

## 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)

2011

Open to Public Inspection

Department of the Treasury  
Internal Revenue Service

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

<b>A</b> For the 2011 calendar year, or tax year beginning Jul 1, 2011, and ending Jun 30, 2012	
<b>B</b> Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	<b>C</b> Name of organization GRACE TO YOU Doing Business As GRACIA A VOSOTROS Number and street (or P O box if mail is not delivered to street addr) Room/suite 28001 HARRISON PARKWAY City, town or country State ZIP code + 4 VALENCIA CA 91355 <b>F</b> Name and address of principal officer. Phillip Johnson 28001 Harrison Pkwy Valencia CA 91355 <b>I</b> Tax-exempt status <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) ( ) (Insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527 <b>J</b> Website: ▶ www.gty.org <b>K</b> Form of organization <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶ <b>L</b> Year of formation 1986 <b>M</b> State of legal domicile CA
<b>D</b> Employer identification number 95-3846510 <b>E</b> Telephone number (661) 295-5777 <b>G</b> Gross receipts \$ 16,415,771. <b>H(a)</b> Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <b>H(b)</b> Are all affiliates included? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If 'No,' attach a list (see instructions) <b>H(c)</b> Group exemption number ▶	

## Part I Summary

Activities & Governance	1	Briefly describe the organization's mission or most significant activities: To teach biblical truth with clarity, taking advantage of mass communications to expand the sphere of John MacArthur's teaching ministry via: radio and TV programming; distributing Bible teaching materials; and maintaining a website.
	2	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets
	3	Number of voting members of the governing body (Part VI, line 1a) 12
	4	Number of independent voting members of the governing body (Part VI, line 1b) 7
	5	Total number of individuals employed in calendar year 2011 (Part V, line 2a) 74
	6	Total number of volunteers (estimate if necessary) 150
Revenue	7a	Total unrelated business revenue from Part VIII, column (C), line 12 0.
	7b	Net unrelated business taxable income from Form 990-T, line 34
	8	Contributions and grants (Part VIII, line 1h) 14,944,337.
	9	Program service revenue (Part VIII, line 2g) 14,504,729.
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d) 242,762.
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) 242,291.
	12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12) 9,738.
	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3) 923,949.
	14	Benefits paid to or for members (Part IX, column (A), line 4) 869,414.
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10) 923,949.
Expenses	16a	Professional fundraising fees (Part IX, column (A), line 11e) 452,962.
	16b	Total fundraising expenses (Part IX, column (D), line 25) 424,301.
	17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e) 0.
	18	Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25) 4,653,878.
	19	Revenue less expenses Subtract line 18 from line 12 5,224,389.
Net Assets or Fund Balance	20	Total assets (Part X, line 16) 10,240,066.
	21	Total liabilities (Part X, line 26) 9,156,225.
	22	Net assets or fund balances Subtract line 21 from line 20 15,346,906.

## Part II Signature Block

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.

Sign Here	Signature of officer	12/19/12
	Phillip Johnson Type or print name and title	Date
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature
	Rufus Harvey	Rufus Harvey
	Firm's name ▶ RUFUS HARVEY Firm's address ▶ 28036 FLORENCE LN CANYON COUNTRY	

May the IRS discuss this return with the preparer shown above? (see instructions)

BAA For Paperwork Reduction Act Notice, see the separate instruction

SCANNED JAN 15 2013

**Part III** Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III

☒**1** Briefly describe the organization's mission:

To spread the gospel of Jesus Christ by communicating the Bible  
to the world through the media.

**2** Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?☐ Yes ☒ No

If 'Yes,' describe these new services on Schedule O.

**3** Did the organization cease conducting, or make significant changes in how it conducts, any program services?☒ Yes ☐ No

If 'Yes,' describe these changes on Schedule O.

**4** Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported**4a** (Code: ) (Expenses \$ 5,051,779. including grants of \$ 15,475.) (Revenue \$ 0.)"Grace To You" daily radio program.

Our daily 30 minute program airs over 1,000 times per day across the  
United States.

**4b** (Code: ) (Expenses \$ 4,565,508. including grants of \$ 0.) (Revenue \$ 868,907.)Distribution of Bible teaching resources.

Grace to You distributes hundreds of thousands of Bible teaching CDs,  
DVDs, and books at no charge. We also maintain a content-rich website  
which provides access to all of John MacArthur's sermons in audio,  
video and written form, free of charge. We also edit books by John  
MacArthur, and make them, along with CDs and DVDs of his messages  
available for sale.

**4c** (Code: ) (Expenses \$ 1,667,681. including grants of \$ 408,826.) (Revenue \$ 220,116.)International ministry.

Gracia a Vosotros, the Spanish version of Grace to You, is broadcast  
in over 20 countries over 800 times per day. Grace to You also supports  
foreign ministry partners in Canada, Europe and India. These ministry  
partners support their constituents in similar ways to Grace to You.  
Grace to You also supports some of the foreign translations of John  
MacArthur's books.

**4d** Other program services. (Describe in Schedule O.)(Expenses \$ 1,236,693. including grants of \$ 0.) (Revenue \$ 480.)**4e** Total program service expenses 12,521,661.

**Part IV Checklist of Required Schedules**

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If 'Yes,' complete Schedule A	X	
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)?		X
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If 'Yes,' complete Schedule C, Part I		X
4 <b>Section 501(c)(3) organizations.</b> Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If 'Yes,' complete Schedule C, Part II		X
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If 'Yes,' complete Schedule C, Part III		X
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If 'Yes,' complete Schedule D, Part I		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? If 'Yes,' complete Schedule D, Part II		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If 'Yes,' complete Schedule D, Part III		X
9 Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If 'Yes,' complete Schedule D, Part IV		X
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If 'Yes,' complete Schedule D, Part V		X
11 If the organization's answer to any of the following questions is 'Yes,' then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a Did the organization report an amount for land, buildings and equipment in Part X, line 10? If 'Yes,' complete Schedule D, Part VI	X	
b Did the organization report an amount for investments— other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If 'Yes,' complete Schedule D, Part VII		X
c Did the organization report an amount for investments— program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If 'Yes,' complete Schedule D, Part VIII		X
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If 'Yes,' complete Schedule D, Part IX	X	
e Did the organization report an amount for other liabilities in Part X, line 25? If 'Yes,' complete Schedule D, Part X	X	
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If 'Yes,' complete Schedule D, Part X		X
12a Did the organization obtain separate, independent audited financial statements for the tax year? If 'Yes,' complete Schedule D, Parts XI, XII, and XIII	X	
b Was the organization included in consolidated, independent audited financial statements for the tax year? If 'Yes,' and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional		X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If 'Yes,' complete Schedule E		X
14a Did the organization maintain an office, employees, or agents outside of the United States?	X	
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If 'Yes,' complete Schedule F, Parts I and IV	X	
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If 'Yes,' complete Schedule F, Parts II and IV	X	
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If 'Yes,' complete Schedule F, Parts III and IV		X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If 'Yes,' complete Schedule G, Part I (see instructions)		X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If 'Yes,' complete Schedule G, Part II		X
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If 'Yes,' complete Schedule G, Part III		X
20a Did the organization operate one or more hospital facilities? If 'Yes,' complete Schedule H		X
b If 'Yes' to line 20a, did the organization attach a copy of its audited financial statements to this return?		

**Part IV Checklist of Required Schedules (continued)**

	Yes	No
<b>21</b> Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? <i>If 'Yes,' complete Schedule I, Parts I and II</i>	X	
<b>22</b> Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If 'Yes,' complete Schedule I, Parts I and III</i>		X
<b>23</b> Did the organization answer 'Yes' to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If 'Yes,' complete Schedule J</i>	X	
<b>24a</b> Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, and that was issued after December 31, 2002? <i>If 'Yes,' answer lines 24b through 24d and complete Schedule K. If 'No,' go to line 25</i>		X
<b>24b</b> Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
<b>24c</b> Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
<b>24d</b> Did the organization act as an 'on behalf of' issuer for bonds outstanding at any time during the year?		
<b>25a</b> <b>Section 501(c)(3) and 501(c)(4) organizations.</b> Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If 'Yes,' complete Schedule L, Part I</i>		X
<b>25b</b> Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If 'Yes,' complete Schedule L, Part I</i>		X
<b>26</b> Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If 'Yes,' complete Schedule L, Part II</i>	X	
<b>27</b> Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If 'Yes,' complete Schedule L, Part III</i>		X
<b>28</b> Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
<b>28a</b> A current or former officer, director, trustee, or key employee? <i>If 'Yes,' complete Schedule L, Part IV</i>		X
<b>28b</b> A family member of a current or former officer, director, trustee, or key employee? <i>If 'Yes,' complete Schedule L, Part IV</i>	X	
<b>28c</b> An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If 'Yes,' complete Schedule L, Part IV</i>	X	
<b>29</b> Did the organization receive more than \$25,000 in non-cash contributions? <i>If 'Yes,' complete Schedule M</i>	X	
<b>30</b> Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If 'Yes,' complete Schedule M</i>		X
<b>31</b> Did the organization liquidate, terminate, or dissolve and cease operations? <i>If 'Yes,' complete Schedule N, Part I</i>		X
<b>32</b> Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If 'Yes,' complete Schedule N, Part II</i>		X
<b>33</b> Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If 'Yes,' complete Schedule R, Part I</i>		X
<b>34</b> Was the organization related to any tax-exempt or taxable entity? <i>If 'Yes,' complete Schedule R, Parts II, III, IV, and V, line 1</i>		X
<b>35a</b> Did the organization have a controlled entity within the meaning of section 512(b)(13)?		X
<b>35b</b> Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If 'Yes,' complete Schedule R, Part V, line 2</i>		X
<b>36</b> <b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? <i>If 'Yes,' complete Schedule R, Part V, line 2</i>		X
<b>37</b> Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If 'Yes,' complete Schedule R, Part VI</i>		X
<b>38</b> Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? <b>Note.</b> All Form 990 filers are required to complete Schedule O	X	

BAA

Form 990 (2011)

**Part V** Statements Regarding Other IRS Filings and Tax ComplianceCheck if Schedule O contains a response to any question in this Part V ☐

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	16	
1b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	0	
1c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	X	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	74	
2b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? <b>Note.</b> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file. (see instructions)	X	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?		X
3b	If 'Yes' has it filed a Form 990-T for this year? If 'No,' provide an explanation in Schedule O		
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		X
4b	If 'Yes,' enter the name of the foreign country: See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		X
5b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
5c	If 'Yes,' to line 5a or 5b, did the organization file Form 8886-T?		
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?		X
6b	If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
7	<b>Organizations that may receive deductible contributions under section 170(c).</b>		
7a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?		X
7b	If 'Yes,' did the organization notify the donor of the value of the goods or services provided?		
7c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		X
7d	If 'Yes,' indicate the number of Forms 8282 filed during the year		
7e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		X
7f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		X
7g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		
7h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		
8	<b>Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.</b> Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		
9	<b>Sponsoring organizations maintaining donor advised funds.</b>		
9a	Did the organization make any taxable distributions under section 4966?		
9b	Did the organization make a distribution to a donor, donor advisor, or related person?		
10	<b>Section 501(c)(7) organizations.</b> Enter:		
10a	Initiation fees and capital contributions included on Part VIII, line 12		
10b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities		
11	<b>Section 501(c)(12) organizations.</b> Enter:		
11a	Gross income from members or shareholders		
11b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)		
12a	<b>Section 4947(a)(1) non-exempt charitable trusts.</b> Is the organization filing Form 990 in lieu of Form 1041?		
12b	If 'Yes,' enter the amount of tax-exempt interest received or accrued during the year		
13	<b>Section 501(c)(29) qualified nonprofit health insurance issuers.</b>		
13a	Is the organization licensed to issue qualified health plans in more than one state? <b>Note.</b> See the instructions for additional information the organization must report on Schedule O.		
13b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans		
13c	Enter the amount of reserves on hand		
14a	Did the organization receive any payments for indoor tanning services during the tax year?		X
14b	If 'Yes,' has it filed a Form 720 to report these payments? If 'No,' provide an explanation in Schedule O		

**Part VI Governance, Management and Disclosure** For each 'Yes' response to lines 2 through 7b below, and for a 'No' response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response to any question in this Part VI ☒

**Section A. Governing Body and Management**

	Yes	No
<b>1 a</b> Enter the number of voting members of the governing body at the end of the tax year. If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.	12	
<b>b</b> Enter the number of voting members included in line 1a, above, who are independent.	7	
<b>2</b> Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee or key employee?	<b>2</b> X	
<b>3</b> Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	<b>3</b>	X
<b>4</b> Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	<b>4</b>	X
<b>5</b> Did the organization become aware during the year of a significant diversion of the organization's assets?	<b>5</b>	X
<b>6</b> Did the organization have members or stockholders?	<b>6</b>	X
<b>7 a</b> Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	<b>7 a</b>	X
<b>b</b> Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or other persons other than the governing body?	<b>7 b</b>	X
<b>8</b> Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
<b>a</b> The governing body?	<b>8 a</b> X	
<b>b</b> Each committee with authority to act on behalf of the governing body?	<b>8 b</b> X	
<b>9</b> Is there any officer, director or trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If 'Yes,' provide the names and addresses in Schedule O	<b>9</b>	X

**Section B. Policies** (This Section B requests information about policies not required by the Internal Revenue Code.)

	Yes	No
<b>10 a</b> Did the organization have local chapters, branches, or affiliates?	<b>10 a</b>	X
<b>b</b> If 'Yes,' did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	<b>10 b</b>	
<b>11 a</b> Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	<b>11 a</b> X	
<b>b</b> Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
<b>12 a</b> Did the organization have a written conflict of interest policy? If 'No,' go to line 13	<b>12 a</b> X	
<b>b</b> Were officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	<b>12 b</b>	X
<b>c</b> Did the organization regularly and consistently monitor and enforce compliance with the policy? If 'Yes,' describe in Schedule O how this is done	<b>12 c</b> X	
<b>13</b> Did the organization have a written whistleblower policy?	<b>13</b> X	
<b>14</b> Did the organization have a written document retention and destruction policy?	<b>14</b>	X
<b>15</b> Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
<b>a</b> The organization's CEO, Executive Director, or top management official	<b>15 a</b> X	
<b>b</b> Other officers of key employees of the organization	<b>15 b</b> X	
If 'Yes' to line 15a or 15b, describe the process in Schedule O. (See instructions)		
<b>16 a</b> Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	<b>16 a</b>	X
<b>b</b> If 'Yes,' did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?	<b>16 b</b>	

**Section C. Disclosure**

**17** List the states with which a copy of this Form 990 is required to be filed ▶ See Form 990, Page 6, Line 17 (continued)

**18** Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.

☐ Own website ☒ Another's website ☒ Upon request

**19** Describe in Schedule O whether (and if so, how) the organization makes its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.

**20** State the name, physical address, and telephone number of the person who possesses the books and records of the organization:

▶ Rufus Harvey 28001 Harrison Parkway, Valencia CA 91355 (661) 295-5777

**Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors**Check if Schedule O contains a response to any question in this Part VII ☐**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees****1 a** Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of 'key employee.'
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former** directors or trustees that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) John F. MacArthur, Jr. President/Chairman	20.00	X		X				402,444.	0.	0.
(2) Phillip Johnson Exec Dir/Secretary	40.00	X		X				191,156.	0.	27,632.
(3) Kent Stainback Director	0.50	X						0.	0.	0.
(4) Dave Parsons Director	0.50	X						0.	0.	0.
(5) Robert Provost Director	0.50	X						0.	0.	0.
(6) Joe Aleppo Vice Chairman	1.00	X		X				0.	0.	0.
(7) Christopher Parkening Director	0.50	X						0.	0.	0.
(8) Mark MacArthur Director	0.50	X						0.	0.	0.
(9) Matthew MacArthur Treasurer	1.00	X		X				0.	0.	0.
(10) Al Sanders Director	0.50	X						0.	0.	0.
(11) Bill Molinari Director (Part Year)	0.50	X						0.	0.	0.
(12) Tom Pennington Director	0.50	X						0.	0.	0.
(13) Donald Green Managing Director	40.00	X						168,936.	0.	31,911.
(14) Rufus Harvey Controller & CFO	40.00		X					146,231.	0.	24,384.

**Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (cont)**

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Sch O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(15) Jay Flowers Dir of Communications	40.00				X			156,129.	0.	31,168.
(16) Bill Fickett Dir of Cust Serv & Tech	40.00					X		149,749.	0.	30,695.
(17) Miguel Contreras Director of GAV	40.00					X		132,391.	0.	23,361.
(18) Travis Allen Director of Internet	40.00					X		111,294.	0.	27,841.
(19) _____										
(20) _____										
(21) _____										
(22) _____										
(23) _____										
(24) _____										
(25) _____										
<b>1 b Sub-total</b>								1,458,330.	0.	196,992.
<b>c Total from continuation sheets to Part VII, Section A</b>										
<b>d Total (add lines 1b and 1c)</b>								1,458,330.	0.	196,992.

**2** Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization **7**

**3** Did the organization list any **former** officer, director or trustee, key employee, or highest compensated employee on line 1a? If 'Yes,' complete Schedule J for such individual

	Yes	No
<b>3</b>		X
<b>4</b>	X	
<b>5</b>		X

**4** For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If 'Yes' complete Schedule J for such individual

**5** Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If 'Yes,' complete Schedule J for such person

**Section B. Independent Contractors**

**1** Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year

(A) Name and business address	(B) Description of services	(C) Compensation

**2** Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization **4**



**Part VIII Statement of Revenue**

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
<b>CONTRIBUTIONS, GIFTS, GRANTS AND OTHER SIMILAR AMOUNTS</b>	<b>1a</b> Federated campaigns	<b>1a</b> 0.				
	<b>b</b> Membership dues	<b>1b</b> 0.				
	<b>c</b> Fundraising events	<b>1c</b> 0.				
	<b>d</b> Related organizations	<b>1d</b> 0.				
	<b>e</b> Government grants (contributions)	<b>1e</b> 0.				
	<b>f</b> All other contributions, gifts, grants, and similar amounts not included above	<b>1f</b> 14,504,729.				
	<b>g</b> Noncash contributions included in lns 1a-1f: \$	400,482.				
	<b>h Total.</b> Add lines 1a-1f		14,504,729.			
<b>PROGRAM SERVICE REVENUE</b>	<b>Business Code</b>					
	<b>2a</b> Intn'l Offices Reimbursements	900099	220,116.	220,116.	0.	0.
	<b>b</b> Payroll Reimbursements	900099	480.	480.	0.	0.
	<b>c</b> Postage Reimbursements	900099	21,695.	21,695.	0.	0.
	<b>d</b> _____					
	<b>e</b> _____					
	<b>f</b> All other program service revenue					
	<b>g Total.</b> Add lines 2a-2f		242,291.			
<b>OTHER REVENUE</b>	<b>3</b> Investment income (including dividends, interest and other similar amounts)		14,803.	0.	0.	14,803.
	<b>4</b> Income from investment of tax-exempt bond proceeds		0.	0.	0.	0.
	<b>5</b> Royalties		22,202.	0.	0.	22,202.
	<b>6a</b> Gross rents	(i) Real 0. (ii) Personal 0.				
	<b>b</b> Less: rental expenses	0. 0.				
	<b>c</b> Rental income or (loss)	0. 0.				
	<b>d</b> Net rental income or (loss)		0.	0.	0.	0.
	<b>7a</b> Gross amount from sales of assets other than inventory	(i) Securities 38,778. (ii) Other 8,184.				
	<b>b</b> Less: cost or other basis and sales expenses	39,682. 12,166.				
	<b>c</b> Gain or (loss)	-904. -3,982.				
	<b>d</b> Net gain or (loss)		-4,886.	0.	0.	-4,886.
	<b>8a</b> Gross income from fundraising events (not including \$ 0. of contributions reported on line 1c). See Part IV, line 18	<b>a</b> 0.				
	<b>b</b> Less: direct expenses	<b>b</b> 0.				
	<b>c</b> Net income or (loss) from fundraising events		0.		0.	0.
	<b>9a</b> Gross income from gaming activities. See Part IV, line 19	<b>a</b> 0.				
	<b>b</b> Less: direct expenses	<b>b</b> 0.				
	<b>c</b> Net income or (loss) from gaming activities		0.	0.	0.	0.
	<b>10a</b> Gross sales of inventory, less returns and allowances	<b>a</b> 1,577,552.				
	<b>b</b> Less: cost of goods sold	<b>b</b> 737,572.				
	<b>c</b> Net income or (loss) from sales of inventory		839,980.	839,980.	0.	0.
<b>Miscellaneous Revenue Business Code</b>						
<b>11a</b> Expense Reimbursements	900099	1,716.	1,716.	0.	0.	
<b>b</b> Miscellaneous Revenue	900099	5,516.	5,516.	0.	0.	
<b>c</b> _____						
<b>d</b> All other revenue						
<b>e Total.</b> Add lines 11a-11d		7,232.				
<b>12 Total revenue.</b> See instructions		15,626,351.	1,089,503.	0.	32,119.	

**Part IX Statement of Functional Expenses**

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Check if Schedule O contains a response to any question in this Part IX ☐

<b>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</b>	<b>(A) Total expenses</b>	<b>(B) Program service expenses</b>	<b>(C) Management and general expenses</b>	<b>(D) Fundraising expenses</b>
1 Grants and other assistance to governments and organizations in the United States. See Part IV, line 21	15,475.	15,475.		
2 Grants and other assistance to individuals in the United States. See Part IV, line 22	0.	0.		
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16	408,826.	408,826.		
4 Benefits paid to or for members	0.	0.		
5 Compensation of current officers, directors, trustees, and key employees	1,211,747.	645,731.	555,578.	10,438.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	1,319,848.	1,222,076.	91,122.	6,650.
7 Other salaries and wages	1,880,652.	1,470,913.	376,075.	33,664.
8 Pension plan accruals and contributions (include section 401(k) and section 403(b) employer contributions)	113,290.	89,464.	21,872.	1,954.
9 Other employee benefits	469,411.	372,202.	89,644.	7,565.
10 Payroll taxes	229,441.	169,986.	56,075.	3,380.
11 Fees for services (non-employees).				
a Management	0.	0.	0.	0.
b Legal	19,855.	0.	19,855.	0.
c Accounting	41,412.	0.	41,412.	0.
d Lobbying	0.	0.	0.	0.
e Professional fundraising services. See Part IV, line 17	0.			0.
f Investment management fees	7,149.	0.	7,149.	0.
g Other	201,179.	180,147.	18,924.	2,108.
12 Advertising and promotion	1,200.	1,200.	0.	0.
13 Office expenses	2,054,271.	1,510,369.	404,828.	139,074.
14 Information technology	359,311.	254,098.	99,575.	5,638.
15 Royalties	12,457.	10,443.	992.	1,022.
16 Occupancy	298,491.	256,808.	38,706.	2,977.
17 Travel	146,401.	112,958.	32,525.	918.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0.	0.	0.	0.
19 Conferences, conventions, and meetings	241,967.	235,454.	6,480.	33.
20 Interest	19.	0.	19.	0.
21 Payments to affiliates	0.	0.	0.	0.
22 Depreciation, depletion, and amortization	528,643.	438,583.	85,286.	4,774.
23 Insurance	61,934.	538.	61,396.	0.
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a <u>Radio air time &amp; production</u>	4,249,720.	4,208,409.	0.	41,311.
b <u>TV air time &amp; production</u>	140,348.	139,145.	0.	1,203.
c <u>Ministry Communication &amp; Promotion</u>	43,191.	41,444.	1,738.	9.
d <u>Materials Distributed</u>	737,392.	737,392.	0.	0.
e All other expenses	11,285.	0.	11,285.	0.
25 Total functional expenses. Add lines 1 through 24e	14,804,915.	12,521,661.	2,020,536.	262,718.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here <input checked="" type="checkbox"/> if following SOP 98-2 (ASC 958-720)	5,637,769.	5,319,391.	136,284.	182,094.

**Part X Balance Sheet**

		(A) Beginning of year		(B) End of year
<b>ASSETS</b>	1 Cash – non-interest-bearing	3,000,923.	1	3,988,534.
	2 Savings and temporary cash investments	2,789,378.	2	1,571,014.
	3 Pledges and grants receivable, net	0.	3	0.
	4 Accounts receivable, net	105,789.	4	73,105.
	5 Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L	728.	5	1,695.
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions)	7,209.	6	3,008.
	7 Notes and loans receivable, net	306.	7	88.
	8 Inventories for sale or use	962,550.	8	974,387.
	9 Prepaid expenses and deferred charges	414,360.	9	424,543.
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 9,377,156.		
	b Less: accumulated depreciation	10b 4,165,923.	5,456,464.	10c 5,211,233.
	11 Investments – publicly traded securities	0.	11	490.
	12 Investments – other securities. See Part IV, line 11	0.	12	0.
	13 Investments – program-related. See Part IV, line 11	0.	13	0.
	14 Intangible assets	0.	14	0.
	15 Other assets. See Part IV, line 11	340,814.	15	764,476.
16 <b>Total assets.</b> Add lines 1 through 15 (must equal line 34)	13,078,521.	16	13,012,573.	
<b>LIABILITIES</b>	17 Accounts payable and accrued expenses	1,102,468.	17	759,771.
	18 Grants payable	0.	18	0.
	19 Deferred revenue	24,248.	19	25,078.
	20 Tax-exempt bond liabilities	0.	20	0.
	21 Escrow or custodial account liability. Complete Part IV of Schedule D	0.	21	0.
	22 Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L	1,957.	22	892.
	23 Secured mortgages and notes payable to unrelated third parties	1,646,736.	23	1,267,992.
	24 Unsecured notes and loans payable to unrelated third parties	0.	24	0.
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	302,013.	25	59,066.
	26 <b>Total liabilities.</b> Add lines 17 through 25	3,077,422.	26	2,112,799.
<b>NET ASSETS OR FUND BALANCES</b>	<b>Organizations that follow SFAS 117, check here</b> <input checked="" type="checkbox"/> <b>and complete lines 27 through 29 and lines 33 and 34.</b>			
	27 Unrestricted net assets	9,852,774.	27	10,433,304.
	28 Temporarily restricted net assets	148,325.	28	466,470.
	29 Permanently restricted net assets	0.	29	0.
	<b>Organizations that do not follow SFAS 117, check here</b> <input type="checkbox"/> <b>and complete lines 30 through 34.</b>			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
	33 <b>Total net assets or fund balances</b>	10,001,099.	33	10,899,774.
	34 <b>Total liabilities and net assets/fund balances</b>	13,078,521.	34	13,012,573.

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Form 990 (2011)

**Part XI Reconciliation of Net Assets**Check if Schedule O contains a response to any question in this Part XI ☒

1	Total revenue (must equal Part VIII, column (A), line 12)	1	15,626,351.
2	Total expenses (must equal Part IX, column (A), line 25)	2	14,804,915.
3	Revenue less expenses. Subtract line 2 from line 1	3	821,436.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	10,001,099.
5	Other changes in net assets or fund balances (explain in Schedule O)	5	77,239.
6	Net assets or fund balances at end of year Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	10,899,774.

**Part XII Financial Statements and Reporting**Check if Schedule O contains a response to any question in this Part XII ☐1 Accounting method used to prepare the Form 990: ☐ Cash ☒ Accrual ☐ Other \_\_\_\_\_

If the organization changed its method of accounting from a prior year or checked 'Other,' explain in Schedule O.

2a Were the organization's financial statements compiled or reviewed by an independent accountant?

b Were the organization's financial statements audited by an independent accountant?

c If 'Yes' to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?

If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.

d If 'Yes' to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both:

☒ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis

3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?

b If 'Yes,' did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits

	Yes	No
2a		X
2b	X	
2c	X	
3a		X
3b		

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Form 990 (2011)

**SCHEDULE A**  
(Form 990 or 990-EZ)

Department of the Treasury  
Internal Revenue Service

**Public Charity Status and Public Support**

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

► Attach to Form 990 or Form 990-EZ. ► See separate instructions.

OMB No 1545-0047

**2011**

Open to Public  
Inspection

Name of the organization

GRACE TO YOU

Employer identification number

95-3846510

**Part I Reason for Public Charity Status** (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box.)

- 1 ☐ A church, convention of churches or association of churches described in **section 170(b)(1)(A)(i)**.
- 2 ☐ A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E.)
- 3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state: \_\_\_\_\_
- 5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II.)
- 6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7 ☒ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 8 ☐ A community trust described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 9 ☐ An organization that normally receives: (1) more than 33-1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions — subject to certain exceptions, and (2) no more than 33-1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2)**. (Complete Part III.)
- 10 ☐ An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**.
- 11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or carry out the purposes of one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2)**. See **section 509(a)(3)**. Check the box that describes the type of supporting organization and complete lines 11e through 11h.
  - a ☐ Type I
  - b ☐ Type II
  - c ☐ Type III — Functionally integrated
  - d ☐ Type III — Other
- e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2)**.
- f ☐ If the organization received a written determination from the IRS that is a Type I, Type II or Type III supporting organization, check this box.
- g ☐ Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

- (i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?
- (ii) A family member of a person described in (i) above?
- (iii) A 35% controlled entity of a person described in (i) or (ii) above?

	Yes	No
<b>11 g (i)</b>		
<b>11 g (ii)</b>		
<b>11 g (iii)</b>		

h Provide the following information about the supported organization(s).

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in column (i) listed in your governing document?		(v) Did you notify the organization in column (i) of your support?		(vi) Is the organization in column (i) organized in the U.S.?		(vii) Amount of support
			Yes	No	Yes	No	Yes	No	
(A)									
(B)									
(C)									
(D)									
(E)									
<b>Total</b>									

BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule A (Form 990 or 990-EZ) 2011

**Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any 'unusual grants'.)	13,184,642.	13,024,515.	13,858,900.	14,944,337.	14,504,140.	69,516,534.
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf	0.	0.	0.	0.	0.	0.
3 The value of services or facilities furnished by a governmental unit to the organization without charge	0.	0.	0.	0.	0.	0.
4 <b>Total.</b> Add lines 1 through 3	13,184,642.	13,024,515.	13,858,900.	14,944,337.	14,504,140.	69,516,534.
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						0.
6 <b>Public support.</b> Subtract line 5 from line 4						69,516,534.

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
7 Amounts from line 4	13,184,642.	13,024,515.	13,858,900.	14,944,337.	14,504,140.	69,516,534.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	149,323.	101,655.	90,616.	56,350.	37,005.	434,949.
9 Net income from unrelated business activities, whether or not the business is regularly carried on	0.	0.	0.	0.	0.	0.
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)	14,673.	15,155.	7,978.	27,708.	7,232.	72,746.
11 <b>Total support.</b> Add lines 7 through 10						70,024,229.
12 Gross receipts from related activities, etc (see instructions)					12	10,934,981.

13 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ☐

**Section C. Computation of Public Support Percentage**

14 Public support percentage for 2011 (line 6, column (f) divided by line 11, column (f))	14	99.27%
15 Public support percentage from 2010 Schedule A, Part II, line 14	15	99.11%

16a **33-1/3% support test – 2011.** If the organization did not check the box on line 13, and the line 14 is 33-1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ☒

b **33-1/3% support test – 2010.** If the organization did not check a box on line 13 or 16a, and line 15 is 33-1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ☐

17a **10%-facts-and-circumstances test – 2011.** If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the 'facts-and-circumstances' test, check this box and **stop here.** Explain in Part IV how the organization meets the 'facts-and-circumstances' test. The organization qualifies as a publicly supported organization ☐

b **10%-facts-and-circumstances test – 2010.** If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the 'facts-and-circumstances' test, check this box and **stop here.** Explain in Part IV how the organization meets the 'facts-and-circumstances' test. The organization qualifies as a publicly supported organization ☐

18 **Private foundation.** If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ☐

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Schedule A (Form 990 or 990-EZ) 2011

**Part III Support Schedule for Organizations Described in Section 509(a)(2)**

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

**Section A. Public Support**

Calendar year (or fiscal yr beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
<b>1</b> Gifts, grants, contributions and membership fees received. (Do not include any 'unusual grants'.)						
<b>2</b> Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
<b>3</b> Gross receipts from activities that are not an unrelated trade or business under section 513						
<b>4</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
<b>5</b> The value of services or facilities furnished by a governmental unit to the organization without charge						
<b>6 Total.</b> Add lines 1 through 5						
<b>7a</b> Amounts included on lines 1, 2, and 3 received from disqualified persons						
<b>b</b> Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
<b>c</b> Add lines 7a and 7b						
<b>8 Public support.</b> (Subtract line 7c from line 6.)						

**Section B. Total Support**

Calendar year (or fiscal yr beginning in) ▶	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
<b>9</b> Amounts from line 6						
<b>10a</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
<b>b</b> Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
<b>c</b> Add lines 10a and 10b						
<b>11</b> Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
<b>12</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
<b>13 Total support.</b> (Add lines 9, 10c, 11, and 12.)						
<b>14 First five years.</b> If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and <b>stop here</b> ▶ <input type="checkbox"/>						

**Section C. Computation of Public Support Percentage**

<b>15</b> Public support percentage for 2011 (line 8, column (f) divided by line 13, column (f)) . . . . .	<b>15</b>	%
<b>16</b> Public support percentage from 2010 Schedule A, Part III, line 15 . . . . .	<b>16</b>	%

**Section D. Computation of Investment Income Percentage**

<b>17</b> Investment income percentage for 2011 (line 10c, column (f) divided by line 13, column (f)) . . . . .	<b>17</b>	%
<b>18</b> Investment income percentage from 2010 Schedule A, Part III, line 17 . . . . .	<b>18</b>	%

**19a 33-1/3% support tests – 2011.** If the organization did not check the box on line 14, and line 15 is more than 33-1/3%, and line 17 is not more than 33-1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization . . . ▶ ☐

**b 33-1/3% support tests – 2010.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33-1/3%, and line 18 is not more than 33-1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization . . . ▶ ☐

**20 Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ▶ ☐

**Part IV** **Supplemental Information.** Complete this part to provide the explanations required by Part II, line 10; Part II, line 17a or 17b; and Part III, line 12. Also complete this part for any additional information.  
(See instructions).

Part II, Line 10 includes the following sources of revenue:

Reimbursements for volunteer lunches

Photocopying Reimbursements

Postage Reimbursements

Cobra Administrative Fee Revenue

Refunds from Class Action Settlements

Rewards Points Redeemed

Miscellaneous Revenue

Other Income Part II, Line 10

Description: Misc Revenue

2007: 14673.

2008: 15155.

2009: 7978.

2010: 27708.

2011: 7232.



**SCHEDULE D  
(Form 990)**Department of the Treasury  
Internal Revenue Service

Name of the organization

**Supplemental Financial Statements**

► Complete if the organization answered 'Yes' to Form 990,  
Part IV, lines 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.  
► Attach to Form 990. ► See separate instructions.

OMB No 1545-0047

**2011****Open to Public  
Inspection**

Employer identification number

GRACE TO YOU

95-3846510

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

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☐ Yes ☐ No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? ☐ Yes ☐ No

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

1 Purpose(s) of conservation easements held by the organization (check all that apply).

<input type="checkbox"/> Preservation of land for public use (e g , recreation or education)	<input type="checkbox"/> Preservation of an historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of a certified historic structure
<input type="checkbox"/> Preservation of open space	

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

	Held at the End of the Tax Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ► \_\_\_\_\_

4 Number of states where property subject to conservation easement is located ► \_\_\_\_\_

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ► \_\_\_\_\_

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ► \$ \_\_\_\_\_

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

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

1 a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenues included in Form 990, Part VIII, line 1 ► \$ \_\_\_\_\_

(ii) Assets included in Form 990, Part X ► \$ \_\_\_\_\_

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:

a Revenues included in Form 990, Part VIII, line 1 ► \$ \_\_\_\_\_

b Assets included in Form 990, Part X ► \$ \_\_\_\_\_

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

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

a ☐ Public exhibition

b ☐ Scholarly research

c ☐ Preservation for future generations

d ☐ Loan or exchange programs

e ☐ Other \_\_\_\_\_

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

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

☐ Yes

☐ No

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

1a Is the organization an agent, trustee, custodian, or other intermediary for contributions or other assets not included on Form 990, Part X?

☐ Yes

☒ No

b If 'Yes,' explain the arrangement in Part XIV and complete the following table:

c Beginning balance

d Additions during the year

e Distributions during the year

f Ending balance

	Amount
1 c	
1 d	
1 e	
1 f	

2a Did the organization include an amount on Form 990, Part X, line 21?

☐ Yes

☒ No

b If 'Yes,' explain the arrangement in Part XIV.

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

1 a Beginning of year balance

b Contributions

c Net investment earnings, gains, and losses

d Grants or scholarships

e Other expenditures for facilities and programs

f Administrative expenses

g End of year balance

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1 a					
b					
c					
d					
e					
f					
g					

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

a Board designated or quasi-endowment ▶ \_\_\_\_\_ %

b Permanent endowment ▶ \_\_\_\_\_ %

c Temporarily restricted endowment ▶ \_\_\_\_\_ %

The percentages in lines 2a, 2b, and 2c should equal 100%.

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

(i) unrelated organizations

(ii) related organizations

	Yes	No
3a(i)		
3a(ii)		
3b		

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

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

**Part VI Land, Buildings, and Equipment.** See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1 a Land		1,309,249.		1,309,249.
b Buildings		4,577,843.	1,372,707.	3,205,136.
c Leasehold improvements		0.	0.	0.
d Equipment		3,490,064.	2,793,216.	696,848.
e Other		0.	0.	0.
<b>Total.</b> Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				5,211,233.

BAA

Schedule D (Form 990) 2011

**Part VII Investments – Other Securities.** See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A) -----		
(B) -----		
(C) -----		
(D) -----		
(E) -----		
(F) -----		
(G) -----		
(H) -----		
(I) -----		
Total. (Column (b) must equal Form 990 Part X, column (B) line 12.)		

**Part VIII Investments – Program Related.** See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Total. (Column (b) must equal Form 990, Part X, column (B) line 13.)		

**Part IX Other Assets.** See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1) Unamortized Loan Fees	6,278.
(2) Irrevocable Life Estate	7,613.
(3) Cash Value of Life Insurance	402,230.
(4) Beneficial Interest in Trust Held by Others	348,355.
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
Total. (Column (b) must equal Form 990, Part X, column (B), line 15.)	764,476.

**Part X Other Liabilities.** See Form 990, Part X, line 25.

(a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) Federal Income Taxes	12,335.
(3) FICA Withholding Payable	16,750.
(4) State Withholding Payable	4,035.
(5) Sales Tax Payable	2,344.
(6) Use Tax Payable	10,684.
(7) Customers' Credit Balances	6,033.
(8) Customer Refunds Payable	6,885.
(9)	
(10)	
(11)	
Total. (Column (b) must equal Form 990, Part X, column (B) line 25.)	59,066.

2 FIN 48 (ASC 740) Footnote. In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740).

**Part XI** Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	15,626,351.
2	Total expenses (Form 990, Part IX, column (A), line 25)	14,804,915.
3	Excess or (deficit) for the year Subtract line 2 from line 1	821,436.
4	Net unrealized gains (losses) on investments	77,239.
5	Donated services and use of facilities	
6	Investment expenses	
7	Prior period adjustments	
8	Other (Describe in Part XIV.)	
9	Total adjustments (net) Add lines 4 through 8	77,239.
10	Excess or (deficit) for the year per audited financial statements Combine lines 3 and 9	898,675.

**Part XII** Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements	1	16,444,543.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains on investments	2a	
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV.)	2d	
e	Add lines 2a through 2d	2e	
3	Subtract line 2e from line 1	3	16,444,543.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	-818,192.
c	Add lines 4a and 4b	4c	-818,192.
5	Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12)	5	15,626,351.

**Part XIII** Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements	1	15,545,868.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIV)	2d	740,953.
e	Add lines 2a through 2d	2e	740,953.
3	Subtract line 2e from line 1	3	14,804,915.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	
5	Total expenses Add lines 3 and 4c. (This must equal Form 990, Part I, line 18)	5	14,804,915.

**Part XIV** Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

Pt XII Line 4b <\$3,381> for "loss on sales of assets other than inventory," which was included in expenses in the cost of assets in Part VIII but was listed under expenses in the audited financial statements.

Pt XII Line 4b <\$737,572> for Cost of Goods Sold included in expenses in the audited financial statements.

<\$77,239> for the unrealized gain on the cash value of the keyman life insurance policy.

**Part XIV** Supplemental Information (continued)

Pt XIII Line 2d \$3,381 for "loss on sales of assets other than  
inventory," which was included in the costs of assets  
in part VIII, but was listed under expenses in the  
audited financial statements.

Pt XIII Line 2d \$737,572 for Cost of Goods Sold included in expenses in  
the audited financial statements.

Pt X Line 2: There was no FIN 48 footnote in the audited  
financial statements.

**Schedule F**  
**(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Statement of Activities Outside the United States**

► Complete if the organization answered 'Yes' to Form 990, Part IV, line 14b, 15, or 16.  
► Attach to Form 990. ► See separate instructions.

OMB No 1545-0047

**2011**

**Open to Public  
Inspection**

Name of the organization

GRACE TO YOU

Employer identification number

95-3846510

**Part I** **General Information on Activities Outside the United States.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 14b.

- 1 For grantmakers.** Does the organization maintain records to substantiate the amount of its grants and other assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? ☒ Yes ☐ No
- 2 For grantmakers.** Describe in Part V the organization's procedures for monitoring the use of its grants and other assistance outside the United States.
- 3 Activities per Region.** (The following Part I, line 3 table can be duplicated if additional space is needed.)

(a) Region	(b) Number of offices in the region	(c) Number of employees, agents, and independent contractors in region	(d) Activities conducted in region (by type) (e.g., fundraising, program services, investments, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures for and investments in region
(1) East Asia and Pacific	0	0	Grantmaking		65,952.
(2) East Asia and Pacific	0	0	Program Services	Radio, Mat. Dist., Tran	44,081.
(3) East Asia and Pacific	0	0	Conferences		6,377.
(4) Europe	0	0	Grantmaking		109,778.
(5) Europe	1	1	Program Services	Radio, Mat. Dist., Spon	207,639.
(6) Europe	0	0	Conferences		11,526.
(7) Europe	0	0	Board Meeting		1,907.
(8) Middle East	0	0	Grantmaking		36,575.
(9) Middle East	0	0	Program Services	TV, Materials Distribut	63,334.
(10) North America	0	0	Grantmaking		70,576.
(11) North America	0	0	Program Services	Radio, Materials Distr	230,957.
(12) North America	0	0	Board Meeting		70.
(13) Russia	0	0	Grantmaking		20,752.
(14) Russia	0	0	Program Services	Materials Distribution	301.
(15) South America	1	1	Program Services	Radio	60,623.
(16) South America	0	0	Conferences		9,634.
(17) South Asia	0	0	Grantmaking		18,575.
<b>3a Sub-total</b>	<b>2</b>	<b>2</b>			<b>958,657.</b>
<b>b Total from continuation sheets to Part I</b>	<b>0</b>	<b>0</b>			<b>17,936.</b>
<b>c Totals (add lines 3a and 3b)</b>	<b>2</b>	<b>2</b>			<b>976,593.</b>

BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule F (Form 990) 2011

▶ Attach to Form 990 to list additional information for Schedule F (Form 990) Part I, line 3; Part II, line 1; or Part III.  
▶ See instructions for Schedule F (Form 990).

Continuation Page 1 of 1

Employer Identification number

95-3846510

(a) Region	(b) Number of offices in the region	(c) Number of employees or agents in region	(d) Activities conducted in region (by type (i.e., fundraising, program services, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures in region
South Asia	0	0	Program Services	Mat. Dist., Sponsors	17,761.
Sub-Saharan Africa	0	0	Program Services	Materials Distribution	175.
Totals	0	0			17,936.

TEEA3601 08/25/11

**Part II** **Grants and Other Assistance to Organizations or Entities Outside the United States.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 15, for any recipient who received more than \$5,000. Check this box if no one recipient received more than \$5,000. ☐  
Part II can be duplicated if additional space is needed.

1	(a) Name of organization	(b) IRS code section and EIN (if applicable)	(c) Region	(d) Purpose of grant	(e) Amount of cash grant	(f) Manner of cash disbursement	(g) Amount of non-cash assistance	(h) Description of non-cash assistance	(i) Method of valuation (book, FMV, appraisal, other)
(1)			East Asia and Pacif	Radio, Audio Di	35,020.	Check & Wire			
(2)			East Asia and Pacif	Translation	30,932.	Wire			
(3)			Europe	Materials Distr	32,568.	Wire	61,399.	Books, CDs, Freight	Cost
(4)			Europe	Translation	12,000.	Wire			
(5)			Europe	Translation	5,210.	Wire			
(6)			Europe	Conference Spon	60,000.	Check			
(7)			Middle East	Translation	36,575.	Wire			
(8)			North America	Radio, Material	70,576.	Wire	157.	Shipping	Cost
(9)			Russia	Conference Spon	20,752.	Check			
(10)			South Asia	Materials Distr	18,575.	Wire	16,748.	Licenses, Freight,	Cost
(11)									
(12)									
(13)									
(14)									
(15)									
(16)									

2 Enter total number of recipient organizations listed above that are recognized as charities by the foreign country, recognized as tax-exempt by the IRS, or for which the grantee or counsel has provided a section 501(c)(3) equivalency letter ▶ 3

3 Enter total number of other organizations or entities ▶ 0

BAA

Schedule F (Form 990) 2011



**Part III** **Grants and Other Assistance to Individuals Outside the United States.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 16. Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Region	(c) Number of recipients	(d) Amount of cash grant	(e) Manner of cash disbursement	(f) Amount of non-cash assistance	(g) Description of non-cash assistance	(h) Method of valuation (book, FMV, appraisal, other)
(1)							
(2)							
(3)							
(4)							
(5)							
(6)							
(7)							
(8)							
(9)							
(10)							
(11)							
(12)							
(13)							
(14)							
(15)							
(16)							
(17)							
(18)							

**Part IV Foreign Forms**

- 1 Was the organization a U.S. transferor of property to a foreign corporation during the tax year? If 'Yes,' the organization may be required to file Form 926, Return by a U.S. Transferor of Property to a Foreign Corporation (see Instructions for Form 926) ☐ Yes ☒ No
- 2 Did the organization have an interest in a foreign trust during the tax year? If 'Yes,' the organization may be required to file Form 3520, Annual Return To Report Transactions with Foreign Trusts and Receipt of Certain Foreign Gifts, and/or Form 3520-A Annual Information Return of Foreign Trust With a U.S. Owner (see Instructions for Forms 3520 and 3520-A) ☐ Yes ☒ No
- 3 Did the organization have an ownership interest in a foreign corporation during the tax year? If 'Yes,' the organization may be required to file Form 5471, Information Return of U.S. Persons With Respect To Certain Foreign Corporations (see Instructions for Form 5471) ☐ Yes ☒ No
- 4 Was the organization a direct or indirect shareholder of a passive foreign investment company or a qualified electing fund during the tax year? If 'Yes,' the organization may be required to file Form 8621, Information Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund (see Instructions for Form 8621) ☐ Yes ☒ No
- 5 Did the organization have an ownership interest in a foreign partnership during the tax year? If 'Yes,' the organization may be required to file Form 8865, Return of U.S. Persons With Respect To Certain Foreign Partnerships. (see Instructions for Form 8865) ☐ Yes ☒ No
- 6 Did the organization have any operations in or related to any boycotting countries during the tax year? If 'Yes,' the organization may be required to file Form 5713, International Boycott Report (see Instructions for Form 5713) ☒ Yes ☐ No

**Part V** Supplemental Information

Complete this part to provide the information required by Part I, line 2 (monitoring of funds); Part I, line 3, column (f) (accounting method; amounts of investments vs expenditures per region); Part II, line 1 (accounting method); Part III (accounting method); and Part III, column (c) (estimated number of recipients), as applicable. Also complete this part to provide any additional information (see instructions).

Pt I Line 2 Various methods of monitoring are used. For some entities, monthly financial statements and annual audited financial statements are required. For other entities, an accounting of progress with the project substantiates the use of funds for the intended purpose. For other entities, the production of the finished product within the approved budget demonstrates the use of the funds for the intended purpose.

Pt I Line 3 Col (F) GTY accounts for all activities whether domestic or international using the same accounting procedures for review and classification of expenses. When an expense is recorded in the accounting system (whether a grant, or other assistance, or a program service, etc.) a code is attached to it to indicate which region the expense is for. The combination of region codes, GL account codes, and other descriptive information recorded in the accounting system allows reports to be produced which, after detailed review and editing, provide the data needed to complete Schedule F.

Pt II, Line 1 See above.

**SCHEDULE I**  
**(Form 990)**

**Grants and Other Assistance to Organizations,  
Governments, and Individuals in the United States**

OMB No 1545-0047

**2011**

Open to Public  
Inspection

Department of the Treasury  
Internal Revenue Service

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

Name of the organization

Employer identification number

GRACE TO YOU

95-3846510

**Part I** General Information on Grants and Assistance

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

☒ Yes ☐ No

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

**Part II** Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered 'Yes' to Form 990, Part IV, line 21 for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000.  
Part II can be duplicated if additional space is needed ☐

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) Far Eastern Broadcasting P.O. Box 1 La Mirada CA 90637	95-1461574	501(c)(3)	25,000.	0.	N/A	N/A	Audio Distribu
(2) Aurora Mission P.O. Box 1848 Bradenton FL 34206	59-1801070	501(c)(3)	60,000.	0.	N/A	N/A	Bible Conferen
(3) Slavic Gospel Association 6151 Commonwealth Drive loves Park IL 61111	36-2428314	501(c)(3)	20,752.	0.	N/A	N/A	Conf & Books
(4) -----							
(5) -----							
(6) -----							
(7) -----							
(8) -----							

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table

3

3 Enter total number of other organizations listed in the line 1 table

0

**Part III** **Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 22.  
Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
1					
2					
3					
4					
5					
6					
7					

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

Pt I Line 2 Grace to You infrequently makes grants to other organizations to assist  
 with translation, book/Bible distribution, or Bible conference expenses.  
 The appropriate use of the grant is measured by the fact that  
 translation was accomplished, materials were distributed, or a conference  
 was held.

**SCHEDULE J**  
**(Form 990)**Department of the Treasury  
Internal Revenue Service**Compensation Information****For certain Officers, Directors, Trustees, Key Employees, and Highest  
Compensated Employees**

- **Complete if the organization answered 'Yes' to Form 990, Part IV, line 23.**  
► **Attach to Form 990.** ► **See separate instructions.**

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Inspection**

Name of the organization

GRACE TO YOU

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**Part I Questions Regarding Compensation**

**1 a** Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.

- ☒ First-class or charter travel  
☒ Travel for companions  
☒ Tax indemnification and gross-up payments  
☐ Discretionary spending account

- ☐ Housing allowance or residence for personal use  
☐ Payments for business use of personal residence  
☐ Health or social club dues or initiation fees  
☐ Personal services (e.g., maid, chauffeur, chef)

**b** If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If 'No,' complete Part III to explain

**2** Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?

**3** Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director. Explain in Part III.

- ☐ Compensation committee  
☒ Independent compensation consultant  
☐ Form 990 of other organizations

- ☐ Written employment contract  
☒ Compensation survey or study  
☒ Approval by the board or compensation committee

**4** During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization:

- a** Receive a severance payment or change-of-control payment?  
**b** Participate in, or receive payment from, a supplemental nonqualified retirement plan?  
**c** Participate in, or receive payment from, an equity-based compensation arrangement?

If 'Yes' to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.

**Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.**

**5** For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:

- a** The organization?  
**b** Any related organization?

If 'Yes' to line 5a or 5b, describe in Part III.

**6** For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:

- a** The organization?  
**b** Any related organization?

If 'Yes' to line 6a or 6b, describe in Part III.

**7** For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If 'Yes,' describe in Part III.

**8** Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If 'Yes,' describe in Part III.

**9** If 'Yes' to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

	Yes	No
1a		
1b		X
2	X	
3		
4a		X
4b		X
4c		X
5a		X
5b		X
6a		X
6b		X
7	X	
8		X
9		

**BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990.**

Schedule J (Form 990) 2011

**Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.** Use duplicate copies if additional space is needed.

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

**Note.** The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable columns (D) and (E) amounts for that individual.

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported as deferred in prior Form 990
		(i) Base compensation	(ii) Bonus and incentive compensation	(iii) Other reportable compensation				
1 John F. MacArthur, Jr.	(i)	208,000.	157,813.	36,631.	0.	4,517.	406,961.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
2 Phillip Johnson	(i)	174,376.	15,002.	1,778.	14,098.	15,873.	221,127.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
3 Donald Green	(i)	152,784.	12,804.	3,348.	12,317.	23,276.	204,529.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
4 Rufus Harvey	(i)	133,244.	10,445.	2,542.	10,850.	16,764.	173,845.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
5 Jay Flowers	(i)	143,984.	11,291.	854.	11,575.	23,020.	190,724.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
6 Bill Fickett	(i)	138,069.	10,825.	855.	11,101.	22,893.	183,743.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
7 Miquel Contreras	(i)	119,714.	9,388.	3,289.	9,828.	16,488.	158,707.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
8	(i)							
	(ii)							
9	(i)							
	(ii)							
10	(i)							
	(ii)							
11	(i)							
	(ii)							
12	(i)							
	(ii)							
13	(i)							
	(ii)							
14	(i)							
	(ii)							
15	(i)							
	(ii)							
16	(i)							
	(ii)							

**Part III Supplemental Information**

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, for Part II. Also complete this part for any additional information.

Pt I Line 1a First -class travel: The organization only pays for the President to  
Pt I Line 1a fly first-class, due to medical necessity.  
Pt I Line 1a travel for companions: The organization only pays for family  
Pt I Line 1a members of employees to travel if there is a bona fide service to  
Pt I Line 1a the organization that the family member will perform during the  
Pt I Line 1a trip. During the year, only 1 person was employed to travel with  
Pt I Line 1a their spouse.  
Pt I Line 1a Gross-up payments: The organization has the policy of grossing up  
Pt I Line 1a all bonuses and similar compensation for all employees. Tha  
Pt I Line 1a additional compensation resulting from the calculation is also  
Pt I Line 1a reported as taxable wages to the recipients.  
Pt I Line 1b There was no formal written policy on any item checked in 1a. First  
Pt I Line 1b or business class travel for the President was determined by  
Pt I Line 1b management to be necessary to reduce the risk of a potentially  
Pt I Line 1b deadly medical condition from recurring. With respect to travel for  
Pt I Line 1b family members, proper hiring practices are followed and proper  
Pt I Line 1b substantiation of all expenses incurred is required in  
Pt I Line 1b accordance with the organization's accountable reimbursment policy.

See Schedule J - Part III - Supplemental Information (Continuation Sheet)

BAA

Schedule J (Form 990) 2011



**SCHEDULE L**  
**(Form 990 or 990-EZ)**

Department of the Treasury  
Internal Revenue Service

**Transactions With Interested Persons**

► Complete if the organization answered  
'Yes' on Form 990, Part IV, line 25a, 25b, 26, 27, 28a, 28b, or 28c,  
or Form 990-EZ, Part V, line 38a or 40b.  
► Attach to Form 990 or Form 990-EZ. ► See separate instructions.

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**Part I Excess Benefit Transactions** (section 501(c)(3) and section 501(c)(4) organizations only).

Complete if the organization answered 'Yes' on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b.

1	(a) Name of disqualified person	(b) Description of transaction	(c) Corrected?	
			Yes	No
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				

2 Enter the amount of tax imposed on the organization managers or disqualified persons during the year under section 4958

► \$

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization

► \$

**Part II Loans to and/or From Interested Persons.**

Complete if the organization answered 'Yes' on Form 990, Part IV, line 26 or Form 990-EZ, Part V, line 38a.

(a) Name of interested person and purpose	(b) Loan to or from the organization?		(c) Original principal amount	(d) Balance due	(e) In default?		(f) Approved by board or committee?		(g) Written agreement?	
	To	From			Yes	No	Yes	No	Yes	No
(1) Travis Allen Receivable for Personal		X	5.	5.		X		X		X
(2) Miguel Contreras Receivable for Personal		X	11.	11.		X		X		X
(3) Donald Green Receivable for Personal		X	40.	40.		X		X		X
(4) Donald Green Receivable for Personal		X	556.	556.		X		X		X
(5) Rufus Harvey Receivable for Personal		X	6.	6.		X		X		X
(6) Rufus Harvey Receivable for Personal		X	344.	344.		X		X		X
(7) Rufus Harvey Receivable for Personal		X	133.	133.		X		X		X
(8) Rufus Harvey Receivable for Personal		X	69.	69.		X		X		X
(9) Rufus Harvey Receivable for Personal		X	439.	439.		X		X		X
(10) See Schedule L, Part II (continued)										
<b>Total</b>				► \$ 5,595.						

**Part III Grants or Assistance Benefiting Interested Persons.**

Complete if the organization answered 'Yes' on Form 990, Part IV, line 27.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount and type of assistance
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		

BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule L (Form 990 or 990-EZ) 2011

**Part IV Business Transactions Involving Interested Persons.**

Complete if the organization answered 'Yes' on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) The Welch Group	>35% Entity	694,190.	Post-Production and Graphic Design		X
(2) Jeremiah Johnson	Family Member	58,010.	Employment		X
(3)					
(4)					
(5)					
(6)					
(7)					
(8)					
(9)					
(10)					

**Part V Supplemental Information**

Complete this part to provide additional information for responses to questions on Schedule L (see instructions).

Part II ----- The receivables listed in Part II occur in the normal -----  
----- course of business of the organization. The detailed -----  
----- reporting reflects the organization's commitment to -----  
----- avoid excess benefit transactions by requiring -----  
----- employees to reimburse the organization for each and -----  
----- every expense which would otherwise result in -----  
----- reportable compensation. -----  
----- The receivables from The Welch Group resulted from an -----  
----- installment sale at FMV of some small assets of the -----  
----- organization. -----  
----- The payable to the MacArthurs resulted from their -----  
----- pre-paying the organization for any personal expenses -----  
----- incurred on their behalf. -----  
----- The payables to employees resulted from out-of-pocket -----  
----- business expenses paid by those employees and not yet -----  
----- reimbursed by the organization at the end of the -----  
----- fiscal year. -----

**SCHEDULE M  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Noncash Contributions**

► **Complete if the organizations answered 'Yes'**  
**on Form 990, Part IV, lines 29 or 30.**  
► **Attach to Form 990.**

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**2011**

**Open To Public  
Inspection**

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**Part I Types of Property**

	(a) Check if applicable	(b) Number of contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining noncash contribution amounts
1 Art – Works of art				
2 Art – Historical treasures				
3 Art – Fractional interests				
4 Books and publications	X		4,447	FMV
5 Clothing and household goods				
6 Cars and other vehicles				
7 Boats and planes				
8 Intellectual property				
9 Securities – Publicly traded	X	12	39,613	FMV at Donation Date
10 Securities – Closely held stock				
11 Securities – Partnership, LLC, or trust interests				
12 Securities – Miscellaneous				
13 Qualified conservation contribution – Historic structures				
14 Qualified conservation contribution – Other				
15 Real estate – Residential				
16 Real estate – Commercial				
17 Real estate – Other				
18 Collectibles				
19 Food inventory				
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other ► (Beneficial Interest in Trust)	X	1	348,355	Future Value
26 Other ► (Bushels of Wheat)	X	3	6,105	Market Value
27 Other ► (Bushels of Corn)	X	2	719	Market Value
28 Other ► (Bushels of Soybeans)	X	1	1,243	Market Value

29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement

29 0.

30a During the year, did the organization receive by contribution any property reported in Part I, lines 1-28 that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period?

b If 'Yes,' describe the arrangement in Part II.

31 Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?

32a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions?

b If 'Yes,' describe in Part II

33 If the organization did not report an amount in column (c) for a type of property for which column (a) is checked, describe in Part II.

	Yes	No
30a		X
31	X	
32a	X	
33		

**BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990.**

**Schedule M (Form 990) 2011**

**Part III** **Supplemental Information.** Complete this part to provide the information required by Part I, lines 30b, 32b, and 33, and whether the organization is reporting in Part I, column (b), the number of contributions, the number of items received, or a combination of both. Also complete this part for any additional information.

Pt I col(b) All numbers are number of separate donations, not quantities of items.

Pt I Line 32b GTY used a third party to dispose of a timeshare which the organization had been unable to sell for over 5 years.

**SCHEDULE O**  
**(Form 990 or 990-EZ)**

Department of the Treasury  
Internal Revenue Service

Name of the organization

**Supplemental Information to Form 990 or 990-EZ**

Complete to provide information for responses to specific questions on  
Form 990 or 990-EZ or to provide any additional information.  
▶ Attach to Form 990 or 990-EZ.

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Pt VI, Line 2 Board President, John MacArthur, is related to Board  
Treasurer Matt MacArthur (son), and Board member, Mark  
MacArthur (son).

Pt VI, Line 11a The final Form 990 is distributed to all members of the  
Board, as well as members of the Audit Committee by  
email. All members of the Audit Committee and select  
members of the Board review the Form 990 and all  
Schedules prior to filing the form. Also, prior to the  
filing of the form, it is reviewed by the CFO, the  
Managing Director, and the independent auditors.

Pt VI, Line 12c The organization's management constantly monitors for any  
conflicts of interest that may arise in the normal  
course of business. Additionally, the Audit Committee  
actively monitors and responds to the annual  
questionnaires provided by members of the Board and key  
employees. The organization's outside auditors perform,  
as part of their annual examination, an evaluation of  
any transactions that have the potential to become a  
conflict of interest. Any potential conflicts are  
brought to the attention of the management to be  
appropriately addressed.

Pt VI, Line 15 The organization engages an independent compensation  
study periodically to guide the independent members of  
the Board of Directors in their determination of  
executive compensation. The Board uses the study to  
guide their setting of compensation and their

Name of the organization

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deliberations and decisions are documented in the Board minutes. The study covers all officers, key employees, and highest compensated employees. No parties with a conflict of interest are part of any compensation decision.

Pt VI, Line 19 The organization makes its governing documents, conflict of interest policy, and financial statements available to the public upon request. The most recent audited financial statement is also available on the organization's website.

Pt XI Line 5: Unrealized gain on cash value of keyman life insurance policy.

Pt III, Line 3 The Organization held a Bible conference that was significantly larger than previous conferences. Events of this scale will not be held every year. Conferences and other events for constituents are an extension of the Organization's tax-exempt purpose.

Part III, Line 4d Other program services: Grace to You television which is broadcast in select cable markets, on-satellite, and via the internet; cost of Bible Conferences.

Part VI, Line 1b In reporting the number of independent Board members as 7, both here and in Part I, Line 4, we have excluded two Board members whom the organization treats operationally as non-independent. Matthew MacArthur and Mark MacArthur, as disclosed elsewhere on Schedule O, are sons of Board President, John MacArthur. As such,

Name of the organization

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they do not participate in any routine activities of the  
Board which require disinterested directors.

Operational conflicts of interest are carefully avoided  
in the conduct of their Board membership.

Additionally, Mark and Matt are brothers-in-law to Kory  
Welch, 100% owner of The Welch Group, as reported on  
Schedule L, Part IV.

Part VI, line 14 The organization is in the process of adopting a  
document retention and destruction policy.

Part VII, Line 1a, Item 13 Don Green served as Managing Director of Grace to You  
until April 15, 2012. He became a director on the Board  
of Directors on May 21, 2012. All compensation  
received was for his services as Managing Director.

Schedule O (Form 990), Supplemental Information to Form 990  
**Form 990, Page 2, Part III, Line 4d (continued)**

Describe the exempt purpose achievements for each of the organization's other program services. Section 501(c)(3) and (4) organizations and 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

Code:	Description:	<u>Other program services.</u>
Expenses	<u>1,236,693.</u>	<u>Grace to You television program which is</u>
Grants Of	<u>0.</u>	<u>broadcast in select cable markets, on satellite,</u>
Revenue	<u>480.</u>	<u>and via the internet; Bible Conferences</u>

Schedule O (Form 990), Supplemental Information to Form 990  
**Form 990, Page 6, Line 17 (continued)**

<u>Arizona</u>	
<u>California</u>	
<u>Georgia</u>	
<u>Hawaii</u>	
<u>Maryland</u>	
<u>Minnesota</u>	
<u>Mississippi</u>	
<u>New Hampshire</u>	
<u>Tennessee</u>	
<u>Wisconsin</u>	
<u>West Virginia</u>	



## Schedule J - Part III Supplemental Information (continued)

**Schedule J - Part III - Supplemental Information (Continuation Sheet)**

Line Number	Explanation
Pt I Line 1b	With respect to gross-ups, all individual compensation changes
Pt I Line 1b	(which includes gross-ups) are approved by the appropriate level
Pt I Line 1b	of management.
Pt I Line 7	The Board of Directors and the management of the organization award
Pt I Line 7	bonuses from time to time. The amounts of such bonuses are
Pt I Line 7	approved by executives or directors of the organization in such a
Pt I Line 7	way to avoid conflicts of interest.

## Schedule L, Supplemental Information to Form 990 or 990-EZ

**Schedule L, Part II (continued)**

(a) Name of Interested Person and Purpose		Chk if a Bus	(b) Loan to or From Organ- ization?		(c) Original Principal Amount	(d) Balance Due	(e) In De- fault?		(f) Apprvd Board or Com- mittee?		(g) Written Agree- ment?	
Person	Purpose		To	From			Yes	No	Yes	No	Yes	No
Phil Johnson	Receivable for Personal Exp			X	40.	40.		X		X		X
Phil Johnson	Receivable for Personal Exp			X	25.	25.		X		X		X
Miguel Contreras	Receivable for Personal Exp			X	14.	14.		X		X		X
Miguel Contreras	Receivable for Personal Exp			X	13.	13.		X		X		X
The Welch Group	Receivable for Services Ren	X		X	52.	52.		X		X		X
The Welch Group	Receivable for Asset Purcha	X		X	5,958.	2,453.		X		X		X
The Welch Group	Receivable for Asset Purcha	X		X	503.	503.		X		X		X
Patricia MacArthur	Payable for Expense Pre-Pay		X		330.	330.		X		X		X
Travis Allen	Business Expense Payable		X		185.	185.		X		X		X
Miguel Contreras	Business Expense Payable		X		207.	207.		X		X		X
Jay Flowers	Business Expense Payable		X		170.	170.		X		X		X