Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

OMB No 1545-0047

2007

Open to Public Inspection

A For the 2007 calendar year, or tax year beginning JUL 1, 2007 and ending JUN 30, 2008

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

Please use IRS label or print or type See Specific Instructions

C Name of organization
TOOLS FOR LIFE, INC.

Number and street (or P.O. box if mail is not delivered to street address) Room/suite
1244 RIVERBANK ROAD

City or town, state or country, and ZIP + 4
STAMFORD, CT 06903

D Employer identification number
26-0398394

E Telephone number
203-595-0524

F Accounting method ☐ Cash ☒ Accrual ☐ Other (specify) ▶

• **Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).**

G Website: ▶N/A

I Organization type (check only one) ▶ ☒ 501(c) (3) ◀ (insert no) ☐ 4947(a)(1) or ☐ 527

ck here ▶ ☐ if the organization is not a 509(a)(3) supporting organization **and** its gross ipts are normally **not** more than $25,000. A return is not required, but if the organization ses to file a return, be sure to file a complete return.

s receipts: Add lines 6b, 8b, 9b, and 10b to line 12 ▶ 104,445.

H *and* I *are not applicable to section 527 organizations*

H(a) Is this a group return for affiliates? ☐ Yes ☒ No

H(b) If "Yes," enter number of affiliates ▶ N/A

H(c) Are all affiliates included? N/A ☐ Yes ☐ No (If "No," attach a list.)

H(d) Is this a separate return filed by an organization covered by a group ruling? ☐ Yes ☒ No

I Group Exemption Number ▶ N/A

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

I Revenue, Expenses, and Changes in Net Assets or Fund Balances

Revenue	1	Contributions, gifts, grants, and similar amounts received:			
	a	Contributions to donor advised funds	1a		
	b	Direct public support (not included on line 1a)	1b	100,000.	
	c	Indirect public support (not included on line 1a)	1c		
	d	Government contributions (grants) (not included on line 1a)	1d		
	e	**Total** (add lines 1a through 1d) (cash $ 100,000. noncash $)			1e 100,000.
	2	Program service revenue including government fees and contracts (from Part VII, line 93)			2
	3	Membership dues and assessments			3
	4	Interest on savings and temporary cash investments			4
	5	Dividends and interest from securities			5 4,445.
	6 a	Gross rents	6a		
	b	Less: rental expenses	6b		
	c	Net rental income or (loss). Subtract line 6b from line 6a			6c
	7	Other investment income (describe ▶)			7
	8 a	Gross amount from sales of assets other than inventory — (A) Securities / (B) Other	8a		
	b	Less: cost or other basis and sales expenses	8b		
	c	Gain or (loss) (attach schedule)	8c		
	d	Net gain or (loss). Combine line 8c, columns (A) and (B)			8d
	9	Special events and activities (attach schedule). If any amount is from **gaming**, check here ▶ ☐			
	a	Gross revenue (not including $ of contributions reported on line 1b)	9a		
	b	Less: direct expenses other than fundraising expenses	9b		
	c	Net income or (loss) from special events. Subtract line 9b from line 9a			9c
	10 a	Gross sales of inventory, less returns and allowances	10a		
	b	Less: cost of goods sold	10b		
	c	Gross profit or (loss) from sales of inventory (attach schedule). Subtract line 10b from line 10a			10c
	11	Other revenue (from Part VII, line 103)			11
	12	**Total revenue.** Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11			12 104,445.
Expenses	13	Program services (from line 44, column (B))			13 37,546.
	14	Management and general (from line 44, column (C))			14 9,076.
	15	Fundraising (from line 44, column (D))			15
	16	Payments to affiliates (attach schedule)			16
	17	**Total expenses** Add lines 16 and 44, column (A)			17 46,622.
Net Assets	18	Excess or (deficit) for the year. Subtract line 17 from line 12			18 57,823.
	19	Net assets or fund balances at beginning of year (from line 73, column (A))			19 143,900.
	20	Other changes in net assets or fund balances (attach explanation)			20 0.
	21	Net assets or fund balances at end of year. Combine lines 18, 19, and 20			21 201,723.

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

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22a Grants paid from donor advised funds (attach schedule) (cash $ 0. noncash $ 0.) If this amount includes foreign grants, check here ▶ ☐	22a				
22b Other grants and allocations (attach schedule) (cash $ 0. noncash $ 0.) If this amount includes foreign grants, check here ▶ ☐	22b				
23 Specific assistance to individuals (attach schedule) STATEMENT 1	23	37,546.	37,546.		
24 Benefits paid to or for members (attach schedule)	24				
25a Compensation of current officers, directors, key employees, etc. listed in Part V-A	25a	0.	0.	0.	0.
b Compensation of former officers, directors, key employees, etc. listed in Part V-B	25b	0.	0.	0.	0.
c Compensation and other distributions, not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	25c				
26 Salaries and wages of employees not included on lines 25a, b, and c	26				
27 Pension plan contributions not included on lines 25a, b, and c	27				
28 Employee benefits not included on lines 25a - 27	28				
29 Payroll taxes	29				
30 Professional fundraising fees	30				
31 Accounting fees	31				
32 Legal fees	32	2,500.		2,500.	
33 Supplies	33	6,576.		6,576.	
34 Telephone	34				
35 Postage and shipping	35				
36 Occupancy	36				
37 Equipment rental and maintenance	37				
38 Printing and publications	38				
39 Travel	39				
40 Conferences, conventions, and meetings	40				
41 Interest	41				
42 Depreciation, depletion, etc (attach schedule)	42				
43 Other expenses not covered above (itemize)					
a	43a				
b	43b				
c	43c				
d	43d				
e	43e				
f	43f				
g	43g				
44 **Total functional expenses.** Add lines 22a through 43g. (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	44	46,622.	37,546.	9,076.	0.

Joint Costs. Check ▶ ☐ if you are following SOP 98-2.

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? ▶ ☐ Yes ☒ No

If "Yes," enter (i) the aggregate amount of these joint costs $ N/A ; (ii) the amount allocated to Program services $ N/A ; (iii) the amount allocated to Management and general $ N/A ; and (iv) the amount allocated to Fundraising $ N/A

Part III Statement of Program Service Accomplishments *(See the instructions)*

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization How the public perceives an organization in such cases may be determined by the information presented on its return Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments

What is the organization's primary exempt purpose? ▶ SEE STATEMENT 2

All organizations must describe their exempt purpose achievements in a clear and concise manner State the number of clients served, publications issued, etc Discuss achievements that are not measurable (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others)

		Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)
a	THE SCHOLARSHIP PROGRAM - TO ASSIST UNDERPRIVILEGED CHILDREN ATTEND PRIVATE PRIMARY SCHOOLS AND PRIVATE SECONDARY SCHOOLS WHICH THEY WOULD OTHERWISE NOT BE ABLE TO AFFORD TO ATTEND. (Grants and allocations $ 14,900.) If this amount includes foreign grants, check here ▶ ☐	14,900.
b	THE ORGANIZATIONAL GRANT PROGRAM - TO SUPPORT OTHER TAX-EXEMPT ORGANIZATIONS THAT IMPROVE HEALTH, EDUCATION, OR SELF-ESTEEM OF CHILDREN. (Grants and allocations $ 490.) If this amount includes foreign grants, check here ▶ ☐	490.
c	THE FAMILY-IN-NEED PROGRAM - TO PROVIDE GOODS OR SERVICES TO UNDERPRIVILEDGED FAMILIES TO DIRECTLY IMPROVE THE LIVES OF THE CHILDREN AND/OR WILL PAY HOUSEHOLD AND SIMILIAR EXPENSES OF SUCH FAMILIES TO PROTECT THE HEALTH AND INTERESTS OF SUCH CHILDREN. (Grants and allocations $ 22,156.) If this amount includes foreign grants, check here ▶ ☐	22,156.
d	(Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	
e	Other program services (attach schedule) (Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	
f	**Total of Program Service Expenses** (should equal line 44, column (B), Program services) ▶	37,546.

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Part IV Balance Sheets *(See the instructions.)*

Note: *Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.*

				(A) Beginning of year		(B) End of year
Assets	45	Cash - non-interest-bearing			45	
	46	Savings and temporary cash investments		143,900.	46	201,723.
	47 a	Accounts receivable	47a			
	b	Less: allowance for doubtful accounts	47b		47c	
	48 a	Pledges receivable	48a			
	b	Less: allowance for doubtful accounts	48b		48c	
	49	Grants receivable			49	
	50 a	Receivables from current and former officers, directors, trustees, and key employees			50a	
	b	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)			50b	
	51 a	Other notes and loans receivable	51a			
	b	Less: allowance for doubtful accounts	51b		51c	
	52	Inventories for sale or use			52	
	53	Prepaid expenses and deferred charges			53	
	54 a	Investments - publicly-traded securities ▶ ☐ Cost ☐ FMV			54a	
	b	Investments - other securities ▶ ☐ Cost ☐ FMV			54b	
	55 a	Investments - land, buildings, and equipment basis	55a			
	b	Less. accumulated depreciation	55b		55c	
	56	Investments - other			56	
	57 a	Land, buildings, and equipment: basis	57a			
	b	Less: accumulated depreciation	57b		57c	
	58	Other assets, including program-related investments (describe ▶)			58	
	59	**Total assets** (must equal line 74) Add lines 45 through 58		143,900.	59	201,723.
Liabilities	60	Accounts payable and accrued expenses			60	
	61	Grants payable			61	
	62	Deferred revenue			62	
	63	Loans from officers, directors, trustees, and key employees			63	
	64 a	Tax-exempt bond liabilities			64a	
	b	Mortgages and other notes payable			64b	
	65	Other liabilities (describe ▶)			65	
	66	**Total liabilities.** Add lines 60 through 65		0.	66	0.
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here** ▶ ☒ and complete lines 67 through 69 and lines 73 and 74				
	67	Unrestricted		143,900.	67	201,723.
	68	Temporarily restricted			68	
	69	Permanently restricted			69	
		Organizations that do not follow SFAS 117, check here ▶ ☐ and complete lines 70 through 74				
	70	Capital stock, trust principal, or current funds			70	
	71	Paid-in or capital surplus, or land, building, and equipment fund			71	
	72	Retained earnings, endowment, accumulated income, or other funds			72	
	73	**Total net assets or fund balances.** Add lines 67 through 69 **or** lines 70 through 72. (Column (A) **must** equal line 19 and column (B) **must** equal line 21)		143,900.	73	201,723.
	74	**Total liabilities and net assets/fund balances.** Add lines 66 and 73		143,900.	74	201,723.

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

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

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

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

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

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (If not paid, enter -0-.)	(D) Contributions to employee benefit plans & deferred compensation plans	(E) Expense account and other allowances
MELINA BROWN 1244 RIVERBANK ROAD STAMFORD, CT 06903	PRESIDENT, TREASURER, SECR 25.00	0.	0.	0.
SHERYL WEISSMAN 1435 WASHINGTON BOULEVARD, APT 235 STAMFORD, CT 06902	DIRECTOR 10.00	0.	0.	0.
TODD NELSON 3B HAWTHORNE STREET SOUTH GREENWICH, CT 06831	DIRECTOR 10.00	0.	0.	0.
LEE CHICK 142 PUTNAM PARK GREENWICH, CT 06830	DIRECTOR 10.00	0.	0.	0.

Part V-A Current Officers, Directors, Trustees, and Key Employees *(continued)*

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

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

(A) Name and address	(B) Loans and Advances	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans & deferred compensation plans	(E) Expense account and other allowances
NONE				

Part VI Other Information *(See the instructions.)*

			Yes	No
76	Did the organization make a change in its activities or methods of conducting activities? If "Yes," attach a detailed statement of each change	76		X
77	Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes	77		X
78 a	Did the organization have unrelated business gross income of $1,000 or more during the year covered by this return?	78a		X
b	If "Yes," has it filed a tax return on **Form 990-T** for this year? N/A	78b		
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement	79		X
80 a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc , to any other exempt or nonexempt organization?	80a		X
b	If "Yes," enter the name of the organization ▶ N/A and check whether it is ☐ exempt or ☐ nonexempt			
81 a	Enter direct and indirect political expenditures. (See line 81 instructions) 81a 0.			
b	Did the organization file **Form 1120-POL** for this year?	81b		X

Part VI Other Information *(continued)*

			Yes	No
82 a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	82a		X
b	If "Yes," you may indicate the value of these items here Do not include this amount as revenue in Part I or as an expense in Part II (See instructions in Part III) 82b N/A			
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	83a	X	
b	Did the organization comply with the disclosure requirements relating to *quid pro quo* contributions?	83b	X	
84 a	Did the organization solicit any contributions or gifts that were not tax deductible?	84a		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? N/A	84b		
85 a	*501(c)(4), (5), or (6).* Were substantially all dues nondeductible by members? N/A	85a		
b	Did the organization make only in-house lobbying expenditures of $2,000 or less? N/A	85b		
	If "Yes" was answered to either 85a or 85b, **do not** complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.			
c	Dues, assessments, and similar amounts from members 85c N/A			
d	Section 162(e) lobbying and political expenditures 85d N/A			
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices 85e N/A			
f	Taxable amount of lobbying and political expenditures (line 85d less 85e) 85f N/A			
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f? N/A	85g		
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year? N/A	85h		
86	*501(c)(7) organizations* Enter a Initiation fees and capital contributions included on line 12 86a N/A			
b	Gross receipts, included on line 12, for public use of club facilities 86b N/A			
87	*501(c)(12) organizations* Enter a Gross income from members or shareholders 87a N/A			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them) 87b N/A			
88 a	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? If "Yes," complete Part IX	88a		X
b	At any time during the year, did the organization, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Part XI ▶	88b		X
89 a	*501(c)(3) organizations.* Enter Amount of tax imposed on the organization during the year under section 4911 ▶ 0.; section 4912 ▶ 0.; section 4955 ▶ 0.			
b	*501(c)(3) and 501(c)(4) organizations* Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction	89b		X
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 ▶ 0.			
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization ▶ 0.			
e	*All organizations* At any time during the tax year, was the organization a party to a prohibited tax shelter transaction?	89e		X
f	*All organizations* Did the organization acquire a direct or indirect interest in any applicable insurance contract?	89f		X
g	*For supporting organizations and sponsoring organizations maintaining donor advised funds* Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	89g		X
90 a	List the states with which a copy of this return is filed ▶ CT			
b	Number of employees employed in the pay period that includes March 12, 2007 90b 0			
91 a	The books are in care of ▶ MELINA BROWN Telephone no. ▶ (203)595-0524 Located at ▶ 1244 RIVERBANK ROAD, STAMFORD, CT ZIP + 4 ▶ 06903			
b	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If "Yes," enter the name of the foreign country ▶ N/A See the instructions for exceptions and filing requirements for **Form TD F 90-22.1,** Report of Foreign Bank and Financial Accounts	91b		X

Part VI Other Information *(continued)*

		Yes	No
c	At any time during the calendar year, did the organization maintain an office outside of the United States? If "Yes," enter the name of the foreign country ▶ N/A	91c	X
92	*Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of* **Form 1041**- Check here ▶ ☐ and enter the amount of tax-exempt interest received or accrued during the tax year ▶ 92 N/A		

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

Note: *Enter gross amounts unless otherwise indicated*	Unrelated business income (A) Business code	Unrelated business income (B) Amount	Excluded by section 512, 513, or 514 (C) Exclusion code	Excluded by section 512, 513, or 514 (D) Amount	(E) Related or exempt function income
93 Program service revenue:					
a					
b					
c					
d					
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments					
96 Dividends and interest from securities			14	4,445.	
97 Net rental income or (loss) from real estate					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue					
a					
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))		0.		4,445.	0.
105 **Total** (add line 104, columns (B), (D), and (E))				▶	4,445.

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

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes *(See the instructions)*

Line No. ▼	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).

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

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

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

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

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

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

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

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

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

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

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

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

Please Sign Here

Signature of officer — Date 11-1-10

MELINA BROWN, PRESIDENT
Type or print name and title

Paid Preparer's Use Only

Preparer's signature — Date 9/25/10 — Check if self-employed ▶ ☐ — Preparer's SSN or PTIN (See Gen Inst X)

Firm's name (or yours if self-employed), address, and ZIP + 4 ▶ KOSTIN, RUFFKESS & COMPANY, LLC.
76 BATTERSON PARK
FARMINGTON, CT 06032

EIN ▶

Phone no. ▶

Form **990** (2007)

723164/12-27-07

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Organization Exempt Under Section 501(c)(3)

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

Supplementary Information-(See separate instructions.)

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

OMB No 1545-0047

2007

Name of the organization: TOOLS FOR LIFE, INC.

Employer identification number: 26 0398394

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees

(See page 1 of the instructions. List each one. If there are none, enter "None.")

(a) Name and address of each employee paid more than $50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
NONE				
Total number of other employees paid over $50,000 ▶	0			

Part II-A Compensation of the Five Highest Paid Independent Contractors for Professional Services

(See page 2 of the instructions. List each one (whether individuals or firms). If there are none, enter "None.")

(a) Name and address of each independent contractor paid more than $50,000	(b) Type of service	(c) Compensation
NONE		
Total number of others receiving over $50,000 for professional services ▶	0	

Part II-B Compensation of the Five Highest Paid Independent Contractors for Other Services

(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter "None." See page 2 of the instructions.)

(a) Name and address of each independent contractor paid more than $50,000	(b) Type of service	(c) Compensation
NONE		
Total number of other contractors receiving over $50,000 for other services ▶	0	

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

			Yes	No
1	During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ▶ $ _____ $ _____ (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.)	1		X
	Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes" must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.			
2	During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? *(If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)*			
a	Sale, exchange, or leasing of property?	2a		X
b	Lending of money or other extension of credit?	2b		X
c	Furnishing of goods, services, or facilities?	2c		X
d	Payment of compensation (or payment or reimbursement of expenses if more than $1,000)?	2d		X
e	Transfer of any part of its income or assets?	2e		X
3 a	Did the organization make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how the organization determines that recipients qualify to receive payments.)	3a	X	
b	Did the organization have a section 403(b) annuity plan for its employees?	3b		X
c	Did the organization receive or hold an easement for conservation purposes, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," attach a detailed statement	3c		X
d	Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services?	3d		X
4 a	Did the organization maintain any donor advised funds? If "Yes," complete lines 4b through 4g. If "No," complete lines 4f and 4g	4a		X
b	Did the organization make any taxable distributions under section 4966? N/A	4b		
c	Did the organization make a distribution to a donor, donor advisor, or related person? N/A	4c		
d	Enter the total number of donor advised funds owned at the end of the tax year ▶		N/A	
e	Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year ▶		N/A	
f	Enter the total number of separate funds or accounts owned at the end of the year (excluding donor advised funds included on line 4d) where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts ▶		0.	
g	Enter the aggregate value of assets in all funds or accounts included on line 4f at the end of the tax year ▶		0.	

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

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

5 ☐ A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).

6 ☐ A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)

7 ☐ A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).

8 ☐ A federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).

9 ☐ A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). **Enter the hospital's name, city, and state** ▶ _____

10 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the **Support Schedule** in Part IV-A.)

11a ☒ An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)

11b ☐ A community trust. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)

12 ☐ An organization that normally receives: **(1) more than 33 1/3%** of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions - subject to certain exceptions, and **(2) no more than 33 1/3%** of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Also complete the **Support Schedule** in Part IV-A.)

13 ☐ An organization that is not controlled by any disqualified persons (other than foundation managers) and otherwise meets the requirements of section 509(a)(3). Check the box that describes the type of supporting organization:

☐ Type I ☐ Type II ☐ Type III-Functionally Integrated ☐ Type III-Other

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

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

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

Part IV-A **Support Schedule** (Complete only if you checked a box on line 10, 11, or 12.) **Use cash method of accounting.**
Note: *You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting*

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2005	(c) 2004	(d) 2003	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	170,000.				170,000.
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose					
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, income from similar sources, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975					
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets					
23 Total of lines 15 through 22	170,000.	0.	0.	0.	170,000.
24 Line 23 minus line 17	170,000.				170,000.
25 Enter 1% of line 23	1,700.				

26	**Organizations described on lines 10 or 11:** **a** Enter 2% of amount in column (e), line 24 ▶	26a	3,400.
	b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2003 through 2006 exceeded the amount shown in line 26a. **Do not file this list with your return** Enter the total of all these excess amounts ▶	26b	166,600.
	c Total support for section 509(a)(1) test: Enter line 24, column (e) ▶	26c	170,000.
	d Add: Amounts from column (e) for lines: 18 _____ 19 _____ 22 _____ 26b 166,600. ▶	26d	166,600.
	e Public support (line 26c minus line 26d total) ▶	26e	3,400.
	f **Public support percentage (line 26e (numerator) divided by line 26c (denominator))** ▶	26f	2.0000%

27 **Organizations described on line 12:** **a** For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." **Do not file this list with your return** Enter the sum of such amounts for each year: N/A

(2006) (2005) (2004) (2003)

b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the **larger** of **(1)** the amount on line 25 for the year or **(2)** $5,000. (Include in the list organizations described in lines 5 through 11b, as well as individuals.) **Do not file this list with your return.** After computing the difference between the amount received and the larger amount described in **(1)** or **(2)**, enter the sum of these differences (the excess amounts) for each year: N/A

(2006) (2005) (2004) (2003)

c Add: Amounts from column (e) for lines: 15 _____ 16 _____ 17 _____ 20 _____ 21 _____ ▶	27c	N/A
d Add: Line 27a total _____ and line 27b total _____ ▶	27d	N/A
e Public support (line 27c total minus line 27d total) ▶	27e	N/A
f Total support for section 509(a)(2) test: Enter amount on line 23, column (e) ▶ 27f N/A		
g **Public support percentage (line 27e (numerator) divided by line 27f (denominator))** ▶	27g	N/A %
h **Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))** ▶	27h	N/A %

28 **Unusual Grants:** For an organization described in line 10, 11, or 12 that received any unusual grants during 2003 through 2006, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. **Do not file this list with your return.** Do not include these grants in line 15.

NONE

Part V **Private School Questionnaire** (See page 9 of the instructions.) N/A

(To be completed ONLY by schools that checked the box on line 6 in Part IV)

			Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?	29		
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?	30		
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves?	31		
	If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.)			
32	Does the organization maintain the following:			
a	Records indicating the racial composition of the student body, faculty, and administrative staff?	32a		
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	32b		
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32c		
d	Copies of all material used by the organization or on its behalf to solicit contributions?	32d		
	If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.)			
33	Does the organization discriminate by race in any way with respect to:			
a	Students' rights or privileges?	33a		
b	Admissions policies?	33b		
c	Employment of faculty or administrative staff?	33c		
d	Scholarships or other financial assistance?	33d		
e	Educational policies?	33e		
f	Use of facilities?	33f		
g	Athletic programs?	33g		
h	Other extracurricular activities?	33h		
	If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.)			
34 a	Does the organization receive any financial aid or assistance from a governmental agency?	34a		
b	Has the organization's right to such aid ever been revoked or suspended?	34b		
	If you answered "Yes" to either 34a or b, please explain using an attached statement.			
35	Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation	35		

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

N/A

(To be completed ONLY by an eligible organization that filed Form 5768)

Check ▶ a ☐ if the organization belongs to an affiliated group. Check ▶ b ☐ if you checked "a" and "limited control" provisions apply.

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Affiliated group totals	(b) To be completed for all electing organizations
		N/A	
36 Total lobbying expenditures to influence public opinion (grassroots lobbying)	36		
37 Total lobbying expenditures to influence a legislative body (direct lobbying)	37		
38 Total lobbying expenditures (add lines 36 and 37)	38		
39 Other exempt purpose expenditures	39		
40 Total exempt purpose expenditures (add lines 38 and 39)	40		
41 Lobbying nontaxable amount. Enter the amount from the following table -			
If the amount on line 40 is - / **The lobbying nontaxable amount is -**			
Not over $500,000 / 20% of the amount on line 40			
Over $500,000 but not over $1,000,000 / $100,000 plus 15% of the excess over $500,000			
Over $1,000,000 but not over $1,500,000 / $175,000 plus 10% of the excess over $1,000,000	41		
Over $1,500,000 but not over $17,000,000 / $225,000 plus 5% of the excess over $1,500,000			
Over $17,000,000 / $1,000,000			
42 Grassroots nontaxable amount (enter 25% of line 41)	42		
43 Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36	43		
44 Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38	44		
Caution: *If there is an amount on either line 43 or line 44, you must file Form 4720*			

4-Year Averaging Period Under Section 501(h)

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

N/A

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

Part VI-B Lobbying Activity by Nonelecting Public Charities

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

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

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

Part VII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations (See page 14 of the instructions.)

51 Did the reporting organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?

		Yes	No
a	Transfers from the reporting organization to a noncharitable exempt organization of:		
	(i) Cash	51a(i)	X
	(ii) Other assets	a(ii)	X
b	Other transactions:		
	(i) Sales or exchanges of assets with a noncharitable exempt organization	b(i)	X
	(ii) Purchases of assets from a noncharitable exempt organization	b(ii)	X
	(iii) Rental of facilities, equipment, or other assets	b(iii)	X
	(iv) Reimbursement arrangements	b(iv)	X
	(v) Loans or loan guarantees	b(v)	X
	(vi) Performance of services or membership or fundraising solicitations	b(vi)	X
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	c	X

d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting organization. If the organization received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received: N/A

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

52 a Is the organization directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ▶ ☐ Yes ☒ No

b If "Yes," complete the following schedule: N/A

(a) Name of organization	(b) Type of organization	(c) Description of relationship

FORM 990 SPECIFIC ASSISTANCE TO INDIVIDUALS STATEMENT 1

DESCRIPTION	AMOUNT
UTILITIES	1,097.
EDUCATIONAL CONSULTATIONS	1,578.
CLIENT TRANSPORTATION	502.
SCHOOL UNIFORMS	1,293.
SCHOOL TUTORS	2,850.
CLIENT SCHOOL SUPPLIES	95.
COMPUTER FOR CLIENT	1,085.
CAMP TUITION	13,656.
SCHOLARSHIPS	14,900.
ORGANIZATIONAL GRANTS	490.
TOTAL TO FORM 990, PART II, LINE 23	37,546.

FORM 990 STATEMENT OF ORGANIZATION'S PRIMARY EXEMPT PURPOSE STATEMENT 2
PART III

EXPLANATION

TO IMPROVE THE LIVES OF UNDERPRIVILEGED CHILDREN THROUGH PROGRAMS THAT, AMONG OTHER THINGS, ARE INTENDED TO IMPROVE THEIR HEALTH, EDUCATION, AND SELF-ESTEEM.

Tools For Life, Inc.

Scholarship Award Procedures

The following are the procedures for the awarding of scholarships by Tools For Life, Inc. (the "Corporation").

1. *Purpose of Scholarship Awards*

Generally, the Corporation's scholarship program is intended to provide educational scholarships to underprivileged children with educational and/or mental health needs that are not being served by the public school system. The scholarship program is designed to enable such children attend a private primary or secondary school that is better equipped to address each child's unique educational or mental health needs.

2. *Restrictions on Scholarship Awards*

(a) The primary or secondary school must qualify as an educational institution (an "Educational Institution") within the meaning of Section 170(b)(1)(A)(ii) of the Internal Revenue Code of 1986, as amended (the "Code").

(b) Scholarship recipients ("Recipients") must be chosen on an objective and non-discriminatory basis.

(c) Scholarship awards may be used only to defray a Recipient's expenses associated with their attendance at an Educational Institution with respect to such Recipient's "qualified tuition and related expenses" as such term is used in Code Section 117(b)(2). Scholarship awards may not be used to defray a Recipient's room or board expenses.

(d) The Board of Directors of the Corporation (the "Board") or any other person or group of persons who may select Recipients may not derive any private benefit either directly or indirectly from selecting one potential Recipient over others. A scholarship award, or the opportunity to receive a scholarship award, shall not be used by the Corporation or the Board to recruit employees with respect to any employer, to induce employees of any employer to continue their employment with such employer or to otherwise follow a course of action sought by the Corporation or the Board.

(e) The following individuals shall not be eligible to receive a scholarship award from the Corporation: (i) the employees of the Corporation; (ii) the members of the Board; (iii) any person or group of persons who may select Recipients; (iv) any individual related to the forgoing persons (i.e. spouses, ancestors, lineal descendants or

spouses of lineal descendants); or (iv) any other "disqualified persons," as such term is defined in Code Section 4946(a)(1).

3. *The Selection Process - Awarding of Scholarships*

(a) *Eligible Individuals:*

To be an eligible individual, (i) the child's educational and/or mental health needs must be underserved by the public school system, and (ii) without the assistance of a scholarship from the Corporation, the child's financial situation would prevent the child from attending a private primary or secondary school capable of addressing the child's needs.

(b) *How Solicited*

Applicants shall be solicited through the distribution of informational materials and scholarship applications to social welfare organizations, mental health organizations, mental health professionals, and public and private schools located within the greater Stamford, Connecticut, area. Additionally, each year a notice will be published in one or more newspapers with a circulation in Fairfield County, Connecticut, notifying the public of the availability of such scholarships.

(c) *Applications*

A parent or legal guardian shall submit an applicant on behalf of a child. Applications shall include (i) a complete biographical record of the child, (ii) a recommendation from a physician, mental health professional, social worker, guidance councilor, educator, or similarly-situated individual who is familiar with the child's educational and/or mental health needs, and (iii) a statement indicating a financial need for a scholarship from the Corporation. The Board may require applicants to submit any information as the Board may deem appropriate to determine the level of the applicant's financial need, including copies of income tax returns. The Board may request any other information from applicants that it deems necessary or helpful in selecting scholarship Recipients.

(d) *Selection Committee*

The Selection Committee shall be comprised of members of the Board of Directors and/or individuals who are not members of the Board of Directors. The Board has complete discretion to appoint the members of the Selection Committee.

(e) *How Selected*

The Selection Committee will select the scholarship Recipients from the eligible applicants based upon the selection criteria, below.

(f) *Selection Criteria*

The Board or the Selection Committee may determine the selection criteria for any scholarship award provided that such selection criteria (i) are based upon objective standards; (ii) are unrelated to the employment status of the Recipient's parent(s) or legal guardian(s); (iii) can be reasonably expected to promote the educational and charitable purposes of the Corporation; and (iv) will not jeopardize the tax exempt status of the Corporation. The selection criteria shall not operate to deny eligibility to any person due to race, religion, national origin or physical handicap. Objective standards include, but are not limited to, (i) financial need, (ii) prior academic performance, (iii) performance on tests designed to measure ability and aptitude, (iv) recommendations from a physician, mental health professional, social worker, guidance councilor, educator, and/or similarly situated individuals who are familiar with the child's educational and mental health needs, and (v) conclusions drawn from personal interviews of the child, family members, guardians, and/or other individuals.

4. *Number and Amount of Scholarships to be Awarded*

(a) *Restraints on the Amount & Number of Scholarships to be Awarded*

The Board has complete discretion to determine:

(i) the total maximum and minimum dollar amount of the scholarships to be awarded;

(ii) the number of scholarships to be awarded; and

(iii) the dollar amount of each scholarship to be awarded (each recipient need not be awarded the same dollar amount).

Notwithstanding the foregoing:

(i) The Board shall be obligated to use its best efforts to ensure that the minimum amount awarded, together with other distributions from the Corporation, complies with the minimum distribution requirements of §4942 of the Code, if applicable; and

(ii) Any scholarship award may not exceed a Recipient's expenses for tuition and fees for enrollment at an Educational Institution and for fees, books, supplies and equipment required for courses of instruction at an Educational Institution.

(b) *Recommended Awards*

The Selection Committee shall review applications submitted to the Corporation and make a recommendation to the Board of Directors with respect to such applications.

(c) *Board Review of the Amount and Number of Scholarships Recommended by the Selection Committee*

The Board shall review recommendations made by the Selection Committee. The Board may, but need not, make awards pursuant to such recommendations. However, if the Board chooses not to follow such recommendations, the Board shall document its reasons for not following such recommendations.

5. Terms and Conditions Under Which the Corporation Makes Scholarship Awards

The terms and conditions of each Recipient's scholarship award shall be contained in a letter that is sent to a parent or legal guardian of the Recipient. The Recipient's parent or legal guardian is required to communicate his or her acceptance thereof in a written letter to the Board. The Board may determine the terms and conditions of each award, except:

(a) Each scholarship award letter must limit the use of the scholarship award to pay for a Recipient's expenses for tuition, and enrollment fees at an Educational Institution and for fees, books, supplies and equipment required for courses of instruction at an Educational Institution;

(b) Each scholarship award letter shall set forth that the scholarship award is only for the next academic year or such shorter period as determined by the Board;

(c) Each scholarship award letter shall require the Recipient's parent or guardian to supply the Board with any required report under Section 7 below; and

(d) The Board may not make a scholarship award contingent upon a Recipient's parent's or guardian's continued employment with any employer.

6. Distribution of Scholarship Awards

The Board shall distribute each awarded scholarship directly to the Educational Institution attended by the Recipient. The scholarship award may be used only for the Recipient's tuition and fees for enrollment at the Educational Institution and for fees, books, supplies and equipment required for courses of instruction at the Educational Institution. Scholarship awards may not be used for room or board expenses.

7. *Procedure for Exercising Supervision Over Scholarship Awards*

The Board will distribute the awarded scholarships directly to the Educational Institutions in which the Recipient will enroll. The Board anticipates that each Educational Institution that receives a scholarship award distribution will agree to use the award only to defray the award Recipient's expenses associated with tuition and enrollment fees at the Educational Institution and the fees, books, supplies and equipment required for courses of instruction at the Education Institution.

If an Educational Institution that receives a scholarship award distribution does not agree to the above, the Board will require that a parent or guarding of the Recipient of a scholarship award that attends that Educational Institution:

(a) provide the Corporation with a report of the courses taken, grades levels completed by the child,

(b) submit at least annually any such report,

(c) have such report verified by the Educational Institution attended by the Recipient, and

(d) submit a final report upon completion of the Recipient's course of study at the Educational Institution.

8. *Procedures for Review of Recipient Reports, for Investigation Where Diversion of Scholarship Funds from Their Specified Purposes is Indicated and for Recovery of Diverted Scholarship Funds*

(a) Review of Recipient Reports

The Board has the responsibility to follow the progress of each Recipient who attends an Educational Institution listed above in *Procedure for Exercising Supervision Over Scholarship Awards*. This responsibility includes reviewing each Recipient's report of courses taken and grades received for each academic period during which that Recipient received a scholarship award, to make a determination as to whether the scholarship award purposes are being or have been fulfilled and to look into any questions requiring further scrutiny or investigation.

(b) Investigation Where Diversion of Scholarship Award from its Specified Purposes is Indicated

Where reports to the Board or other information (including failure to submit reports after a reasonable time has elapsed from their due date) indicates that all or any part of a scholarship award is not being used for the purposes of such scholarship award, the Board shall initiate an investigation. While conducting the

investigation, the Board shall withhold further payments to the extent possible until it has determined that no part of the scholarship award has been used for improper purposes and until any delinquent reports have been submitted.

If the Board determines that any part of a scholarship award has been used for improper purposes, the Board shall take all reasonable and appropriate steps to recover the diverted portion of the scholarship award or to insure the restoration of the diverted portion of the scholarship award. These steps will include legal action unless such action would in all probability not result in the satisfaction or execution of a judgment.

9. Retention of Records

The Board shall maintain all records regarding the administration of a Recipient's awards, including:

(a) all information and application materials used by the Corporation in evaluating potential Recipients;

(b) identification of Recipients, including a description of any relationship between Recipients and members of the Board, the Corporation, any employee of the Corporation or any other "disqualified person", as such term is defined in § 4946(a)(1) of the Code;

(c) the amount of awards;

(d) the Educational Institutions attended by the Recipients; and

(e) any follow-up information, including, but not limited to, Recipients' reports of courses taken and grades received and any other information obtained by the Board in complying with the requirements for supervising Recipients' awards.