          |          |                          |
| 12 Gross receipts from related activities, etc (See instructions )                                                                                                       |          |          |          |          | 12       |                          |
| 13 First Five Years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here |          |          |          |          |          | <input type="checkbox"/> |

| Computation of Public Support Percentage                                                                                                                                                                                                                                                                                                                                                     |    |                          |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----|--------------------------|
| 14 Public Support Percentage for 2008 (line 6 column (f) divided by line 11 column (f))                                                                                                                                                                                                                                                                                                      | 14 |                          |
| 15 Public Support Percentage for 2007 Schedule A, Part IV-A, line 26f                                                                                                                                                                                                                                                                                                                        | 15 |                          |
| 16a 33 1/3% Test - 2008. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization                                                                                                                                                                                 |    | <input type="checkbox"/> |
| b 33 1/3% Test - 2007. If the organization did not check the box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization                                                                                                                                                                            |    | <input type="checkbox"/> |
| 17a 10% Facts and Circumstances Test - 2008. If the organization did not check a box on line 13, 16a, or 16b and line 14 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization    |    | <input type="checkbox"/> |
| b 10% Facts and Circumstances Test - 2007. If the organization did not check a box on line 13, 16a, 16b, or 17a and line 15 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization |    | <input type="checkbox"/> |
| 18 Private Foundation. If the organization did not check the box on line 13, 16a, 16b, 17a or 17b, check this box and see instructions                                                                                                                                                                                                                                                       |    | <input type="checkbox"/> |

Part IIISupport Schedule for Organizations Described in IRC 509(a)(2)  
(Complete only if you checked the box on line 9 of Part I.)

| Section A. Public Support                                                                                                                                                        |          |          |          |          |          |           |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|----------|----------|----------|----------|-----------|
| Calendar year (or fiscal year beginning in)                                                                                                                                      | (a) 2004 | (b) 2005 | (c) 2006 | (d) 2007 | (e) 2008 | (f) Total |
| 1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")                                                                              |          |          |          |          |          |           |
| 2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose       |          |          |          |          |          |           |
| 3 Gross receipts from activities that are not an unrelated trade or business under section 513                                                                                   |          |          |          |          |          |           |
| 4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf                                                                                |          |          |          |          |          |           |
| 5 The value of services or facilities furnished by a governmental unit to the organization without charge                                                                        |          |          |          |          |          |           |
| 6 Total Add lines 1-5                                                                                                                                                            |          |          |          |          |          |           |
| 7a Amounts included on lines 1, 2, and 3 received from disqualified persons                                                                                                      |          |          |          |          |          |           |
| b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of 1% of the total of lines 9, 10c, 11, and 12 for the year or \$5,000 |          |          |          |          |          |           |
| c Total of lines 7a and 7b                                                                                                                                                       |          |          |          |          |          |           |
| 8 Public Support (Subtract line 7c from line 6)                                                                                                                                  |          |          |          |          |          |           |

| Total Support                                                                                                                                                           |          |          |          |          |          |           |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------|----------|----------|----------|----------|-----------|
| Calendar year (or fiscal year beginning in)                                                                                                                             | (a) 2004 | (b) 2005 | (c) 2006 | (d) 2007 | (e) 2008 | (f) Total |
| 9 Amounts from line 6                                                                                                                                                   |          |          |          |          |          |           |
| 10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources                                      |          |          |          |          |          |           |
| b Unrelated business taxable income (less section 511 taxes) from businesses acquired after 30 June, 1975                                                               |          |          |          |          |          |           |
| c Add lines 10a and 10b                                                                                                                                                 |          |          |          |          |          |           |
| 11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on                                          |          |          |          |          |          |           |
| 12 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV )                                                                       |          |          |          |          |          |           |
| 13 Total Support (Add lines 9, 10c, 11 and 12)                                                                                                                          |          |          |          |          |          |           |
| 14 First Five Years If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here |          |          |          |          |          |           |

| Computation of Public Support Percentage                                                |    |  |  |
|-----------------------------------------------------------------------------------------|----|--|--|
| 15 Public Support Percentage for 2008 (line 8 column (f) divided by line 13 column (f)) | 15 |  |  |
| 16 Public Support Percentage for 2007 Schedule A, Part IV -A, line 27g                  | 16 |  |  |

| Computation of Investment Income Percentage                                                                                                                                                                                                                  |    |  |  |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----|--|--|
| 17 Investment Income Percentage for 2008 (line 10c column (f) divided by line 13 column (f))                                                                                                                                                                 | 17 |  |  |
| 18 Investment Income Percentage from 2007 Schedule A, Part IV -A, line 27h                                                                                                                                                                                   | 18 |  |  |
| 19a 33 1/3% Tests - 2008. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization        |    |  |  |
| b 33 1/3% Tests - 2007. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization |    |  |  |
| 20 Private Foundation If the organization did not check a box on line 14, 19a or 19b, check this box and see instructions                                                                                                                                    |    |  |  |

Part IV

**Supplemental Information.** Complete this part to provide the information required by Part II, line 10; Part II, line 17a or 17b, or Part III, line 12. Provide and any other additional information. (see instructions)

|                              |
|------------------------------|
| Facts and Circumstances Test |
|                              |

SCHEDULE D

(Form 990)

Department of the Treasury  
Internal Revenue Service

Supplemental Financial Statements

▶ **Attach to Form 990. To be completed by organizations that answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.**

OMB No 1545-0047

2008

Open to Public Inspection

**Name of the organization**  
NATIONAL ACADEMY OF DESIGN

**Employer identification number**  
  
13-1628183

**Part I**

**Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.** Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

|   |                                                                                                                                                                                                                                                                                                            |                              |
|---|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|
|   | (a) Donor advised funds                                                                                                                                                                                                                                                                                    | (b) Funds and other accounts |
| 1 | Total number at end of year                                                                                                                                                                                                                                                                                |                              |
| 2 | Aggregate Contributions to (during year)                                                                                                                                                                                                                                                                   |                              |
| 3 | Aggregate Grants from (during year)                                                                                                                                                                                                                                                                        |                              |
| 4 | Aggregate value at end of year                                                                                                                                                                                                                                                                             |                              |
| 5 | Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? <div><input type="checkbox"/> Yes<input type="checkbox"/> No</div>                                |                              |
| 6 | Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor or other impermissible private benefit? <div><input type="checkbox"/> Yes<input type="checkbox"/> No</div> |                              |

**Part II**

**Conservation Easements.** Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

| 1 | Purpose(s) of conservation easements held by the organization (check all that apply) <div><input type="checkbox"/> Preservation of land for public use (e g , recreation or pleasure)<input type="checkbox"/> Preservation of an historically importantly land area<input type="checkbox"/> Protection of natural habitat<input type="checkbox"/> Preservation of certified historic structure<input type="checkbox"/> Preservation of open space</div> |                                                                                                                                                                                                                                                                                                                                                                                                                                        |  |                             |   |                                        |   |                                                    |   |                                                                                    |   |                                                                         |
|---|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|-----------------------------|---|----------------------------------------|---|----------------------------------------------------|---|------------------------------------------------------------------------------------|---|-------------------------------------------------------------------------|
| 2 | Complete lines 2a–2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year                                                                                                                                                                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                        |  |                             |   |                                        |   |                                                    |   |                                                                                    |   |                                                                         |
|   |                                                                                                                                                                                                                                                                                                                                                                                                                                                         | <table><tr><th></th><th>Held at the End of the Year</th></tr><tr><td>a</td><td>Total number of conservation easements</td></tr><tr><td>b</td><td>Total acreage restricted by conservation easements</td></tr><tr><td>c</td><td>Number of conservation easements on a certified historic structure included in (a)</td></tr><tr><td>d</td><td>Number of conservation easements included in (c) acquired after 8/17/06</td></tr></table> |  | Held at the End of the Year | a | Total number of conservation easements | b | Total acreage restricted by conservation easements | c | Number of conservation easements on a certified historic structure included in (a) | d | Number of conservation easements included in (c) acquired after 8/17/06 |
|   | Held at the End of the Year                                                                                                                                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                        |  |                             |   |                                        |   |                                                    |   |                                                                                    |   |                                                                         |
| a | Total number of conservation easements                                                                                                                                                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                        |  |                             |   |                                        |   |                                                    |   |                                                                                    |   |                                                                         |
| b | Total acreage restricted by conservation easements                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                        |  |                             |   |                                        |   |                                                    |   |                                                                                    |   |                                                                         |
| c | Number of conservation easements on a certified historic structure included in (a)                                                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                                                                                                                                        |  |                             |   |                                        |   |                                                    |   |                                                                                    |   |                                                                         |
| d | Number of conservation easements included in (c) acquired after 8/17/06                                                                                                                                                                                                                                                                                                                                                                                 |                                                                                                                                                                                                                                                                                                                                                                                                                                        |  |                             |   |                                        |   |                                                    |   |                                                                                    |   |                                                                         |
| 3 | Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ▶                                                                                                                                                                                                                                                                                                             |                                                                                                                                                                                                                                                                                                                                                                                                                                        |  |                             |   |                                        |   |                                                    |   |                                                                                    |   |                                                                         |
| 4 | Number of states where property subject to conservation easement is located ▶                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                        |  |                             |   |                                        |   |                                                    |   |                                                                                    |   |                                                                         |
| 5 | Does the organization have a written policy regarding the periodic monitoring, inspection, violations, and enforcement of the conservation easements it holds? <div><input type="checkbox"/> Yes<input type="checkbox"/> No</div>                                                                                                                                                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                        |  |                             |   |                                        |   |                                                    |   |                                                                                    |   |                                                                         |
| 6 | Staff or volunteer hours devoted to monitoring, inspecting and enforcing easements during the year ▶                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                        |  |                             |   |                                        |   |                                                    |   |                                                                                    |   |                                                                         |
| 7 | Amount of expenses incurred in monitoring, inspecting, and enforcing easements during the year ▶ \$                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                        |  |                             |   |                                        |   |                                                    |   |                                                                                    |   |                                                                         |
| 8 | Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)? <div><input type="checkbox"/> Yes<input type="checkbox"/> No</div>                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                                                                                                                                        |  |                             |   |                                        |   |                                                    |   |                                                                                    |   |                                                                         |
| 9 | In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements                                                                                                                                              |                                                                                                                                                                                                                                                                                                                                                                                                                                        |  |                             |   |                                        |   |                                                    |   |                                                                                    |   |                                                                         |

**Part III**

**Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.** Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

|    |                                                                                                                                                                                                                                                                                                                                                                          |      |
|----|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|
| 1a | If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items |      |
| b  | If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items                                                    |      |
|    | (i) Revenues included in Form 990, Part VIII, line 1                                                                                                                                                                                                                                                                                                                     | ▶ \$ |
|    | (ii) Assets included in Form 990, Part X                                                                                                                                                                                                                                                                                                                                 | ▶ \$ |
| 2  | If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items                                                                                                                                                        |      |
| a  | Revenues included in Form 990, Part VIII, line 1                                                                                                                                                                                                                                                                                                                         | ▶ \$ |
| b  | Assets included in Form 990, Part X                                                                                                                                                                                                                                                                                                                                      | ▶ \$ |

Part III

Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3

Using the organization's accession and other records, check any of the following that are a significant use of its collection items (check all that apply)

a

☒

Public exhibition

d

☒

Loan or exchange programs

b

☒

Scholarly research

e

☐

Other

c

☒

Preservation for future generations

4

Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV

5

During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection?

☐ Yes

☒ No

Part IV

Trust, Escrow and Custodial Arrangements. Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a

Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?

☐ Yes

☐ No

b

If "Yes," explain why in Part XIV and complete the following table

c

Beginning balance

d

Additions during the year

e

Distributions during the year

f

Ending balance

|    | Amount |
|----|--------|
| 1c |        |
| 1d |        |
| 1e |        |
| 1f |        |

2a

Did the organization include an amount on Form 990, Part X, line 21?

☐ Yes

☐ No

b

If "Yes," explain the arrangement in Part XIV

Part V

Endowment Funds. Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

|                                                            | (a)Current Year | (b)Prior Year | (c)Two Years Back | (d)Three Years Back | (e)Four Years Back |
|------------------------------------------------------------|-----------------|---------------|-------------------|---------------------|--------------------|
| 1a Beginning of year balance . . . . .                     | 10,847,564      |               |                   |                     |                    |
| b Contributions . . . . .                                  | 139,017         |               |                   |                     |                    |
| c Investment earnings or losses . . . . .                  | -3,286,706      |               |                   |                     |                    |
| d Grants or scholarships . . . . .                         |                 |               |                   |                     |                    |
| e Other expenditures for facilities and programs . . . . . |                 |               |                   |                     |                    |
| f Administrative expenses . . . . .                        |                 |               |                   |                     |                    |
| g End of year balance . . . . .                            | 7,699,875       |               |                   |                     |                    |

2

Provide the estimated percentage of the year end balance held as

a

Board designated or quasi-endowment ▶

b

Permanent endowment ▶ 100 000 %

c

Term endowment ▶

3a

Are there endowment funds not in the possession of the organization that are held and administered for the organization by

(i)

unrelated organizations . . . . .

(ii)

related organizations . . . . .

3a(i)

No

3a(ii)

No

b

If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

3b

4

Describe in Part XIV the intended uses of the organization's endowment funds

Part VI

Investments—Land, Buildings, and Equipment. See Form 990, Part X, line 10.

| Description of investment                                                                              | (a) Cost or other basis (investment) | (b) Cost or other basis (other) | (c) Depreciation | (d) Book value |
|--------------------------------------------------------------------------------------------------------|--------------------------------------|---------------------------------|------------------|----------------|
| 1a Land . . . . .                                                                                      |                                      | 1,039,958                       |                  | 1,039,958      |
| b Buildings . . . . .                                                                                  |                                      | 610,772                         | 610,772          | 0              |
| c Leasehold improvements . . . . .                                                                     |                                      | 1,680,945                       | 1,263,012        | 417,933        |
| d Equipment . . . . .                                                                                  |                                      |                                 |                  |                |
| e Other . . . . .                                                                                      |                                      | 497,420                         | 448,284          | 49,136         |
| Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).) . . . . . ▶ |                                      |                                 |                  | 1,507,027      |

| (a) Description of security or category<br>(including name of security)                                                                                      | (b) Book value | (c) Method of valuation<br>Cost or end-of-year market value |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|-------------------------------------------------------------|
| Financial derivatives and other financial products                                                                                                           |                |                                                             |
| Closely-held equity interests                                                                                                                                |                |                                                             |
| Other                                                                                                                                                        |                |                                                             |
|                                                                                                                                                              |                |                                                             |
|                                                                                                                                                              |                |                                                             |
|                                                                                                                                                              |                |                                                             |
|                                                                                                                                                              |                |                                                             |
|                                                                                                                                                              |                |                                                             |
|                                                                                                                                                              |                |                                                             |
|                                                                                                                                                              |                |                                                             |
|                                                                                                                                                              |                |                                                             |
|                                                                                                                                                              |                |                                                             |
|                                                                                                                                                              |                |                                                             |
| <b>Total.</b> (Column (b) should equal Form 990, Part X, col (B) line 12 )  |                |                                                             |

| (a) Description of investment type                                           | (b) Book value | (c) Method of valuation<br>Cost or end-of-year market value |
|------------------------------------------------------------------------------|----------------|-------------------------------------------------------------|
|                                                                              |                |                                                             |
|                                                                              |                |                                                             |
|                                                                              |                |                                                             |
|                                                                              |                |                                                             |
|                                                                              |                |                                                             |
|                                                                              |                |                                                             |
|                                                                              |                |                                                             |
|                                                                              |                |                                                             |
|                                                                              |                |                                                             |
|                                                                              |                |                                                             |
|                                                                              |                |                                                             |
| <b>Total.</b> (Column (b) should equal Form 990, Part X, col (B) line 13 ) ▶ |                |                                                             |

| (a) Description                                                            | (b) Book value |
|----------------------------------------------------------------------------|----------------|
|                                                                            |                |
|                                                                            |                |
|                                                                            |                |
|                                                                            |                |
|                                                                            |                |
|                                                                            |                |
|                                                                            |                |
|                                                                            |                |
|                                                                            |                |
|                                                                            |                |
| <b>Total.</b> (Column (b) should equal Form 990, Part X, col.(B) line 15.) |                |

| (a) Description of Liability                                               | (b) Amount |
|----------------------------------------------------------------------------|------------|
| Federal Income Taxes                                                       |            |
| due to incorporated edwin austin ABBEY memorial scholarship fund           | 926,785    |
|                                                                            |            |
|                                                                            |            |
|                                                                            |            |
|                                                                            |            |
|                                                                            |            |
|                                                                            |            |
|                                                                            |            |
|                                                                            |            |
|                                                                            |            |
| <b>Total.</b> (Column (b) should equal Form 990, Part X, col (B) line 25 ) | 926,785    |

In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48

| Part XI Reconciliation of Change in Net Assets from Form 990 to Financial Statements |                                                                                 |             |
|--------------------------------------------------------------------------------------|---------------------------------------------------------------------------------|-------------|
| 1                                                                                    | Total revenue (Form 990, Part VIII, column (A), line 12)                        | 113,973,355 |
| 2                                                                                    | Total expenses (Form 990, Part IX, column (A), line 25)                         | 24,743,869  |
| 3                                                                                    | Excess or (deficit) for the year Subtract line 2 from line 1                    | 39,229,486  |
| 4                                                                                    | Net unrealized gains (losses) on investments                                    | 4-1,136,214 |
| 5                                                                                    | Donated services and use of facilities                                          | 5           |
| 6                                                                                    | Investment expenses                                                             | 6           |
| 7                                                                                    | Prior period adjustments                                                        | 7           |
| 8                                                                                    | Other (Describe in Part XIV)                                                    | 8           |
| 9                                                                                    | Total adjustments (net) Add lines 4 - 8                                         | 9-1,136,214 |
| 10                                                                                   | Excess or (deficit) for the year per financial statements Combine lines 3 and 9 | 108,093,272 |

| Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return |                                                                                            |              |
|---------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|--------------|
| 1                                                                                           | Total revenue, gains, and other support per audited financial statements . . . . .         | 112,456,507  |
| 2                                                                                           | Amounts included on line 1 but not on Form 990, Part VIII, line 12                         |              |
| a                                                                                           | Net unrealized gains on investments . . . . .                                              | 2a-1,136,214 |
| b                                                                                           | Donated services and use of facilities . . . . .                                           | 2b           |
| c                                                                                           | Recoveries of prior year grants . . . . .                                                  | 2c           |
| d                                                                                           | Other (Describe in Part XIV) . . . . .                                                     | 2d           |
| e                                                                                           | Add lines 2a through 2d . . . . .                                                          | 2e-1,136,214 |
| 3                                                                                           | Subtract line 2e from line 1 . . . . .                                                     | 313,592,721  |
| 4                                                                                           | Amounts included on Form 990, Part VIII, line 12, but not on line 1:                       |              |
| a                                                                                           | Investment expenses not included on Form 990, Part VIII, line 7b . . . . .                 | 4a36,805     |
| b                                                                                           | Other (Describe in Part XIV) . . . . .                                                     | 4b343,829    |
| c                                                                                           | Add lines 4a and 4b . . . . .                                                              | 4c380,634    |
| 5                                                                                           | Total Revenue Add lines 3 and 4c. (This should equal Form 990, Part I, line 12 ) . . . . . | 513,973,355  |

| Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return |                                                                                             |            |
|------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------|------------|
| 1                                                                                              | Total expenses and losses per audited financial statements . . . . .                        | 14,363,235 |
| 2                                                                                              | Amounts included on line 1 but not on Form 990, Part IX, line 25                            |            |
| a                                                                                              | Donated services and use of facilities . . . . .                                            | 2a         |
| b                                                                                              | Prior year adjustments . . . . .                                                            | 2b         |
| c                                                                                              | Losses reported on Form 990, Part IX, line 25 . . . . .                                     | 2c         |
| d                                                                                              | Other (Describe in Part XIV) . . . . .                                                      | 2d         |
| e                                                                                              | Add lines 2a through 2d . . . . .                                                           | 2e0        |
| 3                                                                                              | Subtract line 2e from line 1 . . . . .                                                      | 34,363,235 |
| 4                                                                                              | Amounts included on Form 990, Part IX, line 25, but not on line 1:                          |            |
| a                                                                                              | Investment expenses not included on Form 990, Part VIII, line 7b . . . . .                  | 4a36,805   |
| b                                                                                              | Other (Describe in Part XIV) . . . . .                                                      | 4b343,829  |
| c                                                                                              | Add lines 4a and 4b . . . . .                                                               | 4c380,634  |
| 5                                                                                              | Total expenses Add lines 3 and 4c. (This should equal Form 990, Part I, line 18 ) . . . . . | 54,743,869 |

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part XIV, lines 1b and 2b, Part V, line 4, Part X, Part XI, line 8, Part XII, lines 2d and 4b, and Part XIII, lines 2d and 4b

| Identifier                             | Return Reference | Explanation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|----------------------------------------|------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Part III, Line 1a                      |                  | THE ACADEMY HAS EXTRAORDINARY COLLECTIONS OF PAINTINGS, SCULPTURES AND WORKS ON PAPER DATING FROM THE LATE EIGHTEENTH CENTURY TO THE PRESENT IN ADDITION, IT HAS A SUBSTANTIAL BODY OF ARCHIVAL MATERIAL RELATED TO THE HISTORY OF THE ACADEMY AND ITS ARTIST MEMBERS A ROTATING SELECTION FROM THE COLLECTIONS ARE USUALLY EXHIBITED IN ITS GALLERIES AND THE COLLECTIONS ARE ALSO MADE AVAILABLE FOR RESEARCH BY SCHOLARS OR OTHER INTERESTED PARTIES THE ACADEMY EMPLOYS A CURATOR TO ENSURE THAT THE COLLECTIONS ARE PROTECTED AND PRESERVED MOST WORKS OF ART OWNED BY THE ACADEMY HAVE BEEN GIVEN by ITS ARTIST MEMBERS IN ORDER TO FULFILL MEMBERSHIP REQUIREMENTS WHILE A SMALLER GROUP OF WORKS HAVE BEEN DONATED BY OTHERS THE COLLECTIONS ARE MAINTAINED FOR THE PROMOTION OF AMERICAN ART, RATHER THAN FOR FINANCIAL GAIN IN CONFORMITY WITH ACCOUNTING POLICIES GENERALLY FOLLOWED BY ART MUSEUMS, THE VALUE OF THE ACADEMY'S COLLECTIONS HAS BEEN EXCLUDED FROM THE STATEMENT OF FINANCIAL POSITION THERE WERE TWO DEACCESSIONS DURING THE YEAR ENDED JUNE 30, 2009 TOTALING \$13,500,000 |
| Part III, Line 4                       |                  | The Academy owns more than 7,000 artworks by many of the most significant names in American art and architecture These works were submitted by the artist as part of the process of being accepted as a National Academician The Academy owns one of the most significant collections of American art in the United States                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| Part XII, Line 4b - Other Adjustments  |                  | student financial assistance net with revenue 343829                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Part XIII, Line 4b - Other Adjustments |                  | student financial assistance net with revenue 343829                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|                                        |                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|                                        |                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|                                        |                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |

SCHEDULE E

(Form 990 or 990-EZ)

Schools

OMB No 1545-0047

2008

Open to Public Inspection

Department of the Treasury

Internal Revenue Service

Attach to Form 990 or Form 990-EZ. To be completed by organizations that answer "Yes" to Form 990, Part IV, line 13, or Form 990-EZ, Part VI, line 48.

Name of the organization

NATIONAL ACADEMY OF DESIGN

Employer identification number

13-1628183

1 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?

|   | YES | NO |
|---|-----|----|
| 1 | Yes |    |

2 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?

|   |     |  |
|---|-----|--|
| 2 | Yes |  |
|---|-----|--|

3 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

|   |     |  |
|---|-----|--|
| 3 | Yes |  |
|---|-----|--|

THE ORGANIZATION UTILIZES PUBLIC TELEVISION AND INDUSTRY MAGAZINES TO PUBLICIZE ITS RACIALLY NONDISCRIMINATORY POLICY

4 Does the organization maintain the following?

- a Records indicating the racial composition of the student body, faculty, and administrative staff?
- b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?
- c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?
- d Copies of all material used by the organization or on its behalf to solicit contributions?

|    |     |  |
|----|-----|--|
| 4a | Yes |  |
| 4b | Yes |  |
| 4c | Yes |  |
| 4d | Yes |  |

If you answered "No" to any of the above, please explain (If you need more space, attach a separate statement )

5 Does the organization discriminate by race in any way with respect to

a Students' rights or privileges?

|    |  |    |
|----|--|----|
| 5a |  | No |
|----|--|----|

b Admissions policies?

|    |  |    |
|----|--|----|
| 5b |  | No |
|----|--|----|

c Employment of faculty or administrative staff?

|    |  |    |
|----|--|----|
| 5c |  | No |
|----|--|----|

d Scholarships or other financial assistance?

|    |  |    |
|----|--|----|
| 5d |  | No |
|----|--|----|

e Educational policies?

|    |  |    |
|----|--|----|
| 5e |  | No |
|----|--|----|

f Use of facilities?

|    |  |    |
|----|--|----|
| 5f |  | No |
|----|--|----|

g Athletic programs?

|    |  |    |
|----|--|----|
| 5g |  | No |
|----|--|----|

h Other extracurricular activities?

If you answered "Yes" to any of the above, please explain (If you need more space, attach a separate statement )

|    |  |    |
|----|--|----|
| 5h |  | No |
|----|--|----|

6a Does the organization receive any financial aid or assistance from a governmental agency?

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

If you answered "Yes" to either 6a or b, please explain using an attached statement

|    |     |    |
|----|-----|----|
| 6a | Yes |    |
| 6b |     | No |

7 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

|   |     |  |
|---|-----|--|
| 7 | Yes |  |
|---|-----|--|

SCHEDULE G  
(Form 990 or 990-EZ)

Department of the Treasury  
Internal Revenue Service

Supplemental Information Regarding  
Fundraising or Gaming Activities

► Attach to Form 990 or Form 990-EZ. Must be completed by organizations that answer "Yes" to Form 990, Part IV, lines 17, 18, or 19, and by organizations that enter more than \$15,000 on Form 990-EZ, line 6a.

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization  
NATIONAL ACADEMY OF DESIGN

Employer identification number  
13-1628183

Part I Fundraising Activities. Complete if the organization answered "Yes" to Form 990, Part IV, line 17.

1

Indicate whether the organization raised funds through any of the following activities. Check all that apply.

a

☐

Mail solicitations

b

☐

Email solicitations

c

☐

Phone solicitations

d

☐

In-person solicitations

e

☐

Solicitation of non-government grants

f

☐

Solicitation of government grants

g

☐

Special fundraising events

2a

Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising activities?

☐ Yes

☐ No

b

If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least \$5,000 by the organization. Form 990-EZ filers are not required to complete this table.

| (i) Name of individual or entity (fundraiser) | (ii) Activity | (iii) Did fundraiser have custody or control of contributions? |    | (iv) Gross receipts from activity | (v) Amount paid to (or retained by) fundraiser listed in col (i) | (vi) Amount paid to (or retained by) organization |
|-----------------------------------------------|---------------|----------------------------------------------------------------|----|-----------------------------------|------------------------------------------------------------------|---------------------------------------------------|
|                                               |               | Yes                                                            | No |                                   |                                                                  |                                                   |
|                                               |               |                                                                |    |                                   |                                                                  |                                                   |
|                                               |               |                                                                |    |                                   |                                                                  |                                                   |
|                                               |               |                                                                |    |                                   |                                                                  |                                                   |
|                                               |               |                                                                |    |                                   |                                                                  |                                                   |
|                                               |               |                                                                |    |                                   |                                                                  |                                                   |
|                                               |               |                                                                |    |                                   |                                                                  |                                                   |
|                                               |               |                                                                |    |                                   |                                                                  |                                                   |
|                                               |               |                                                                |    |                                   |                                                                  |                                                   |
|                                               |               |                                                                |    |                                   |                                                                  |                                                   |
|                                               |               |                                                                |    |                                   |                                                                  |                                                   |
|                                               |               |                                                                |    |                                   |                                                                  |                                                   |
|                                               |               |                                                                |    |                                   |                                                                  |                                                   |
|                                               |               |                                                                |    |                                   |                                                                  |                                                   |
|                                               |               |                                                                |    |                                   |                                                                  |                                                   |
| Total                                         |               |                                                                |    |                                   |                                                                  |                                                   |

3

List all states in which the organization is registered or licensed to solicit funds or has been notified it is exempt from registration or licensing.

Part II Fundraising Events. Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than \$15,000 on Form 990-EZ, line 6a. List events with gross receipts greater than \$5,000.

| Revenue         |                                               |                                                                        | (a) Event #1        | (b) Event #2                            | (c) Other Events | (d) Total Events     |        |         |
|-----------------|-----------------------------------------------|------------------------------------------------------------------------|---------------------|-----------------------------------------|------------------|----------------------|--------|---------|
|                 |                                               |                                                                        | <u>MUESEUM GALA</u> | <u>SCHOOL GALA</u>                      |                  | (Add col (a) through |        |         |
|                 |                                               |                                                                        | (event type)        | (event type)                            | (total number)   | col (c))             |        |         |
|                 |                                               |                                                                        | 1                   | Gross receipts . . . . .                | 208,606          | 153,895              |        | 362,501 |
|                 |                                               |                                                                        | 2                   | Less Charitable contributions . . . . . | 186,484          | 117,448              |        | 303,932 |
| 3               | Gross revenue (line 1 minus line 2) . . . . . | 22,122                                                                 | 36,447              |                                         | 58,569           |                      |        |         |
| Direct Expenses | 4                                             | Cash Prizes . . . . .                                                  |                     |                                         |                  |                      |        |         |
|                 | 5                                             | Non-cash Prizes . . . . .                                              |                     |                                         |                  |                      |        |         |
|                 | 6                                             | Rent/Facility costs . . . . .                                          |                     |                                         |                  |                      |        |         |
|                 | 7                                             | Other direct expenses . . . . .                                        | 22,122              | 36,447                                  |                  | 58,569               |        |         |
|                 | 8                                             | Direct expense summary Add lines 4 through 7 in column (d) . . . . . ▶ |                     |                                         |                  |                      | 58,569 |         |
|                 | 9                                             | Net income summary Combine lines 3 and 8 in column (d). . . . . ▶      |                     |                                         |                  |                      | 0      |         |

Part III Gaming. Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

| Revenue         |                                                                             | (a) Bingo                                                                                        | (b) Pull tabs/Instant<br>bingo/progressive<br>bingo                                              | (c) Other gaming                                                                                 | (d) Total gaming (Add<br>col (a) through col (c)) |
|-----------------|-----------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|---------------------------------------------------|
|                 | 1 Gross revenue . . . . .                                                   |                                                                                                  |                                                                                                  |                                                                                                  |                                                   |
| Direct Expenses | 2 Cash prizes . . . . .                                                     |                                                                                                  |                                                                                                  |                                                                                                  |                                                   |
|                 | 3 Non-cash prizes . . . . .                                                 |                                                                                                  |                                                                                                  |                                                                                                  |                                                   |
|                 | 4 Rent/facility costs . . . . .                                             |                                                                                                  |                                                                                                  |                                                                                                  |                                                   |
|                 | 5 Other direct expenses . . . . .                                           |                                                                                                  |                                                                                                  |                                                                                                  |                                                   |
|                 | 6 Volunteer labor . . . . .                                                 | <div><div><input type="checkbox"/> Yes _____ %</div><div><input type="checkbox"/> No</div></div> | <div><div><input type="checkbox"/> Yes _____ %</div><div><input type="checkbox"/> No</div></div> | <div><div><input type="checkbox"/> Yes _____ %</div><div><input type="checkbox"/> No</div></div> |                                                   |
|                 | 7 Direct expense summary Add lines 2 through 5 in column (d) . . . . . ▶    |                                                                                                  |                                                                                                  |                                                                                                  |                                                   |
|                 | 8 Net gaming income summary Combine lines 1 and 7 in column (d) . . . . . ▶ |                                                                                                  |                                                                                                  |                                                                                                  |                                                   |

|     |                                                                                                                                                                 |     |    |
|-----|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|----|
|     |                                                                                                                                                                 | Yes | No |
| 9   | Enter the state(s) in which the organization operates gaming activities _____                                                                                   |     |    |
| a   | Is the organization licensed to operate gaming activities in each of these states? . . . . .                                                                    | 9a  |    |
| b   | If "No," Explain _____                                                                                                                                          |     |    |
| 10a | Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year?                                                            | 10a |    |
| b   | If "Yes," Explain _____                                                                                                                                         |     |    |
| 11  | Does the organization operate gaming activities with nonmembers? . . . . .                                                                                      | 11  |    |
| 12  | Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming? . . . . . | 12  |    |

|                                                                                                                                                                                                   | Yes | No |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|----|
| <b>13</b> Indicate the percentage of gaming activity operated in                                                                                                                                  |     |    |
| <b>a</b> The organization's facility . . . . . <b>13a</b>                                                                                                                                         |     |    |
| <b>b</b> An outside facility . . . . . <b>13b</b>                                                                                                                                                 |     |    |
| <b>14</b> Provide the name and address of the person who prepares the organization's gaming/special events books and records                                                                      |     |    |
| Name ►                                                                                                                                                                                            |     |    |
| Address ►                                                                                                                                                                                         |     |    |
| <b>15a</b> Does the organization have a contract with a third party from whom the organization receives gaming revenue? . . . . . <b>15a</b>                                                      |     |    |
| <b>b</b> If "Yes," enter the amount of gaming revenue received by the organization ► \$ _____ and the amount of gaming revenue retained by the third party ► \$ _____                             |     |    |
| <b>c</b> If "Yes," enter name and address                                                                                                                                                         |     |    |
| Name ►                                                                                                                                                                                            |     |    |
| Address ►                                                                                                                                                                                         |     |    |
| <b>16</b> Gaming manager information                                                                                                                                                              |     |    |
| Name ►                                                                                                                                                                                            |     |    |
| Gaming manager compensation ► \$ _____                                                                                                                                                            |     |    |
| Description of services provided ►                                                                                                                                                                |     |    |
| <input type="checkbox"/> Director/officer <input type="checkbox"/> Employee <input type="checkbox"/> Independent contractor                                                                       |     |    |
| <b>17</b> Mandatory distributions                                                                                                                                                                 |     |    |
| <b>a</b> Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? . . . . . <b>17a</b>                          |     |    |
| <b>b</b> Enter the amount of distributions required under state law distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ► \$ _____ |     |    |

Schedule I  
(Form 990)

Department of the Treasury  
Internal Revenue Service

Name of the organization  
NATIONAL ACADEMY OF DESIGN

Grants and Other Assistance to Organizations,  
Governments and Individuals in the U.S.

Complete if the organization answered "Yes," on Form 990, Part IV, lines 21 or 22. Attach to Form 990.

OMB No 1545-0047

2008

Open to Public  
Inspection

Employer identification number  
13-1628183

Part I General Information on Grants and Assistance

1

Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance?

☒ Yes ☐ No

2

Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States

Part II Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 21 for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Use Part IV and Schedule I-1 if additional space is needed.

☒

| 1(a) Name and address of organization or government | (b) EIN | (c) IRC section if applicable | (d) Amount of cash grant | (e) Amount of non-cash assistance | (f) Method of valuation (book, FMV, appraisal, other) | (g) Description of non-cash assistance | (h) Purpose of grant or assistance |
|-----------------------------------------------------|---------|-------------------------------|--------------------------|-----------------------------------|-------------------------------------------------------|----------------------------------------|------------------------------------|
|                                                     |         |                               |                          |                                   |                                                       |                                        |                                    |
|                                                     |         |                               |                          |                                   |                                                       |                                        |                                    |
|                                                     |         |                               |                          |                                   |                                                       |                                        |                                    |
|                                                     |         |                               |                          |                                   |                                                       |                                        |                                    |
|                                                     |         |                               |                          |                                   |                                                       |                                        |                                    |
|                                                     |         |                               |                          |                                   |                                                       |                                        |                                    |
|                                                     |         |                               |                          |                                   |                                                       |                                        |                                    |
|                                                     |         |                               |                          |                                   |                                                       |                                        |                                    |
|                                                     |         |                               |                          |                                   |                                                       |                                        |                                    |
|                                                     |         |                               |                          |                                   |                                                       |                                        |                                    |
|                                                     |         |                               |                          |                                   |                                                       |                                        |                                    |
|                                                     |         |                               |                          |                                   |                                                       |                                        |                                    |
|                                                     |         |                               |                          |                                   |                                                       |                                        |                                    |
|                                                     |         |                               |                          |                                   |                                                       |                                        |                                    |

2

Enter total number of section 501(c)(3) and government organizations

3

Enter total number of other organizations

**Part III**

**Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" on Form 990, Part IV, line 22.  
Use Schedule I-1 (Form 990) if additional space is needed.

| (a)Type of grant or assistance | (b)Number of recipients | (c)Amount of cash grant | (d)Amount of non-cash assistance | (e) Method of valuation (book, FMV , appraisal, other) | (f)Description of non-cash assistance |
|--------------------------------|-------------------------|-------------------------|----------------------------------|--------------------------------------------------------|---------------------------------------|
| MUSEUM GRANTS                  | 29                      | 15,160                  |                                  |                                                        |                                       |
| SCHOOL GRANTS                  | 40                      | 26,260                  |                                  |                                                        |                                       |
| student financial assistance   | 50                      | 0                       | 137,544                          | value of tuition forgone                               | student financial assistance          |
|                                |                         |                         |                                  |                                                        |                                       |
|                                |                         |                         |                                  |                                                        |                                       |
|                                |                         |                         |                                  |                                                        |                                       |
|                                |                         |                         |                                  |                                                        |                                       |

**Part IV**

**Supplemental Information.** Complete this part to provide the information required in Part I, line 2, and any other additional information.  
See Additional Data Table

| Identifier                                 | Return Reference | Explanation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|--------------------------------------------|------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Procedure for Monitoring Grants in the U S | Part I, Line 2   | Schedule I, Part I, Line 2 Museum prizes The prizes are awarded to artists exhibited in the Academy's Annual exhibition and the awardees are selected by the Awards Committee, which is composed of National Academicians School Prizes and Awards Student artists exhibiting in an annual exhibition are selected by a jury of three National Academicians accordingly, monitoring the use of grant funds is not applicable Scholarships - Scholarships are awarded based on financial need, letters of recommendation, and quality of art submitted for review The particulars of any award, prize or scholarship may be restricted by the funding donor each scholarship recipient is monitored through review of their academic record |
|                                            |                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|                                            |                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|                                            |                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|                                            |                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|                                            |                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|                                            |                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|                                            |                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|                                            |                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|                                            |                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

|                                                                                                    |                                                                                                                                                                                                                                                                 |                           |
|----------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|
| Schedule J<br>(Form 990)<br><br><div>Department of the Treasury<br/>Internal Revenue Service</div> | <div>Compensation Information</div> <div>For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees</div> <div>▶ Attach to Form 990. To be completed by organizations that answered "Yes" to Form 990, Part IV, line 23.</div> | OMB No 1545-0047          |
|                                                                                                    |                                                                                                                                                                                                                                                                 | 2008                      |
|                                                                                                    |                                                                                                                                                                                                                                                                 | Open to Public Inspection |

|                                                        |                                                  |
|--------------------------------------------------------|--------------------------------------------------|
| Name of the organization<br>NATIONAL ACADEMY OF DESIGN | Employer identification number<br><br>13-1628183 |
|--------------------------------------------------------|--------------------------------------------------|

| Part I | Questions Regarding Compensation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |    | Yes | No |
|--------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----|-----|----|
| 1a     | Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items                                                                                                                                                                                                                                                                                                                                                                                               |    |     |    |
|        | <div><div><input type="checkbox"/> First class or charter travel</div><div><input type="checkbox"/> Travel for companions</div><div><input type="checkbox"/> Tax idemnification and gross-up payments</div><div><input type="checkbox"/> Discretionary spending account</div><div><input type="checkbox"/> Housing allowance or residence for personal use</div><div><input type="checkbox"/> Payments for business use of personal residence</div><div><input type="checkbox"/> Health or social club dues or initiation fees</div><div><input type="checkbox"/> Personal services (e g , maid, chauffeur, chef)</div></div> |    |     |    |
| b      | If line 1a is checked, did the organization follow a written policy regarding payment or reimbursement or provision of all the expenses described above? If "No," complete Part III to explain                                                                                                                                                                                                                                                                                                                                                                                                                                | 1b |     |    |
| 2      | Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?                                                                                                                                                                                                                                                                                                                                                                                                                  | 2  |     |    |
| 3      | Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director Check all that apply                                                                                                                                                                                                                                                                                                                                                                                                                                                                |    |     |    |
|        | <div><div><input type="checkbox"/> Compensation committee</div><div><input type="checkbox"/> Independent compensation consultant</div><div><input checked="" type="checkbox"/> Form 990 of other organizations</div><div><input type="checkbox"/> Written employment contract</div><div><input type="checkbox"/> Compensation survey or study</div><div><input checked="" type="checkbox"/> Approval by the board or compensation committee</div></div>                                                                                                                                                                       |    |     |    |
| 4      | During the year, did any person listed in Form 990, Part VII, Section A, line 1a                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |    |     |    |
| a      | Receive a severance payment or change of control payment?                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 4a |     | No |
| b      | Participate in, or receive payment from, a supplemental nonqualified retirement plan?                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         | 4b |     | No |
| c      | Participate in, or receive payment from, an equity-based compensation arrangement?                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 4c |     | No |
|        | If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |    |     |    |
|        | 501(c)(3) and 501(c)(4) organizations only must complete lines 5-8.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |    |     |    |
| 5      | For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |    |     |    |
| a      | The organization?                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 5a |     | No |
| b      | Any related organization?                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 5b |     | No |
|        | If "Yes," to line 5a or 5b, describe in Part III                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |    |     |    |
| 6      | For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |    |     |    |
| a      | The organization?                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 6a |     | No |
| b      | Any related organization?                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | 6b |     | No |
|        | If "Yes," to line 6a or 6b, describe in Part III                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |    |     |    |
| 7      | For persons listed in form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III                                                                                                                                                                                                                                                                                                                                                                                                                                              | 7  |     | No |
| 8      | Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs section 53.4958-4(a)(3)? If "Yes," describe in Part III                                                                                                                                                                                                                                                                                                                                                                                                          | 8  |     | No |

**Part II** **Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.** Use Schedule J-1 if additional space needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations described in the instructions on row (ii) Do not list any individuals that are not listed on Form 990, Part VII

**Note.** The sum of columns (B)(i)-(iii) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a

| (A) Name         |      | (B) Breakdown of W-2 and/or 1099-MISC compensation |                                     |                          | (C) Deferred compensation | (D) Nontaxable benefits | (E) Total of columns (B)(i)-(D) | (F) Compensation reported in prior Form 990 or Form 990-EZ |
|------------------|------|----------------------------------------------------|-------------------------------------|--------------------------|---------------------------|-------------------------|---------------------------------|------------------------------------------------------------|
|                  |      | (i) Base compensation                              | (ii) Bonus & incentive compensation | (iii) Other compensation |                           |                         |                                 |                                                            |
| CARMINE BRANAGAN | (i)  | 190,125                                            |                                     |                          |                           |                         | 190,125                         |                                                            |
|                  | (ii) |                                                    |                                     |                          |                           |                         |                                 |                                                            |
|                  | (i)  |                                                    |                                     |                          |                           |                         |                                 |                                                            |
|                  | (ii) |                                                    |                                     |                          |                           |                         |                                 |                                                            |
|                  | (i)  |                                                    |                                     |                          |                           |                         |                                 |                                                            |
|                  | (ii) |                                                    |                                     |                          |                           |                         |                                 |                                                            |
|                  | (i)  |                                                    |                                     |                          |                           |                         |                                 |                                                            |
|                  | (ii) |                                                    |                                     |                          |                           |                         |                                 |                                                            |
|                  | (i)  |                                                    |                                     |                          |                           |                         |                                 |                                                            |
|                  | (ii) |                                                    |                                     |                          |                           |                         |                                 |                                                            |
|                  | (i)  |                                                    |                                     |                          |                           |                         |                                 |                                                            |
|                  | (ii) |                                                    |                                     |                          |                           |                         |                                 |                                                            |
|                  | (i)  |                                                    |                                     |                          |                           |                         |                                 |                                                            |
|                  | (ii) |                                                    |                                     |                          |                           |                         |                                 |                                                            |
|                  | (i)  |                                                    |                                     |                          |                           |                         |                                 |                                                            |
|                  | (ii) |                                                    |                                     |                          |                           |                         |                                 |                                                            |
|                  | (i)  |                                                    |                                     |                          |                           |                         |                                 |                                                            |
|                  | (ii) |                                                    |                                     |                          |                           |                         |                                 |                                                            |



SCHEDULE M  
(Form 990)

Non-Cash Contributions

To be completed by organizations that answered  
"Yes" on Form 990, Part IV, lines 29 or 30.  
Attach to Form 990

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization  
NATIONAL ACADEMY OF DESIGN

Employer identification number  
13-1628183

Part I

Types of Property

|                                                                                                                                                                                           | (a)<br>Check<br>if<br>applicable | (b)<br>Number of Contributions | (c)<br>Revenues reported on<br>Form 990, Part VIII, line<br>1g | (d)<br>Method of determining<br>revenues |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------|--------------------------------|----------------------------------------------------------------|------------------------------------------|
| 1 Art—Works of art . . . . .                                                                                                                                                              | X                                | 7                              | 0                                                              | n/a                                      |
| 2 Art—Historical treasures . . . . .                                                                                                                                                      |                                  |                                |                                                                |                                          |
| 3 Art—Fractional interests . . . . .                                                                                                                                                      |                                  |                                |                                                                |                                          |
| 4 Books and publications . . . . .                                                                                                                                                        |                                  |                                |                                                                |                                          |
| 5 Clothing and household<br>goods . . . . .                                                                                                                                               |                                  |                                |                                                                |                                          |
| 6 Cars and other vehicles . . . . .                                                                                                                                                       |                                  |                                |                                                                |                                          |
| 7 Boats and planes . . . . .                                                                                                                                                              |                                  |                                |                                                                |                                          |
| 8 Intellectual property . . . . .                                                                                                                                                         |                                  |                                |                                                                |                                          |
| 9 Securities—Publicly traded . . . . .                                                                                                                                                    |                                  |                                |                                                                |                                          |
| 10 Securities—Closely held stock . . . . .                                                                                                                                                |                                  |                                |                                                                |                                          |
| 11 Securities—Partnership, LLC,<br>or trust interests . . . . .                                                                                                                           |                                  |                                |                                                                |                                          |
| 12 Securities—Miscellaneous . . . . .                                                                                                                                                     |                                  |                                |                                                                |                                          |
| 13 Qualified conservation<br>contribution (historic<br>structures) . . . . .                                                                                                              |                                  |                                |                                                                |                                          |
| 14 Qualified conservation<br>contribution (other) . . . . .                                                                                                                               |                                  |                                |                                                                |                                          |
| 15 Real estate—Residential . . . . .                                                                                                                                                      |                                  |                                |                                                                |                                          |
| 16 Real estate—Commercial . . . . .                                                                                                                                                       |                                  |                                |                                                                |                                          |
| 17 Real estate—Other . . . . .                                                                                                                                                            |                                  |                                |                                                                |                                          |
| 18 Collectibles . . . . .                                                                                                                                                                 |                                  |                                |                                                                |                                          |
| 19 Food inventory . . . . .                                                                                                                                                               |                                  |                                |                                                                |                                          |
| 20 Drugs and medical supplies . . . . .                                                                                                                                                   |                                  |                                |                                                                |                                          |
| 21 Taxidermy . . . . .                                                                                                                                                                    |                                  |                                |                                                                |                                          |
| 22 Historical artifacts . . . . .                                                                                                                                                         |                                  |                                |                                                                |                                          |
| 23 Scientific specimens . . . . .                                                                                                                                                         |                                  |                                |                                                                |                                          |
| 24 Archeological artifacts . . . . .                                                                                                                                                      |                                  |                                |                                                                |                                          |
| 25 Other (describe _____)                                                                                                                                                                 |                                  |                                |                                                                |                                          |
| 26 Other (describe _____)                                                                                                                                                                 |                                  |                                |                                                                |                                          |
| 27 Other (describe _____)                                                                                                                                                                 |                                  |                                |                                                                |                                          |
| 28 Other (describe _____)                                                                                                                                                                 |                                  |                                |                                                                |                                          |
| 29 Number of Forms 8283 received by the organization during the tax year for contributions for<br>which the organization completed Form 8283, Part IV, Donee<br>Acknowledgement . . . . . |                                  |                                | 29                                                             |                                          |

|                                                                                                                                                                                                                                                                                                                |     |     |    |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|-----|----|
|                                                                                                                                                                                                                                                                                                                |     | Yes | No |
| 30a During the year, did the organization receive by contribution any property reported in Part I, lines 1-28 that it must<br>hold for at<br>least three years from the date of the initial contribution, and which is not required to be used for exempt purposes<br>for the entire holding period? . . . . . | 30a |     | No |
| b If "Yes", describe the arrangement in Part II                                                                                                                                                                                                                                                                |     |     |    |
| 31 Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?                                                                                                                                                                                             | 31  |     | No |
| 32a Does the organization hire or use third parties or related organizations to solicit, process, or sell non-cash<br>contributions? . . . . .                                                                                                                                                                 | 32a |     | No |
| b If "Yes", describe in Part II                                                                                                                                                                                                                                                                                |     |     |    |
| 33 If the organization did not report revenues in Column (c) for a type of property for which Column (a) is<br>checked, describe in Part II                                                                                                                                                                    |     |     |    |

**Part II** **Supplemental Information.** Complete this part to provide the information required by Part I, lines 30b, 32b, and 33. Also complete this part for any additional information.

[illegible]

SCHEDULE O  
(Form 990)

Department of the Treasury  
Internal Revenue Service

Supplemental Information to Form 990

► **Attach to Form 990. To be completed by organizations to provide additional information for responses to specific questions for the Form 990 or to provide any additional information.**

OMB No 1545-0047

2008

Open to Public Inspection

|                                                               |                                                     |
|---------------------------------------------------------------|-----------------------------------------------------|
| <b>Name of the organization</b><br>NATIONAL ACADEMY OF DESIGN | <b>Employer identification number</b><br>13-1628183 |
|---------------------------------------------------------------|-----------------------------------------------------|

| Identifier                           | Return Reference | Explanation                                                                       |
|--------------------------------------|------------------|-----------------------------------------------------------------------------------|
| Form 990, Part VI, Section A, line 4 |                  | THE ORGANIZATION ADOPTED A NEW CONSTITUTION, ALONG WITH A NEW GOVERNING STRUCTURE |

| Identifier                           | Return Reference | Explanation                                                                                                                                                                                                                                                                                                                                                                        |
|--------------------------------------|------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Form 990, Part VI, Section A, line 6 |                  | The membership of the Academy consists of painters, sculptors, architects and w orkers in the graphic arts who have been elected to membership The number of Academicians shall be limited to 450 The Academy has four (4) Classes of Academicians, corresponding to the four (4) professional classes promoted by the Academy Painting, Sculpture, Architecture and Graphics Arts |

| Identifier                            | Return Reference | Explanation                                                                                        |
|---------------------------------------|------------------|----------------------------------------------------------------------------------------------------|
| Form 990, Part VI, Section A, line 7a |                  | THE ACADEMICIANS ELECT MEMBERS OF THE BOARD, WHICH INCLUDES BOTH ACADEMICIANS AND NON-ACADEMICIANS |

| Identifier                            | Return Reference | Explanation                                            |
|---------------------------------------|------------------|--------------------------------------------------------|
| Form 990, Part VI, Section A, line 10 |                  | THE FINANCE COMMITTEE WILL REVIEW THE 990 AFTER FILING |

| Identifier                             | Return Reference | Explanation                                                           |
|----------------------------------------|------------------|-----------------------------------------------------------------------|
| Form 990, Part VI, Section B, line 12c |                  | THE BOARD MEMBERS SIGN A CONFLICT OF INEREST ACKNOWLEDGEMENT ANNUALLY |

| Identifier                            | Return Reference | Explanation                                                                                                                                                                                         |
|---------------------------------------|------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Form 990, Part VI, Section B, line 15 |                  | the COMPENSATION of the director IS BASED ON review ing the Chief Executive Officer SALARIES REPORTED ON 990 FILINGS OF SIMILAR ORGANIZATIONS the compensation is approved by the governing council |

| Identifier                            | Return Reference | Explanation                                                                                                                 |
|---------------------------------------|------------------|-----------------------------------------------------------------------------------------------------------------------------|
| Form 990, Part VI, Section C, line 19 |                  | THE ORGANIZATION MAKES GOVERNING DOCUMENTS, CONFLICTS OF INTEREST POLICIES, AND FINANCIAL STATEMENTS AVAILABLE UPON REQUEST |

| Identifier | Return Reference | Explanation                                                           |
|------------|------------------|-----------------------------------------------------------------------|
|            |                  | THE PROCESSES OF THE AUDIT COMMITTEE HAVE NOT CHANGED SINCE LAST YEAR |

Form **4562**

Department of the Treasury  
Internal Revenue Service

Depreciation and Amortization  
(Including Information on Listed Property)

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

OMB No 1545-0172

**2008**

Attachment  
Sequence No **67**

|                                                       |                                                                         |                                      |
|-------------------------------------------------------|-------------------------------------------------------------------------|--------------------------------------|
| Name(s) shown on return<br>NATIONAL ACADEMY OF DESIGN | Business or activity to which this form relates<br><br>Form 990 Page 10 | Identifying number<br><br>13-1628183 |
|-------------------------------------------------------|-------------------------------------------------------------------------|--------------------------------------|

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 the instructions for a higher limit for certain businesses . . . . .                                                        | 1 | 250,000 |
| 2 Total cost of section 179 property placed in service (see instructions) . . . . .                                                              | 2 |         |
| 3 Threshold cost of section 179 property before reduction in limitation (see instructions) . . . . .                                             | 3 | 800,000 |
| 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 instructions . . . . . | 5 |         |

| (a) Description of property                                                                                                    | (b) Cost (business use only) | (c) Elected cost |
|--------------------------------------------------------------------------------------------------------------------------------|------------------------------|------------------|
| 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 <b>smaller</b> of line 5 or line 8 . . . . .                                                   | 9                            |                  |
| 10 Carryover of disallowed deduction from line 13 of your 2007 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 2009 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 ) (See instructions )

|                                                                                                                                                |    |         |
|------------------------------------------------------------------------------------------------------------------------------------------------|----|---------|
| 14 Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions) | 14 |         |
| 15 Property subject to section 168(f)(1) election . . . . .                                                                                    | 15 |         |
| 16 Other depreciation (including ACRS) . . . . .                                                                                               | 16 | 117,744 |

Part III MACRS Depreciation (Do not include listed property.) (See instructions.)

| Section A                                                                                                                                        |    |  |
|--------------------------------------------------------------------------------------------------------------------------------------------------|----|--|
| 17 MACRS deductions for assets placed in service in tax years beginning before 2008 . . . . .                                                    | 17 |  |
| 18 If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here . . . . . ▶ |    |  |

Section B—Assets Placed in Service During 2008 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        |                            |
|                                |                                      |                                                                            | 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 2008 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 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 | 117,744 |
| 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 |         |

Part V

Listed Property (Include automobiles, certain other vehicles, cellular telephones, certain computers, and property used for entertainment, recreation, or amusement.)  
**Note:** For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete **only** 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A—Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)

|                                                                                                                                                                             |                               |                                            |                            |                                                              |                        |                                                                                                 |                                |                                 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|--------------------------------------------|----------------------------|--------------------------------------------------------------|------------------------|-------------------------------------------------------------------------------------------------|--------------------------------|---------------------------------|
| 24a Do you have evidence to support the business/investment use claimed? <input type="checkbox"/> Yes <input type="checkbox"/> No                                           |                               |                                            |                            |                                                              |                        | 24b If "Yes," is the evidence written? <input type="checkbox"/> Yes <input type="checkbox"/> No |                                |                                 |
| (a)<br>Type of property (list vehicles first)                                                                                                                               | (b)<br>Date placed in service | (c)<br>Business/ investment use percentage | (d)<br>Cost or other basis | (e)<br>Basis for depreciation (business/investment use only) | (f)<br>Recovery period | (g)<br>Method/ Convention                                                                       | (h)<br>Depreciation/ deduction | (i)<br>Elected section 179 cost |
| 25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions) |                               |                                            |                            |                                                              |                        | 25                                                                                              |                                |                                 |
| 26 Property used more than 50% in a qualified business use                                                                                                                  |                               |                                            |                            |                                                              |                        |                                                                                                 |                                |                                 |
|                                                                                                                                                                             |                               | %                                          |                            |                                                              |                        |                                                                                                 |                                |                                 |
|                                                                                                                                                                             |                               | %                                          |                            |                                                              |                        |                                                                                                 |                                |                                 |
|                                                                                                                                                                             |                               | %                                          |                            |                                                              |                        |                                                                                                 |                                |                                 |
| 27 Property used 50% or less in a qualified business use                                                                                                                    |                               |                                            |                            |                                                              |                        |                                                                                                 |                                |                                 |
|                                                                                                                                                                             |                               | %                                          |                            |                                                              | S/L -                  |                                                                                                 |                                |                                 |
|                                                                                                                                                                             |                               | %                                          |                            |                                                              | S/L -                  |                                                                                                 |                                |                                 |
|                                                                                                                                                                             |                               | %                                          |                            |                                                              | S/L -                  |                                                                                                 |                                |                                 |
| 28 Add amounts in column (h), lines 25 through 27 Enter here and on line 21, page 1                                                                                         |                               |                                            |                            |                                                              |                        | 28                                                                                              |                                |                                 |
| 29 Add amounts in column (i), line 26 Enter here and on line 7, page 1                                                                                                      |                               |                                            |                            |                                                              |                        |                                                                                                 | 29                             |                                 |

Section B—Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person  
If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles

|                                                                                                    |                  |    |                  |    |                  |    |                  |    |                  |    |                  |    |
|----------------------------------------------------------------------------------------------------|------------------|----|------------------|----|------------------|----|------------------|----|------------------|----|------------------|----|
| 30 Total business/investment miles driven during the year ( <b>do not</b> include commuting miles) | (a)<br>Vehicle 1 |    | (b)<br>Vehicle 2 |    | (c)<br>Vehicle 3 |    | (d)<br>Vehicle 4 |    | (e)<br>Vehicle 5 |    | (f)<br>Vehicle 6 |    |
| 31 Total commuting miles driven during the year                                                    |                  |    |                  |    |                  |    |                  |    |                  |    |                  |    |
| 32 Total other personal(noncommuting) miles driven                                                 |                  |    |                  |    |                  |    |                  |    |                  |    |                  |    |
| 33 Total miles driven during the year Add lines 30 through 32                                      |                  |    |                  |    |                  |    |                  |    |                  |    |                  |    |
| 34 Was the vehicle available for personal use during off-duty hours?                               | Yes              | No | Yes              | No | Yes              | No | Yes              | No | Yes              | No | Yes              | No |
| 35 Was the vehicle used primarily by a more than 5% owner or related person?                       |                  |    |                  |    |                  |    |                  |    |                  |    |                  |    |
| 36 Is another vehicle available for personal use?                                                  |                  |    |                  |    |                  |    |                  |    |                  |    |                  |    |

Section C—Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who **are not** more than 5% owners or related persons (see instructions)

|                                                                                                                                                                                                                           |     |    |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|----|
| 37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?                                                                                        | Yes | No |
| 38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners |     |    |
| 39 Do you treat all use of vehicles by employees as personal use?                                                                                                                                                         |     |    |
| 40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?                                                   |     |    |
| 41 Do you meet the requirements concerning qualified automobile demonstration use? (See instructions )                                                                                                                    |     |    |
| <b>Note:</b> If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles                                                                                                         |     |    |

Part VI Amortization

|                                                                                     |                                 |                           |                     |                                           |                                    |
|-------------------------------------------------------------------------------------|---------------------------------|---------------------------|---------------------|-------------------------------------------|------------------------------------|
| (a)<br>Description of costs                                                         | (b)<br>Date amortization begins | (c)<br>Amortizable amount | (d)<br>Code section | (e)<br>A mortization period or percentage | (f)<br>A mortization for this year |
| 42 A mortization of costs that begins during your 2008 tax year (see instructions)  |                                 |                           |                     |                                           |                                    |
|                                                                                     |                                 |                           |                     |                                           |                                    |
| 43 A mortization of costs that began before your 2008 tax year                      |                                 |                           |                     | 43                                        |                                    |
| 44 <b>Total.</b> Add amounts in column (f) See the instructions for where to report |                                 |                           |                     | 44                                        |                                    |

Additional Data

Software ID:  
Software Version:  
EIN: 13-1628183  
Name: NATIONAL ACADEMY OF DESIGN

Form 990, Part VII - Section Aaa

| (A)<br>Name and Title                     | (B)<br>Average<br>hours<br>per<br>week | (C)<br>Position (check all<br>that apply) |                       |         |              |                                 |        | (D)<br>Reportable<br>compensation<br>from the<br>organization (W-<br>2/1099MISC) | (E)<br>Reportable<br>compensation<br>from related<br>organizations<br>(W- 2/1099-<br>MISC) | (F)<br>Estimated<br>amount of other<br>compensation<br>from the<br>organization and<br>related<br>organizations |
|-------------------------------------------|----------------------------------------|-------------------------------------------|-----------------------|---------|--------------|---------------------------------|--------|----------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|
|                                           |                                        | Individual Trustee<br>or Director         | Institutional Trustee | Officer | Key employee | Highest compensated<br>employee | Former |                                                                                  |                                                                                            |                                                                                                                 |
| richard haas , INTERIM PRESIDENT          | 5 00                                   | X                                         |                       | X       |              |                                 |        | 750                                                                              | 0                                                                                          | 0                                                                                                               |
| DAVID kapp , TReasurer                    | 5 00                                   | X                                         |                       | X       |              |                                 |        | 0                                                                                | 0                                                                                          | 0                                                                                                               |
| ELLEN lanyon , assistant treasurer        | 2 00                                   | X                                         |                       | X       |              |                                 |        | 1,150                                                                            | 0                                                                                          | 0                                                                                                               |
| RICHARD SLOAT , recording secretary       | 2 00                                   | X                                         |                       | X       |              |                                 |        | 0                                                                                | 0                                                                                          | 0                                                                                                               |
| REEve schley , assistant corr sec         | 2 00                                   | X                                         |                       | X       |              |                                 |        | 3,350                                                                            | 0                                                                                          | 0                                                                                                               |
| will barnet , council member              | 2 00                                   | X                                         |                       |         |              |                                 |        | 0                                                                                | 0                                                                                          | 0                                                                                                               |
| ROBERT BERLIND , COUncil member           | 2 00                                   | X                                         |                       |         |              |                                 |        | 0                                                                                | 0                                                                                          | 0                                                                                                               |
| susanna coffey , COUNCIL member           | 2 00                                   | X                                         |                       |         |              |                                 |        | 0                                                                                | 0                                                                                          | 0                                                                                                               |
| richard fishbein , COUNcil member         | 2 00                                   | X                                         |                       |         |              |                                 |        | 0                                                                                | 0                                                                                          | 0                                                                                                               |
| barbara grossman , COUNcil member         | 2 00                                   | X                                         |                       |         |              |                                 |        | 0                                                                                | 0                                                                                          | 0                                                                                                               |
| ian d highet , COUNcil member             | 2 00                                   | X                                         |                       |         |              |                                 |        | 0                                                                                | 0                                                                                          | 0                                                                                                               |
| henry justin , COUNCIL MEMBER             | 2 00                                   | X                                         |                       |         |              |                                 |        | 0                                                                                | 0                                                                                          | 0                                                                                                               |
| THEODORE N KAPLAN , COUNCIL<br>member     | 2 00                                   | X                                         |                       |         |              |                                 |        | 0                                                                                | 0                                                                                          | 0                                                                                                               |
| ROBERT a levinson , COUNCIL member        | 2 00                                   | X                                         |                       |         |              |                                 |        | 0                                                                                | 0                                                                                          | 0                                                                                                               |
| PETER rolland , COUNcil member            | 2 00                                   | X                                         |                       |         |              |                                 |        | 0                                                                                | 0                                                                                          | 0                                                                                                               |
| JONathan shahn , COUNCIL member           | 2 00                                   | X                                         |                       |         |              |                                 |        | 0                                                                                | 0                                                                                          | 0                                                                                                               |
| LORRAINE SHEMESH , COUNCIL<br>member      | 2 00                                   | X                                         |                       |         |              |                                 |        | 700                                                                              | 0                                                                                          | 0                                                                                                               |
| IDELLE weber , COUNCIL member             | 2 00                                   | X                                         |                       |         |              |                                 |        | 0                                                                                | 0                                                                                          | 0                                                                                                               |
| CARMINE BRANAGAN , INTERIM<br>DIRECTOR    | 40 00                                  |                                           |                       | X       |              |                                 |        | 190,125                                                                          | 0                                                                                          | 0                                                                                                               |
| NANCY CAFFERTY , FINANCE & HR<br>DIRECTOR | 40 00                                  |                                           |                       | X       |              |                                 |        | 81,209                                                                           | 0                                                                                          | 14,739                                                                                                          |

**Form 990, Part III, Line 1 - Briefly describe the organization's mission:**

The National Academy of Design's purpose is to elevate the character and condition of fine arts in the United States. The Academy fulfills this function through the museum, which is home to an extraordinary collection of American paintings, sculptures, and works on paper. THE FUNCTION OF THE ACADEMY IS ALSO FULFILLED through its school of fine arts, which offers instruction in painting, sculpture, drawing, and printmaking. The Academy also presents lectures, symposia, gallery talks, and other public programs.