

Return of Private Foundation or Section 4947(a)(1) Nonexempt Charitable Trust Treated as a Private Foundation

1996

Department of the Treasury Internal Revenue Service

Note: The organization may be able to use a copy of this return to satisfy state reporting requirements.

For calendar year 1996, or tax year beginning 10/1, 1996, and ending 9/30, 1997

Use the IRS label. Name of organization: CL 52-1270464 9709 29 03 C4 3 IG THE MORNINGSTAR FOUNDATION 11 W LENCX ST CHEVY CHASE MD 20815

Table with 5 columns: (a) Revenue and expenses per books, (b) Net investment income, (c) Adjusted net income, (d) Disbursements for charitable purposes. Rows include contributions, interest, dividends, gross rents, net gain/loss, capital gain, net short-term capital gain, income modifications, total, compensation, other employment, pension, legal fees, and disbursements.

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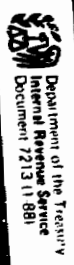
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Employer Work Reduction Act Notice, see page 1 of the instructions.

Form 990-PF (1996)

Part II Balance Sheets		Attached schedules and amounts in the description column should be for end-of-year amounts only.		
		Beginning of year (a) Book Value	End of year (b) Book Value (c) Fair Market Value	
Assets	1 Cash - non-interest-bearing			
	2 Savings and temporary cash investments	58,240.	3,371.	3,371.
	3 Accounts receivable			
	Less: allowance for doubtful accounts			
	4 Pledges receivable			
	Less: allowance for doubtful accounts			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons STMT 9	700.	700.	700.
	7 Other notes and loans receivable			
	Less: allowance for doubtful accounts			
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments - U.S. and state government obligations STMT 10	50,014.	203,660.	203,660.
	b Investments - corporate stock STMT 11	238,700.	2,538,509.	3,131,842.
	c Investments - corporate bonds			
Liabilities	11 Investments - land, buildings, and equipment basis			
	Less: accumulated depreciation			
	12 Investments - mortgage loans			
	13 Investments - other			
	14 Land, buildings, and equipment: basis			
	Less: accumulated depreciation			
	15 Other assets (describe STATEMENT 12)	70,739.	1,680,803.	1,889,578.
	16 Total assets (to be completed by all filers)	418,393.	4,427,133.	5,229,151.
	17 Accounts payable and accrued expenses			
	18 Grants payable			
19 Deferred revenue				
20 Loans from officers, directors, trustees, and other disqualified persons				
21 Mortgages and other notes payable				
22 Other liabilities (describe)				
23 Total liabilities (add lines 17 through 22)	0.	0.		
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input type="checkbox"/> and complete lines 24 through 26 and lines 30 and 31.			
	24 Unrestricted			
	25 Temporarily restricted			
	26 Permanently restricted			
	Organizations that do not follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds	418,393.	418,393.	
	28 Paid-in or capital surplus, or land, bldg., and equipment fund	0.	0.	
29 Retained earnings, accumulated income, endowment, or other funds	0.	4,008,740.		
30 Total net assets or fund balances	418,393.	4,427,133.		
31 Total liabilities and net assets/fund balances	418,393.	4,427,133.		

Part III Analysis of Changes in Net Assets or Fund Balances	
1 Total net assets or fund balances at beginning of year - Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1 418,393.
2 Enter amount from Part I, line 27a	2 4,008,740.
3 Other increases not included in line 2 (itemize)	3 0.
4 Add lines 1, 2, and 3	4 4,427,133.
5 Decreases not included in line 2 (itemize)	5 0.
6 Total net assets or fund balances at end of year (line 4 minus line 5) - Part II, column (b), line 30	6 4,427,133.

**Part IV Capital Gains and Losses for Tax on Investment Income**

(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)		(b) How acquired P - Purchase D - Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a				
b	SEE ATTACHED STATEMENT			
c				
d				
e				
(e) Gross sales price minus expense of sale	(f) Depreciation allowed (or allowable)	(g) Cost or other basis	(h) Gain or (loss) (e) plus (f) minus (g)	
a				
b				
c				
d				
e	3,580,117.	1,276,317.	2,312,823.	
Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69				(l) Gains (col. (h) gain minus col. (k), but not less than -0-) or Losses (from col. (h))
(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any		
a				
b				
c				
d				
e			2,312,823.	
2	Capital gain net income or (net capital loss). ( If gain, also enter in Part I, line 7. If (loss), enter -0- in Part I, line 7 )	2	2,312,823.	
3	Net short-term capital gain or (loss) as defined in sections 1222(5) and (6). If gain, also enter in Part I, line 8, column (c). If (loss), enter -0- in Part I, line 8	3	3,526.	

**Part V Qualification Under Section 4940(e) for Reduced Tax on Net Investment Income**

(For optional use by domestic private foundations subject to the section 4940(a) tax on net investment income.)

If section 4940(d)(2) applies, leave this part blank.

Was the organization liable for the section 4942 tax on the distributable amount of any year in the base period?  Yes  No

If "Yes," the organization does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year; see instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
1995	289,144.	510,549.	.5663394
1994	299,830.	409,917.	.7314408
1993	207,929.	193,827.	1.0727556
1992	229,352.	187,719.	1.2217836
1991	227,880.	191,360.	1.1908445
2	Total of line 1, column (d)	2	4.7831639
3	Average distribution ratio for the 5-year base period - divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	.9566328
4	Enter the net value of noncharitable-use assets for 1996 from Part X, line 5	4	2,658,824.
5	Multiply line 4 by line 3	5	2,543,518.
6	Enter 1% of net investment income (1% of Part I, line 27b)	6	23,257.
7	Add lines 5 and 6	7	2,566,775.
8	Enter qualifying distributions from Part XII, line 4 If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions.	8	302,429.

**Part VI Excise Tax on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948 - see instructions)**

1	Exempt operating foundations described in section 4940(d)(2), check here <input type="checkbox"/> and enter "N/A" on line 1. Date of ruling letter _____ (attach copy of ruling letter if necessary-see instructions)	
2	Domestic organizations that meet the section 4940(e) requirements in Part V, check here <input type="checkbox"/> and enter 1% of Part I, line 27b	46,514.
3	All other domestic organizations enter 2% of line 27b. Exempt foreign organizations enter 4% of line 27b	
4	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	0.
5	Add lines 1 and 2	46,514.
6	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	0.
7	Tax on investment income (line 3 minus line 4 (but not less than -0-))	46,514.
8	Credits/Payments:	
9	1996 estimated tax payments and 1995 overpayment credited to 1996	6a
10	Exempt foreign organizations - tax withheld at source	6b
11	Tax paid with application for extension of time to file (Form 2758)	6c
12	Backup withholding erroneously withheld	6d
13	Total credits and payments (add lines 6a through d)	0.
14	Enter any PENALTY for underpayment of estimated tax. Check here <input type="checkbox"/> if Form 2220 is attached	42.
15	TAX DUE. If the total of lines 5 and 8 is more than line 7, enter AMOUNT OWED	46,556.
16	OVERPAYMENT. If line 7 is more than the total of lines 5 and 8, enter the AMOUNT OVERPAID	
17	Enter the amount of line 10 to be: Credited to 1997 estimated tax	
18	Refunded	

**Part VII A Statements Regarding Activities**

	Yes	No
1a During the tax year, did the organization attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?		X
1b Did it spend more than \$100 during the year (either directly or indirectly) for political purposes (see instructions for definition)? If the answer is "Yes" to 1a or 1b, attach a detailed description of the activities and copies of any materials published or distributed by the organization in connection with the activities.		X
1c Did the organization file Form 1120-POL for this year?		X
1d Enter the amount (if any) of Taxes on Political Expenditures (section 4955) paid by the organization during the 1996 tax year. (see instructions)		0.
2 Has the organization engaged in any activities that have not previously been reported to the IRS? If "Yes," attach a detailed description of the activities.		X
3 Has the organization made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? If "Yes," attach a conformed copy of the changes	X	
4a Did the organization have unrelated business gross income of \$1,000 or more during the year?		X
4b If "Yes," has it filed a tax return on Form 990-T for this year?		N/A
5 Was there a liquidation, termination, dissolution, or substantial contraction during the year? If "Yes," attach the statement required by General Instruction T.		X
6 Are the requirements of section 503(e) (relating to sections 4941 through 4945) satisfied either: • By language written into the governing instrument, or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?		X
7 Did the organization have at least \$5,000 in assets at any time during the year? If "Yes," complete Part II, column (c), and Part XV.	X	
8a Enter the states to which the foundation reports or with which it is registered (see instructions)		DISTRICT OF COLUMBIA, MARYLAND
8b If the answer is "Yes" to line 7, has the organization furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? If "No," attach explanation	X	
9 Is the organization claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 1996 or taxable year beginning in 1996 (see instructions for Part XIV)? If "Yes," complete Part XIV		X
10 Did any persons become substantial contributors during the tax year? If "Yes" attach a schedule listing their names and addresses.	X	SEE STATEMENT 13
11a Did anyone request to see either the organization's annual return or its exemption application (or both)?		X
11b If "Yes," did the organization comply pursuant to the instructions? (See General Instruction Q.)		N/A
12 The books are in care of <b>MICHAEL C. GELMAN</b> Located at <b>4800 HAMPDEN LANE, SUITE 400, BETHESDA, MD</b>		Telephone no. <b>301-951-9090</b> ZIP code <b>20814</b>
13 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of Form 1041 - Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the year		N/A

Part VII B Statements Regarding Activities for Which Form 4720 May Be Required

File Form 4720 if any item is checked in the "Yes" column, unless an exception applies.

Self-dealing (section 4941)

a During the year did the organization (either directly or indirectly):

- (1) Engage in the sale or exchange, or leasing of property with a disqualified person?
(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person?
(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person?
(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person?
(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)?
(6) Agree to pay money or property to a government official? (Exception: Check "No" if the organization agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.)

b If the answer is "Yes" to 1a(1)-(6), did ANY of the acts fail to qualify under the exemptions described in Regulations section 53.4941(d)-3 or in a current Notice regarding disaster assistance (see page 17 of the instructions)? Organizations relying on a current Notice regarding disaster assistance check here

c Did the organization engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 1996?

2 Taxes on failure to distribute income (section 4942) (does not apply for years the organization was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):

a At the end of tax year 1996, did the organization have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 1996? If "Yes," list the years 19, 19, 19, 19

b Are there any years listed in 2a for which the organization is NOT applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to ALL years listed, answer "No" and attach statement - see instructions.)

c If the provisions of section 4942(a)(2) are being applied to ANY of the years listed in 2a, list the years here. 19, 19, 19, 19

3 Taxes on excess business holdings (section 4943):

a Did the organization hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? Yes No

b If "Yes," did it have excess business holdings in 1996 as a result of (1) any purchase by the organization or disqualified persons after May 26, 1969; (2) 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; or (3) the lapse of the 10-, 15-, or 20-year first phase holding period? (Use Schedule C, Form 4720, to determine if the organization had excess business holdings in 1996.)

4 Taxes on investments that jeopardize charitable purposes (section 4944):

a Did the organization invest during the year any amount in a manner that would jeopardize its charitable purposes?

b Did the organization make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 1996?

5 Taxes on taxable expenditures (section 4945) and political expenditures (section 4955)

a During the year did the organization pay or incur any amount to:

- (1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))?
(2) Influence the outcome of any specific public election (see section 4955); 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 any answer is "Yes" to 5a(1)-(5), did ANY of the transactions fail to qualify under the exceptions described in Regulations section 53.4945, or in a current Notice regarding disaster assistance (see instructions)? Organizations relying on a current Notice regarding disaster assistance check here

c If the answer is "Yes" to question 5a(4), does the organization claim exemption from the tax because it maintained expenditure responsibility for the grant? If "Yes," attach the statement required by Regulations section 53.4945-5(d).

Table with 3 columns: Question ID, Yes, No. Rows include 1b, 1c, 2b, 3b, 4a, 4b, 5b.

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

**1 List all officers, directors, trustees, foundation managers and their compensation:**

(a) Name and address	(b) Title, and average hours per week devoted to position	(c) Compensation (if not paid, enter -0-)	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account, other allowances
SUSAN R. GELMAN 11 WEST LENOX STREET, CHEVY CHASE, MD 20815	PRESIDENT PART	0.	0.	0.
MICHAEL C. GELMAN 11 WEST LENOX STREET, CHEVY CHASE, MD 20815	VICE PRESIDENT PART	0.	0.	0.
GEORGE LEVENDIS 1250 CONNECTICUT AVE, NW, WASHINGTON, D.C. 20036	SECY/TREASURER PART	0.	0.	0.

**2 Compensation of five highest-paid employees (other than those included on line 1). If 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 and deferred compensation	(e) Expense account, other allowances
NONE				

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

**3 Five highest-paid independent contractors for professional services. If none, enter "NONE."**

(a) Name and address of each person 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 IX - A Summary of Direct Charitable Activities**

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.

	Expenses
1 N/A	
2	
3	
4	

**Part IX-B Summary of Program-Related Investments**

Describe any program-related investments made by the foundation during the tax year	Amount
1 N/A	
2	
3	

**Part X Minimum Investment Return** (All domestic foundations must complete this part. Foreign foundations, see instructions.)

1 Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:		
a Average monthly fair market value of securities	1a	2,573,583.
b Average of monthly cash balances	1b	125,031.
c Fair market value of all other assets	1c	700.
d Total (add lines 1a, b, and c)	1d	2,699,314.
e Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e	0.
2 Acquisition indebtedness applicable to line 1 assets	2	0.
3 Line 1d minus line 2	3	2,699,314.
4 Cash deemed held for charitable activities - Enter 1 1/2% of line 3 (for greater amount, see instructions)	4	40,490.
5 Net value of noncharitable-use assets - Line 3 minus line 4. (Enter in Part V, line 4.)	5	2,658,824.
6 Minimum investment return. (Enter 5% of line 5.)	6	132,941.

**Part XI Distributable Amount** (see instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here  and do not complete this part.)

1 Minimum investment return from Part X, line 6		1	132,941.
2a Tax on investment income for 1996 from Part VI, line 5	2a	46,514.	
b Income tax for 1996. (This does not include the tax from Part VI.)	2b		
c Line 2a plus line 2b	2c	46,514.	
3 Distributable amount* before adjustments (line 1 minus line 2c)	3	86,427.	
4a Recoveries of amounts treated as qualifying distributions	4a	0.	
b Income distributions from section 4947(a)(2) trusts	4b	0.	
c Line 4a plus line 4b	4c	0.	
5 Line 3 plus line 4c	5	86,427.	
6 Deduction from distributable amount	6	0.	
7 Distributable amount as adjusted (line 5 minus line 6). (Also enter in Part XIII, line 1.)	7	86,427.	

**Part XII 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	1a	302,429.
b Program-related investments - total of lines 1-3 of Part IX-B	1b	0.
2 Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	
3 Amounts set aside for specific charitable projects that satisfy the:		
a Suitability test (prior IRS approval required)	3a	
b Cash distribution test (attach the required schedule)	3b	
4 Qualifying distributions (add lines 1a through 3b). (Enter in Part V, line 8, and Part XIII, line 4.)	4	302,429.
5 Organizations that qualify under section 4940(e) for the reduced rate of tax on net investment income - enter 1% of Part I, line 27b	5	0.
6 Adjusted qualifying distributions (line 4 minus line 5)	6	302,429.

Note: The amount on line 6 will be used in Part V, column (b), in subsequent years when calculating whether the foundation qualifies for the section 4940(e) reduction of tax in those years.

**Part XIII** Undistributed Income (see instructions)

	(a) Corpus	(b) Years prior to 1995	(c) 1995	(d) 1996
<b>1</b> Distributable amount for 1996 from Part XI, line 7				86,427.
<b>2</b> Undistributed income, if any, as of the end of 1995:				
<b>a</b> Enter amount for 1995 only			0.	
<b>b</b> Total for prior years: 19 __, 19 __, 19 __		0.		
<b>3</b> Excess distributions carryover, if any, to 1996:				
<b>a</b> From 1991				
<b>b</b> From 1992				
<b>c</b> From 1993				
<b>d</b> From 1994				
<b>e</b> From 1995				
<b>f</b> Total of lines 3a through e	0.			
<b>4</b> Qualifying distributions for 1996 from Part XII, line 4: ▶ \$ 302,429.				
<b>a</b> Applied to 1995, but not more than line 2a			0.	
<b>b</b> Applied to undistributed income of prior years (Election required - see instructions)		0.		
<b>c</b> Treated as distributions out of corpus (Election required - see instructions)	0.			
<b>d</b> Applied to 1996 distributable amount				86,427.
<b>e</b> Remaining amount distributed out of corpus	216,002.			
<b>5</b> Excess distributions carryover applied to 1996 (If an amount appears in column (d), the same amount must be shown in column (a).)	0.			0.
<b>6</b> Enter the net total of each column as indicated below:				
<b>a</b> Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	216,002.			
<b>b</b> Prior years' undistributed income (line 2b minus line 4b)		0.		
<b>c</b> 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		0.		
<b>d</b> Subtract line 6c from line 6b. Taxable amount - see instructions		0.		
<b>e</b> Undistributed income for 1995 (line 2a minus line 4a). Taxable amount - see instr.			0.	
<b>f</b> Undistributed income for 1996 (line 1 minus lines 4d and 5). This amount must be distributed in 1997				0.
<b>7</b> Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(E) or 4942(g)(3)	0.			
<b>8</b> Excess distributions carryover from 1991 not applied on line 5 or line 7	0.			
<b>9</b> Excess distributions carryover to 1997 (line 6a minus lines 7 and 8)	216,002.			
<b>10</b> Analysis of line 9:				
<b>a</b> Excess from 1992				
<b>b</b> Excess from 1993				
<b>c</b> Excess from 1994				
<b>d</b> Excess from 1995				
<b>e</b> Excess from 1996	216,002.			

**Part XIV Private Operating Foundations (see instructions and Part VII-A, question 9)**

N/A

1 a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 1996, enter the date of the ruling

b Check box to indicate whether the organization is a private operating foundation described in section  4942(j)(3) or  4942(j)(5)

2 a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed

b 85% of line 2a

c Qualifying distributions from Part XII, line 4 for each year listed

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 relied upon:

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 X, line 6 for each year listed

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

	Tax year		Prior 3 years:		(e) Total
	(a) 1996	(b) 1995	(c) 1994	(d) 1993	
2 a					
b					
c					
d					
e					
3 a (1)					
3 a (2)					
3 b					
3 c (1)					
3 c (2)					
3 c (3)					
3 c (4)					

**Part XV Supplementary Information (Complete this part only if the organization had \$5,000 or more in assets at any time during the year)**

**1 Information Regarding Foundation Managers:**

a List 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).)

SEE STATEMENT 14

b List 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.

NONE

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

Check here  if the organization only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the organization makes gifts, grants, etc., to individuals or organizations under other conditions, complete items 2a, b, c, and d.

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

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

c Any submission deadlines:

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







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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 \$105.48.

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Account C3281288

*Player D. David*

Witness my hand and official seal this 9<sup>th</sup> day of December 19 97

*Lucienne M. Chaffier*  
My commission expires \_\_\_\_\_

Lucienne M. Chaffier  
Notary Public, District of Columbia  
My Commission Expires, Dec. 31, 2002

THE ANNUAL REPORT of the Morningstar Foundation for the fiscal year ended September 30, 1997, is available in its principal office located at 4800 Hampden Lane, Suite 400, Bethesda, Maryland 20814, 301-951-9090, for inspection during regular business hours by any citizen who requests it within 180 days hereof. Principal manager of the Foundation is Michael Gelman, Vice President.

**Poor Quality  
Copy**

FORM 990-PF

CASH CONTRIBUTIONS OF \$5000 OR MORE  
INCLUDED ON PART I, LINE 1

STATEMENT 1

<u>CONTRIBUTOR'S NAME</u>	<u>CONTRIBUTOR'S ADDRESS</u>	<u>DATE OF GIFT</u>	<u>AMOUNT</u>
RICHARD & RHODA GOLDMAN FUND	1 LOMBARD STREET, SAN FRANCISCO, CA 94111	11/01/96	300,000.