

Form **990-PF**
Department of the Treasury
Internal Revenue Service

Return of Private Foundation
or Section 4947(a)(1) Trust Treated as a Private Foundation
Note: You may be able to use a copy of this return to satisfy state reporting requirements.

OMB No. 1545-0052

1987

For the calendar year 1987, or tax year beginning OCT 01, 1987, and ending SEP 30, 1988

Please type, print, or attach label. See Specific Instructions.	Name of organization <u>THE MORNINGSTAR FOUNDATION</u>	Employer identification number <u>52-1270464</u>
	Address <u>11 W LENOX ST</u> <u>CHEVY CHASE MD 20815</u>	State registration number (see instructions)
	Telephone number <u>301 751 9090</u>	Fair market value of assets at end of year <u>\$ 8389</u>

If application pending, check here Foreign organizations, check here Please attach check or money order here

Check type of organization:
 Exempt private foundation 4947(a)(1) trust Other taxable private foundation
Section 4947(a)(1) trusts filing this form in lieu of Form 1041, check here and see General Instructions.

The books are in care of MICHAEL C. GERMAN Telephone no. 301 751 9090
Located at SAME AS ABOVE
Check this box if your private foundation status terminated under section 507(b)(1)(A)

Part I Analysis of Support, Revenue, and Expenses
(see instructions for Part I)

	(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purpose
1 Contributions, gifts, grants, etc., received (attach schedule)	75000			
2 Contributions from split-interest trusts #1				
3 Interest on savings and temporary cash investments	692	692	692	
4 Dividends and interest from securities				
5a Gross rents				
b (Net rental income (loss))				
6 Net gain or (loss) from sale of assets not on line 10				
7 Capital gain net income				
8 Net short-term capital gain				
9 Income modifications				
10a Gross sales minus returns and allowances				
b Minus: Cost of goods sold (attach schedule)				
c Gross profit (loss)				
11 Other income (attach schedule)				
12 Total (add lines 1 through 11)	75692	692	692	
13 Compensation of officers, directors, trustees, etc.				
14 Other employee salaries and wages				
15 Pension plans, employee benefits				
16a Legal fees				
b Accounting fees				
c Other professional fees	396	396	396	
17 Interest				
18 Taxes (attach schedule)				
19 Depreciation and depletion				
20 Occupancy				
21 Travel, conferences, and meetings				
22 Printing and publications				
23 Other expenses (attach schedule) #2	174	174	174	
24 Total operating and administrative expenses (add lines 13 through 23)	570	570	570	
25 Contributions, gifts, grants paid	73525			
26 Total expenses and disbursements (add lines 24 and 25)	74095	570	570	
27a Excess of revenue over expenses and disbursements (line 12 minus line 26)	1597			
b Net investment income (if negative enter -0-)		122		
c Adjusted net income (if negative enter -0-)			122	

FILMED
Support and Revenue
Operating and Administrative Expenses

IRS RECEIVED
OCT 30 1988

Part II Balance Sheets

Attached schedules should be for end of year amounts only. (See instructions for col. (c).)

		Beginning of year		End of year	
		(a) Book Value	(b) Book Value	(c) Fair Market Value	
Assets	1 Cash—non-interest-bearing	591			
	2 Savings and temporary cash investments	6201	8389	8389	
	3 Accounts receivable ▶ minus allowance for doubtful accounts ▶				
	4 Pledges receivable ▶ minus allowance for doubtful accounts ▶				
	5 Grants receivable				
	6 Receivables due from officers, directors, trustees, and other disqualified persons (see instructions)				
	7 Other notes and loans receivable ▶ minus allowance for doubtful accounts ▶				
	8 Inventories for sale or use				
	9 Prepaid expenses and deferred charges				
	10 Investments—securities (attach schedule)				
	11 Investments—land, buildings, and equipment: basis ▶ minus accumulated depreciation (attach schedule) ▶				
	12 Investments—mortgage loans				
	13 Investments—other (attach schedule)				
	14 Land, buildings, and equipment: basis ▶ minus accumulated depreciation (attach schedule) ▶				
	15 Other assets (describe ▶)				
16 Total assets (see instructions)	6792	8389	8398		
Liabilities	17 Accounts payable and accrued expenses				
	18 Grants payable				
	19 Support and revenue designated for future periods (attach schedule)				
	20 Loans from officers, directors, trustees, and other disqualified persons				
	21 Mortgages and other notes payable (attach schedule)				
22 Other liabilities (describe ▶)					
23 Total liabilities (add lines 17 through 22)					
Fund Balances or Net Worth	Organizations that use fund accounting, check here ▶ <input type="checkbox"/> and complete lines 24 through 27 and lines 31 and 32.				
	24a Current unrestricted fund				
	b Current restricted fund				
	25 Land, buildings, and equipment fund				
	26 Endowment fund				
	27 Other funds (Describe ▶)				
	Organizations not using fund accounting, check here ▶ <input type="checkbox"/> and complete lines 28-32.				
	28 Capital stock or trust principal	47176	6792		
	29 Paid-in or capital surplus				
	30 Retained earnings or accumulated income	<403847	1597		
31 Total fund balances or net worth (see instructions)	6792	8389			
32 Total liabilities and fund balances/net worth (see instructions)	6792	8389			

Part III Analysis of Changes in Net Worth or Fund Balances

1 Total net worth or fund balances at beginning of year—Part II, column (a), line 31	6792
2 Enter amount from Part I, line 27a	1597
3 Other increases not included in line 2 (itemize) ▶	
4 Add lines 1, 2, and 3	8389
5 Decreases not included in line 2 (itemize) ▶	
6 Total net worth or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 31	8389

Part VII Statements Regarding Activities (continued)

- 10b If you answered "Yes" to any of questions 10a(1) through (6), were the acts you engaged in excepted acts as described in regulations section 53.4941(d)-3 and 4? Yes No
N/A
- c Did you engage in a prior year in any of the acts described in 10a, other than excepted acts, that were acts of self-dealing that were not corrected by the first day of your tax year beginning in 1987? N/A
- 11 Taxes on failure to distribute income (section 4942) (does not apply for years you were a private operating foundation as defined in section 4942(j)(3) or 4942(j)(5)):
 - a Did you at the end of tax year 1987 have any undistributed income (lines 6d and e, Part XIV) for tax year(s) beginning before 1987? ✓
If "Yes," list the years ▶
 - b If "Yes" to 11a, are you applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the undistributed income for ALL such years? ✓
 - c If the provisions of section 4942(a)(2) are being applied to ANY of the years listed in 11a, list the years here and see the instructions ▶
- 12 Taxes on excess business holdings (section 4943):
 - a Did you hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ✓
 - b If "Yes," did you have excess business holdings in 1987 as a result of any purchase by you or disqualified persons after May 26, 1969; after the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; after the lapse of the 10-year first phase holding period; or after the 15-year first phase holding period? ✓
Note: You may use Schedule C, Form 4720, to determine if you had excess business holdings in 1987.
- 13 Taxes on investments that jeopardize charitable purposes (section 4944):
 - a Did you invest during the year any amount in a manner that would jeopardize the carrying out of your charitable purposes? ✓
 - b Did you make any investment in a prior year (but after December 31, 1969) that could jeopardize your charitable purpose that you had not removed from jeopardy on the first day of your tax year beginning in 1987? ✓
- 14 Taxes on taxable expenditures (section 4945):
 - a During the year did you pay or incur any amount to:
 - (1) Carry on propaganda, or otherwise attempt to influence legislation by attempting to affect the opinion of the general public or any segment thereof, or by communicating with any member or employee of a legislative body, or by communicating with any other government official or employee who may participate in the formulation of legislation? ✓
 - (2) Influence the outcome of any specific public election, or to carry on, directly or indirectly, any voter registration drive? ✓
 - (3) Provide a grant to an individual for travel, study, or other similar purposes? ✓
 - (4) Provide a grant to an organization, other than a charitable, etc., organization described in section 509(a) (1), (2), or (3), or section 4940 (d)(2)? ✓
 - (5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ✓
 - b If you answered "Yes" to any of questions 14a(1) through 14a(5), were all such transactions excepted transactions as described in regulations section 53.4945? ✓
 - c If you answered "Yes" to question 14a(4), do you claim exemption from the tax because you maintained expenditure responsibility for the grant? ✓
If "Yes," attach the statement required.
- 15 Did any persons become substantial contributors during the tax year? *SCHEDULE 1* ✓
If "Yes," attach a schedule listing their names and addresses.
- 16 During this tax year did you maintain any part of your accounting/tax records on a computerized system? ✓
- 17 Section 4947(a)(1) trusts filing Form 990-PF in lieu of Form 1041, enter the amount of tax-exempt interest received or accrued ▶ \$

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

1 List all officers, directors, trustees, foundation managers and, if paid, their compensation for 1987 (see instructions):

Name and address	Title, and average hours per week devoted to position	Contributions to employee benefit plans	Expense account, other allowances	Compensation (if any)
SUSAN R. GELMAN MD 11 W. UENOX ST CHEW CHASE MD 20815	PRESIDENT	N/A	N/A	NONE
MELBA C. GELMAN 11 W. UENOX ST CHEW CHASE MD 20815	VICE-PRESIDENT	N/A	N/A	NONE
JEROLD ROSENBERG 5550 FRIENDSHIP BLVD #40 MD 20815	SECRETARY/TREASURER	N/A	N/A	NONE
Total				

Part XI Limitation on Grant Administrative Expenses

Calendar year (or fiscal year beginning in):	(a) 1987	(b) 1986	(c) 1985	(d) Total
1 Net value of noncharitable-use assets (see instructions)	13002	13989	58354	85,645
2 Multiply line 1 by .0065	85	91	379	555
3 Grant administrative expenses treated as qualifying distributions in the two preceding years		— 0 —	793	793
4 Grant administrative expenses for 1987 (from Part XII, line 13)	— 0 —			
5 Maximum amount of 1987 grant administrative expenses that may be treated as qualifying distributions (line 2, column (d), minus line 3, column (d))	— 0 —			
6 Excess grant administrative expenses for 1987 (line 4 minus line 5; if negative, enter -0-; enter result in Part XIII, line 5)	— 0 —			
7 Grant administrative expenses treated as qualifying distributions in 1987 (line 4 minus line 6)	— 0 —			

Note: The amount on line 7 will be used in completing the schedule for 1988 and 1989.

Part XII Schedule of Grant Administrative Expenses (see instructions before making any entries)

1 Compensation of officers, directors, trustees, etc.	
2 Other employee salaries and wages	
3 Pension plans, employee benefits	
4 Legal fees	
5 Accounting fees	
6 Other professional fees	
7 Interest	
8 Taxes	
9 Occupancy	
10 Travel, conferences, and meetings	
11 Printing and publications	
12 Other expenses	
13 Total	

Part XIII Qualifying Distributions (see instructions)

1 Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:	
a Expenses, contributions, gifts, etc.—total from Part I, column (d), line 26	73525
b Program-related investments	
2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	
3 Amounts set aside for specific charitable projects that satisfy the:	
a Suitability test (prior IRS approval required)	
b Cash distribution test (attach the required schedule)	
4 Total (add lines 1, 2, and 3)	73525
5 Enter excess grant administrative expenses from Part XI, line 6	
6 Total qualifying distributions (line 4 minus line 5). Enter this amount in Part XIV, line 4	73525
7 Organizations that qualify under section 4940(e) for the reduced rate of tax on net investment income—enter 1% of Part I, line 27b (see instructions)	
8 Qualifying distributions (line 6 minus line 7)	73525

Note: The amount on line 8 will be used in Part V, column (b), when calculating the section 4940(e) reduction of tax in subsequent years.

Part XIV Computation of Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 1986	(c) 1986	(d) 1987
1 Distributable amount for 1987 from Part X				648
2 Undistributed income, if any, as of the end of 1986:				
a Enter amount for 1986			-0-	
b Total for prior years		N/A		
3 Excess distributions carryover, if any, to 1987:				
a From 1982				
b From 1983				
c From 1984				
d From 1985				
e From 1986				
f Total of 3a through e				
4 Qualifying distributions for 1987: 73525				
a Applied to 1986, but not more than line 2a			-0-	
b Applied to undistributed income of prior years (Election required—see instructions)		-0-		
c Treated as distributions out of corpus (Election required—see instructions)				
d Applied to 1987 distributable amount				648
e Remaining amount distributed out of corpus	72,877			
5 Excess distributions carryover applied to 1987. (If an amount appears in column (d), the same amount must be shown in column (a))	-0-			
6 Enter the net total of each column as indicated below:				
a Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	72,877			
b Prior years' undistributed income (line 2b minus line 4b)				
c Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed				
d Subtract line 6c from line 6b. Taxable amount—see instructions				
e Undistributed income for 1986 (line 2a minus line 4a). Taxable amount—see instructions				
f Undistributed income for 1987 (line 1 minus lines 4d and 5). This amount must be distributed in 1988				
7 Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(E) or 4942(g)(3) (see instructions)	72,877			
8 Excess distributions carryover from 1982 not applied on line 5 or line 7 (see instructions)	-0-			
9 Excess distributions carryover to 1988 (line 6a minus lines 7 and 8)	-0-			
10 Analysis of line 9:				
a Excess from 1983				
b Excess from 1984				
c Excess from 1985				
d Excess from 1986				
e Excess from 1987				

Part XV Private Operating Foundations (See instructions and Part VII, question 9)

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 1987, enter the date of the ruling ▶

b Check box to indicate whether you are a private operating foundation described in section 4942(j)(3) or 4942(j)(5).

2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part IX for 1987, 1986, and 1985 (Part VIII for 1984).

Tax year	Prior 3 years			(e) Total
	(a) 1987	(b) 1986	(c) 1985	
b 85% of line 2a				
c Qualifying distributions from Part XIII, line 6, for 1987, 1986, and 1985 (Part X, line 4, for 1984)				
d Amounts included in line 2c not used directly for active conduct of exempt activities				
e Qualifying distributions made directly for active conduct of exempt activities (line 2c minus line 2d)				
3 Complete 3a, b, or c for the alternative test on which you rely:				
a "Assets" alternative test—enter:				
(1) Value of all assets				
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)				
b "Endowment" alternative test—Enter 2/3 of minimum investment return shown in Part IX, line 6, for 1987, 1986, and 1985 (enter 1/3 of Part VIII, line 6, for 1984)				
c "Support" alternative test—enter:				
(1) Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)				
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)				
(3) Largest amount of support from an exempt organization				
(4) Gross investment income				

N/A

Part XVI Supplementary Information (see instructions)

1 Information Regarding Foundation Managers

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

SUSAN + MICHAEL GELMAN (Sch 1)

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

N/A

2 Information Regarding Contribution, Grant, Gift, Loan, Scholarship, etc., Programs

If you make gifts, grants, awards (see instructions), etc., to individuals or organizations, check here and complete these items:

a The name, address, and telephone number of the person to whom applications should be addressed

M.C. GELMAN, 11 W. LINCOLN ST, CHEVY CHASE MD 20815 (301) 652-1113

b The form in which applications should be submitted and information and materials they should include

THE FOUNDATION DOES NOT NORMALLY MAKE GRANTS ON UNSOLICITED APPLICATION.

c Any submission deadlines

N/A

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

N/A

Part XVI Supplementary Information (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a Paid during the year				
SEE SCHEDULE #3			GENERAL SUPPORT	SEE SCHEDULE #3
Total				
b Approved for future payment				
NONE				
Total				

Part XVII-A Summary of Grant Programs and Other Activities

	(a) Grants and program-related investments	(b) Administrative expenses	(c) Total
1 Gifts, contributions, scholarships and other grants	73525		73525
2 Direct charitable activities (describe each):			
a			
b			
c Direct technical and other assistance to grantees (see instructions)			
d All other (attach schedule)			
e Total—add lines 2a through d			
3 Program-related investments (describe each type):			
a			
b			
c			
d All other (attach schedule)			
e Total—see instructions			
4 Other qualifying distributions			
5 Other expenses not included in lines 1-4			

Part XVII-B Supporting Data

- Describe on an attached schedule the bases (for example, time spent, salary expenses incurred, space utilized, etc.) used to allocate administrative expenses to the activities described in Part XVII-A. *ACTUAL*
- For the foundation's principal direct charitable activities and program-related investments, provide a schedule of relevant statistical information, such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc. *See "3"*
- Attach a schedule for Part XVII-A, lines 2 and 3, setting forth for each activity or investment area the amount of any income produced by it. *N/A*

Part XVIII Public Inspection

- Enter the date the notice of availability of the annual return appeared in a newspaper *12/17/88*
- Enter the name of the newspaper *WASHINGTON POST*
- Check here if you have attached a copy of the newspaper notice as required by the instructions. (If the notice is not attached, the return will be considered incomplete.)

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 taxpayer or fiduciary) is based on a "information of which preparer has any knowledge."

Ma
Signature of officer or trustee

Vice President
Date Title

V. Veerappan
Preparer's signature

11/30/88
Date

Check if self-employed

Preparer's social security no. [REDACTED]

Firm's name (or yours if self-employed) and address

E.I. No. [REDACTED]

ZIP code

Please Sign Here

Paid Preparer's Use Only

Ad # 12824
Class 830'

Name GELMAN & ROSENBERG
Authorized by MAIL/MORGAN

Size 12 lines
Account 951909000000

PROOF OF PUBLICATION

The Washington Post

District of Columbia, ss., Personally appeared before me, a Notary Public in and for the said District, Patricia A. Michalski well known to me to be Advertising Receivable Manager of The Washington Post a daily newspaper printed and published in the City of Washington, District of Columbia, and making oath in due form of law that an advertisement containing the language annexed hereto was published in said newspaper on the date mentioned in the certificate herein.

I Hereby Certify that the attached advertisement was printed and published in The Washington Post, a daily newspaper, upon the following date at a cost of \$67.68.

Date 12/09/88
Account 951909000000

Patricia A. Michalski

Witness my hand and official seal this 21 day of December 19 88

Charlene Sings
10/31/93

THE ANNUAL REPORT=For the Morningstar Foundation is available at the address noted below, for inspection during regular business hours by any citizen who so requests within 180 days after publication of this notice of its availability. The Morningstar Foundation, 11 West Lenox Street, Chevy Chase, MD 20815, (301) 652-1113. The Principal Manager is Susan R. Geiman.

Form 910-PF
52-1270164-

SETTLEMENT

CONTRIBUTION

RECEIVED FROM

MICHAEL C. GILMAN

+

SUSAN H. GILMAN

11 1/2 Years

each

\$ 75,000

FORM 990 PF
I.D # 52-1270464

SCHEDULE # 2

ADVERTISING / 68

FEES / OTHER CHARGES 106

TOTAL / 174

LIST OF CONTRIBUTIONS

SCHEDULE # 3

NAME & ADDRESS	AMOUNT
GR WASH JEWISH FAM FOUNDATION, 6125 MONTROSE RD, ROCKVILLE MD 20852	6,000.00
UTAF, 7900 WISCONSIN AVE, BETHESDA MD 20814	55,000.00
NARAL, 1424 K ST, N.W. WASH DC 20003	1,000.00
NETA P.O. BOX 2626, WASH DC 20013	2,000.00
ARENA STAGE, 615 F MAINE AVE, S.W. WASH DC 20024	1,000.00
HEBREW UNION COURSE,	2,000.00
3'NAI B'IRUTH MUSEUM, 1640 R.I. AVE, N.W. WASH DC 20036	500.00
STERN GRAVE, SAN FRANCISCO, CA	500.00
NATURE CONSERVANCY, 35 WISCONSIN CIRCLE, CIT. CHASE MD 20715	650.00
ACLU FOUNDATION, 600 PENN. AVE, S.E. WASH DC 20003	500.00
HARRISMAN INSTITUTE	500.00
KENNEDY CENTER, WASHINGTON D.C 20566	2,000.00
HARVARD UNIVERSITY, CAMBRIDGE, MA 02138	350.00
AM JEW. COMMITTEE, P.O. BOX 4291 NEW YORK NY 10009	300.00
SIERRA CLUB, 2044, FUMORE ST, SAN FRANCISCO CA 94115	250.00
WASH. PROGRESS, 400, 7th ST, N.W. WASH DC 20004	100.00
AM. CANCER SOCIETY, 11323 AMHERST AVE, SIL. SP. MD 20902	100.00
JATI SYM. ORCHESTRA, WASHINGTON DC 20566	100.00
SMITHSONIAN INSTITUTION, P.O. BOX 37288 WASH DC 20013	150.00
M.S. FOUNDATION, 370, WASHINGTON AVE, NEW YORK NY 10017	100.00
METROPOLITAN POLICE, WASHINGTON D.C 20018	100.00
UNITED WAY OF NATL CAPITAL AREA, WASHINGTON D.C	100.00
TENNIS PATRON, 800, 18th ST. N.W. WASH DC 20006	100.00
FOX 2,	125.00
TOTAL	\$ 73,525.00