Who We Are:

INDEPENDENT SECTOR is committed to strengthening, empowering, and partnering with nonprofit and philanthropic organizations in their work on behalf of the public good. Its membership of nonprofit organizations, foundations, and corporate philanthropy programs collectively represents tens of thousands of charitable groups serving every cause in every region of the country, as well as millions of donors and volunteers.

What We Do:

INDEPENDENT SECTOR works to promote a just and inclusive society of active citizens, healthy communities, and a vibrant democracy by:

• Creating a meeting ground for nonprofit and philanthropic leaders to take collective action on issues that have an impact on the independent sector and its work;
• Promoting policies that enable nonprofits to advocate and engage with public officials on a nonpartisan basis;
• Encouraging the sector to meet the highest standards of ethical practice, value, and effectiveness;
• Analyzing and interpreting relevant research and other data concerning the voluntary sector; and
• Serving as the voice of the independent sector to the media, government, business, and international voluntary communities.

Our Vision:

A just and inclusive society of active citizens, vibrant communities, effective institutions, and a healthy democracy.

Our Mission:

To promote, strengthen, and advance the nonprofit and philanthropic community to foster private initiative for the public good.
The Independent Sector name celebrates the vast network of voluntary organizations, foundations, religious congregations, social welfare groups, and corporate giving programs working together to improve the lives of people across the United States and around the world. These groups are collectively referred to as the “independent sector,” to emphasize their unique role in society, distinct from business and government. Most people recognize the different educational, religious, arts and cultural, and health and human services organizations that improve their lives every day. The reality is that the organizations of the independent sector—and the people who give and volunteer through them—have a tremendous and irreplaceable impact on the quality of life in the United States and beyond.
The 2003 Annual Report chronicles the beginning of an exciting new chapter in INDEPENDENT SECTOR’s illustrious history. This year has been marked by new professional leadership and a concentration on some of the major issues affecting the voluntary sector and the people it serves.

This report offers a brief summary of INDEPENDENT SECTOR’s programming efforts and their impact on the work of our sector. A significant number of INDEPENDENT SECTOR members, along with those in the sector at large, faced possibilities of substantial losses in revenue streams precipitated by a sluggish economy, growing government deficits, and public officials’ preoccupation with other issues. INDEPENDENT SECTOR convened members to begin a conversation about how best to address these issues and find ways to support the essential work undertaken by charities and philanthropies to serve the common welfare.

We worked vigorously on ways to encourage member organizations to demonstrate sound governance practices of the highest ethical standard that were also transparent to board members, donors, consumers of service, lawmakers, the media, and the public. Toward that end we worked closely with members to develop a Code of Ethics and Statement of Values to serve as a model for the sector. We also talked frequently with the press about sound practices on a range of issues. As part of this work, we reached out to congressional leaders to convey our commitment to ethical conduct, transparency, and accountability and to encourage them to work with us as they contemplate their own responses to these issues.

Last November, our 2003 Annual Conference provided a public opportunity for IS to share some ideas about new directions. Since then, we have continued to develop and encourage solutions that help our communities and organizations to be effective. As we move forward, we remain committed to encouraging members to operate with openness, transparency, and effectiveness.

All of our work is a product of our partnership with our members. Please accept our deep appreciation for your contributions in strengthening INDEPENDENT SECTOR over the past year, and for your continued interest and support for our work. Now more than ever, IS’s mission to promote, strengthen, and advance the nonprofit and philanthropic community and promote the public good is critically needed. Our members and colleagues are crucial and valued partners in this task, and we will continue to seek your guidance and enlist your support.

We are pleased to present this report, which highlights our work throughout 2003 and celebrates the achievements our membership has built together.

Diana Aviv  
President and CEO  
INDEPENDENT SECTOR

John R. Seffrin  
Chair  
INDEPENDENT SECTOR Board of Directors  
Chief Executive Officer  
American Cancer Society
2004 board of directors

**Officers**
Chair  
John R. Seffrin  
Chief Executive Officer  
American Cancer Society

Vice Chair  
Gary L. Yates  
President and CEO  
The California Wellness Foundation

Treasurer  
Paula Van Ness  
President and CEO  
Make-A-Wish Foundation of America

Secretary  
Christopher Gates  
President  
National Civic League

President and CEO  
Diana Aviv

**Board Members**
Edward H. Able, Jr.  
President and CEO  
American Association of Museums

Angela Glover Blackwell  
President  
PolicyLink

Kathleen W. Buechel  
President  
Alcoa Foundation

Hodding Carter III  
President and CEO  
John S. and James L. Knight Foundation

Robert W. Edgar  
General Secretary  
National Council of Churches of Christ in the USA

Lewis M. Feldstein  
President  
New Hampshire Charitable Foundation

David Ford  
Chief Executive Officer  
Richard and Susan Smith Family Foundation

Barry D. Gaberman  
Senior Vice President  
The Ford Foundation

Brian Gallagher  
President and CEO  
United Way of America

Marilda Gándara  
President and Executive Director  
Aetna Foundation

Peter B. Goldberg  
President and CEO  
Alliance for Children and Families

Darell Hammond  
CEO and Co-Founder  
KaBOOM! Inc.

J. Bryan Hehir  
President  
Catholic Charities  
Archdiocese of Boston

J.D. Hokoyama  
President and CEO  
Leadership Education for Asian Pacifies

Kevin Klose  
President and CEO  
National Public Radio

Kathleen McCarthy  
President and CEO  
Leadership Education for Asian Pacifies

Gabriella E. Morris  
President  
Prudential Foundation

Karen Narasaki  
Executive Director  
National Asian Pacific American Legal Consortium

Hilary Pennington  
Chief Executive Officer  
Jobs for the Future

Michael Rubinger  
President and CEO  
Local Initiatives Support Corporation

Mary Beth Salerno  
President  
American Express Foundation  
Vice President, Philanthropy  
American Express Company

Donald M. Stewart  
President  
The Chicago Community Trust

William Trueheart  
President and CEO  
The Pittsburgh Foundation

Cass Wheeler  
Chief Executive Officer  
American Heart Association

William S. White  
President and CEO  
Charles Stewart Mott Foundation

Founding Chair  
The Honorable John W. Gardner (1912-2002)

Founding President and President Emeritus  
Brian O’Connell  
Professor of Citizenship and Public Service  
University College of Citizenship and Public Service  
Tufts University
2004 committee chairs

Executive Committee
John R. Seffrin, Ph.D.
Chief Executive Officer
American Cancer Society

Audit Committee
Cass Wheeler
Chief Executive Officer
American Heart Association

Board Development Committee
J.D. Hokoyama
President and CEO
Leadership Education for Asian Pacifics

Membership Committee
Darell Hammond
CEO and Co-Founder
KaBOOM! Inc.

Annual Conference Program Committee
Hodding Carter III
President and CEO
John S. and James L. Knight Foundation

Annual Conference Host Committee
Donald M. Stewart
President
The Chicago Community Trust

Building Value Together Steering Committee
Paul Brest (co-chair)
President and CEO
The William and Flora Hewlett Foundation

Hilary Pennington (co-chair)
Chief Executive Officer
Jobs for the Future

Civil Society Task Force
Brian A. Gallagher
President and CEO
United Way of America

Communications and Marketing Advisory Task Force
Lewis Feldstein
President
New Hampshire Charitable Foundation

Ethics and Accountability Committee
William Trueheart
President and CEO
The Pittsburgh Foundation

International Task Force
Barry D. Gaberman
Senior Vice President
The Ford Foundation

John W. Gardner Leadership Award Committee
Kathleen Buechel
President
Alcoa Foundation

Leadership IS Award Committee
Karen Narasaki
Executive Director
National Asian Pacific American Legal Consortium

Public Policy Committee
Gary L. Yates
President and CEO
The California Wellness Foundation

Research Committee
J. Bryan Hehir
President
Catholic Charities Archdiocese of Boston

Resource Development Committee
David Ford
Chief Executive Officer
Richard and Susan Smith Family Foundation

Social Justice Philanthropy Benchmark Study Advisory Committee
Bradford Smith
Vice President, Peace and Social Justice
The Ford Foundation
2003 special funders

In addition to the many member organizations that pay their dues as grants, INDEPENDENT SECTOR would like to thank the following grantmakers for special support in 2003.

American Express Foundation
Carnegie Corporation of New York
The Annie E. Casey Foundation
ChevronTexaco
The Coca-Cola Company
Fidelity Charitable Gift Fund
The Ford Foundation
GE Foundation
William Randolph Hearst Foundations
William and Flora Hewlett Foundation
Henry J. Kaiser Family Foundation
W.K. Kellogg Foundation
John S. and James L. Knight Foundation
Lilly Endowment, Inc.
John D. and Catherine T. MacArthur Foundation
MetLife Foundation
Charles Stewart Mott Foundation
David and Lucile Packard Foundation
The Prudential Foundation
Rockefeller Brothers Fund
Levi Strauss Foundation
Surdna Foundation
John Templeton Foundation
John Wiley & Sons, Inc.
Wirthlin Worldwide
and other donors

Benjamin R. Barber (right), author, Jihad vs. McWorld and Strong Democracy, answers the question, “What Kind of Society Do We Want?” during the closing plenary of the 2003 IS Annual Conference. Kevin Klose, president and CEO of National Public Radio and an IS board member, moderated the session.

2003 Annual Conference Sponsors

Aetna Foundation, Inc.
American Express Company
Anonymous
Asian Art Museum
S.B. Bechtel, Jr. Foundation
The California Endowment
California HealthCare Foundation, based in Oakland, California
The California Wellness Foundation
ChevronTexaco
Columbia Foundation
Community Foundation of Santa Cruz County
Community Foundation of Silicon Valley
Community Foundation of Sonoma County
Compton Foundation, Inc.
East Bay Community Foundation
Flora Family Foundation

The Wallace Alexander Gerbode Foundation
GetActive Software
Gill Foundation’s Gay & Lesbian Fund for Philanthropy
William Caspar Graustein Memorial Fund
Evelyn and Walter Haas Jr. Fund
Miriam and Peter Haas Fund
Walter & Elise Haas Fund
William Randolph Hearst Foundations
Clarence E. Heller Charitable Foundation
William and Flora Hewlett Foundation
Humboldt Area Foundation
Intel Corporation
The James Irvine Foundation
Ewing Marion Kauffman Foundation

IS Annual Conference participants browse resources in the exhibit hall.
INDEPENDENT SECTOR 2003 Annual Report

Marin Community Foundation
McKesson Foundation
Gordon and Betty Moore Foundation
Nehemiah Community Foundation
The NonProfit Times
The Omidyar Foundation
David and Lucile Packard Foundation
Pacific Gas and Electric Company
Peninsula Community Foundation

Philanthropic Ventures Foundation
Rosenberg Foundation
San Francisco Foundation
Charles and Helen Schwab Foundation
State Street Corporation
Levi Strauss Foundation
Stuart Foundation
TechFoundation, Inc.
Wells Fargo
Zellerbach Family Foundation

Edward H. Able, Jr.
Diana Aviv
Susan Vail Berresford
David J. Eisner
Wayne and Leslee Feinstein
Barbara D. Finberg
Peter B. Goldberg
Douglas B. Green
Sheeraz Haji
Lyda Hunt Hill
Melissa E. Krinzman
Robert Lipman
Richard W. Lyman
Sara E. Meléndez
Lynne Hurley Norris
Brian O’Connell
Robert L. Payton
Hilary Pennington
Mary Beth Salerno
John R. Selfrin
Ruth Shack
Marcia K. Sharp
Gerald R. Solomon
Donald M. Stewart
William E. Trueheart
Paula Van Ness
John C. Whitehead

Associates Program
The Associates is a leadership circle of individuals investing in the future of vibrant philanthropy and citizen action through personal gifts of $1,000 or more to INDEPENDENT SECTOR.

Edward H. Able, Jr.
Diana Aviv
Susan Vail Berresford
David J. Eisner
Wayne and Leslee Feinstein
Barbara D. Finberg
Peter B. Goldberg
Douglas B. Green
Sheeraz Haji
Lyda Hunt Hill
Melissa E. Krinzman
Robert Lipman
Richard W. Lyman
Sara E. Meléndez
Lynne Hurley Norris
Brian O’Connell
Robert L. Payton
Hilary Pennington
Mary Beth Salerno
John R. Selfrin
Ruth Shack
Marcia K. Sharp
Gerald R. Solomon
Donald M. Stewart
William E. Trueheart
Paula Van Ness
John C. Whitehead

2003 Annual Fund
The Annual Fund includes individual and organizational gifts to support INDEPENDENT SECTOR’s leadership for the sector.

Kenneth L. Albrecht
Elizabeth Boris
Hodding Carter III
Eugene C. Dorsey
Robert W. Edgar
Lewis M. Feldstein

David S. Ford
Marilyn L. Gándara
Christopher T. Gates
John H. Graham IV
Mary M. Grimm
J. Bryan Hehir
J.D. Hokoyama
Dorothy A. Johnson
Evangeline Koch
Joseph F.X. Lee
Lorraine H. Marchi-Fastie
Mostyn Foundation, Inc.
Karen K. Narasaki
Patricia Nash
Brigitte Savage
James A. Shermer
Jonathan A. Small
Adam Sonfield
Caryl M. Stern
Herman A. Taylor
M. Cass Wheeler
Kirke P. Wilson
Ruth Wooden
Gary L. Yates

Matching Gifts
American Express Foundation
The California Wellness Foundation
Hershey Trust Company
Ewing Marion Kauffman Foundation
W.K. Kellogg Foundation
Narragansett Electric
Nellie Mae Education Foundation
NIKE Foundation

In Kind
The Chronicle of Philanthropy
F.E.G.S Health and Human Services System
The NonProfit Times
Rockefeller Brothers Fund

Contributions may be made online at www.IndependentSector.org.
activities and achievements

In 2003, extraordinary challenges to nonprofit and foundation accountability and financial strength have underscored the critical need for collective action by all of us in the nonprofit and philanthropic community. As we forge ahead in 2004 and face the tests and opportunities we embrace together, let us celebrate highlights of our coalition’s work:

**New Leadership**—The INDEPENDENT SECTOR Board of Directors appointed a new president and CEO to lead our coalition. Immediately Diana Aviv set out to meet members, hear their concerns, and share her thoughts about the role IS might play in strengthening the work of the sector.

**Progress on Charitable Giving Legislation**—For the first time in two decades, the U.S. Senate and House of Representatives both passed bills (S. 476 and H.R. 7) by overwhelming margins that would establish additional tax incentives for charitable giving. Notwithstanding this great support from Congress, the future of these incentives is uncertain due to the impending elections and serious budget issues.

**Debate on Foundation Administrative Expenses**—A provision in the House of Representatives (part of the charitable giving legislation in H.R. 7) prompted vigorous debate about what administrative expenses should count toward a foundation’s required 5-percent grantmaking payout. IS worked closely with its members, the Council on Foundations, and others to ensure a responsible outcome to the debate.

**Supreme Court Ruling on Fundraising**—With 55 member organizations as co-signers, IS filed a “friend of the court” brief in the U.S. Supreme Court case of Madigan v. Telemarketing Associates, striking a balanced position between protecting the rights and responsibilities of both donors and charities. In its ruling, the Court opinion cited IS’s brief and affirmed our position that states should be free to prosecute fraud cases but that fundraising costs alone do not equate with abuse.

**Code of Ethics**—In the midst of strong media scrutiny of foundations and nonprofits, IS introduced a model Code of Ethics for use by the entire sector. The model has been widely distributed, and members are weighing in on the prospect of requiring a code of ethics as part of IS membership.

**Sarbanes-Oxley Act and Implications for Nonprofits**—New legislation affecting governance standards for publicly traded corporations, known as the Sarbanes-Oxley Act, is setting a new standard for financial oversight for all organizations, nonprofits included. In a widely disseminated publication, IS and BoardSource offered recommendations on how nonprofits can voluntarily follow guidelines from the new law to strengthen their governance and accountability practices.

*IS President Diana Aviv, with Senator Rick Santorum (R-PA), addresses the media at a Capitol Hill press conference celebrating Senate passage of the CARE Act.*
Insights on Giving and Volunteering—As part of the Giving and Volunteering in the United States Signature Series, sponsored by the MetLife Foundation, new IS research highlighted the strong effect of personal economic concerns on charitable giving, demonstrated the impact of tax policy on contributions, explored the giving and volunteering habits of Americans 50 and over, and examined regional differences in involvement.

Spring Research Forum—Leading researchers and practitioners shared new findings on the role of faith-based organizations in the social welfare system at the IS Spring Research Forum, held in conjunction with the Roundtable on Religion and Social Welfare Policy at the Rockefeller Institute of Government.

Anti-Terrorism Giving Guidelines—Working with InterAction and other members particularly concerned with their work abroad, IS advised the IRS on appropriate and responsible approaches for preventing charitable funds from being diverted for terrorist activities, while not unreasonably interfering with the important work undertaken by foundations and nonprofits.

Protecting Advocacy Rights of Charities—In concert with others, IS worked to persuade the IRS to halt improper auditing of charities that reported lobbying activities well within their rights.

Win on Fax Restrictions—In response to IS’s work and that of other coalition members, the Federal Trade

Adults who began volunteering as youths are twice as likely to volunteer as those who did not volunteer when they were younger. —from Engaging Youth in Lifelong Service and Volunteering in the United States Signature Series

Jim Towey, director of the White House Office of Faith-Based and Community Initiatives, Rev. Donna L. Jones, pastor of Cookman United Methodist Church, and Laura Skaff, director of research and evaluation at Volunteers of America, discuss “The Role of Faith-Based Organizations in the Social Welfare System” during INDEPENDENT SECTOR’s 2003 Spring Research Forum in March.
Commission dropped a “do not fax” proposal for nonprofits, giving time for further study into the recordkeeping requirements the new law would impose.

**The Electronic Data Initiative for Nonprofits (EDIN)**—The EDIN coalition partners launched a new website and e-newsletter, and they worked with hundreds of nonprofit leaders, accountants, and software developers to pave the way for the IRS introduction of e-filing for the Form 990 in 2004.

**Fostering a State-National Policy Network**—National nonprofits and state associations gathered in Washington, D.C., in July to share and develop strategies to address policy challenges facing nonprofits throughout the country. Hosted jointly by IS and the National Council for Nonprofit Associations, the meeting launched a new collaborative effort to begin to address property tax exemption challenges, state budget crises, and state and federal regulation of nonprofits.

**“Building Value Together” by Enhancing Foundation-Nonprofit Impact**—IS convened a group of foundations and their nonprofit grantees along with other leaders to examine ways that foundations and nonprofit organizations are changing some of their traditional practices to achieve improved outcomes.

---

**Annual Conference**—In November 2003, more than 850 representatives from IS member organizations gathered in San Francisco to learn from each other and strategize together about the challenges facing our sector. In her inaugural address to members, “Purpose, Power, and Participation,” President and CEO Diana Aviv shared her thoughts on the strengths of the nonprofit and philanthropic community, from sheer numbers to its diversity and history of accomplishment.

**The Year at a Glance**

Selected events and products that shaped the work of IS in 2003...

- **February**—Diana Aviv named president
- **March**—Spring Research Forum tackles debate over faith-based social services
  *Giving in Tough Times* published
- **April**—IS and charitable community rally behind Senate passage of CARE Act
- **May**—Supreme Court rules in charitable giving case, citing IS’s brief
- **June**—IS shares insights in debate on proposed new legislation on foundation administrative expenses
  Diana joins IS full-time
- **July**—IS advises IRS on anti-terrorist guidelines and charitable giving
- **September**—House passes H.R.7 with compromise on foundation payout rules
- **October**—Code of Ethics released for member review
  Sarbanes-Oxley recommendations for nonprofits published in partnership with BoardSource
  *Building Value Together* convenes grantmakers and nonprofits to talk about working together more effectively
- **November**—Annual Conference in San Francisco breaks attendance records
  *Volunteering and Giving Among Americans 50 and Over* released
- **December**—American public and media focus on season of giving
  GAO report on vehicle donations

---

**Hilary Pennington** (left), CEO of Jobs for the Future and an IS board member, and **Freeman McKindra**, former senior program officer of the Winthrop Rockefeller Foundation and coach of the Mid South Delta Initiative at W.K. Kellogg Foundation.
The IS Network of Nonprofit and Philanthropic Leaders

INDEPENDENT SECTOR is committed to strengthening, empowering, and partnering with nonprofit and philanthropic organizations in their work on behalf of the public good. Its membership of nonprofit organizations, foundations, and corporate philanthropy programs collectively represents tens of thousands of charitable groups serving every cause in every region of the country, as well as millions of donors and volunteers. Connecting, informing, and advocating on behalf of the nonprofit and philanthropic community, INDEPENDENT SECTOR is an indispensable national network used by thousands of nonprofit and philanthropic executives each day to make their organizations more effective. Together, we can strengthen our democracy and empower our individual organizations.

INDEPENDENT SECTOR strengthens and leads the nonprofit and philanthropic community. IS provides the “meeting ground” for nonprofit and philanthropic leaders to take collective action on issues that have an impact on the independent sector and its work. IS serves as the voice of the independent sector to the media, government, business, and international voluntary communities.

INDEPENDENT SECTOR is a powerful advocate for member organizations. National, state, and local legislative, regulatory, and legal decisions can have both positive and negative impact—not only on the overall effectiveness of America’s nonprofit and philanthropic sector, but also on how member organizations operate. IS understands this and works throughout the year to anticipate, analyze, and confront the important legislative, regulatory, and legal challenges facing member organizations. On policy issues ranging from advocacy rights and tax law to the economic viability of our members, IS is fighting to protect the interests of the sector.

INDEPENDENT SECTOR provides members with essential knowledge. More than ever, timely, accurate information and balanced perspectives are essential to making good decisions. IS provides members with this knowledge through a number of communications that incorporate thought-provoking analysis, including late-breaking policy updates and the monthly Memo to Members newsletter.

In addition, members of INDEPENDENT SECTOR enjoy exclusive access to the “members-only” section of www.IndependentSector.org, offering tools and resources that help enhance ethical and effective practices in their organizations.

“Purpose, Power, and Participation: Ideas for the Future of Our Sector”
— INDEPENDENT SECTOR President and CEO Diana Aviv kicks off the 2003 Annual Conference in San Francisco by offering her perspective on the sector’s many challenges and opportunities.

Brian Gallagher (right), president and CEO of United Way of America, discusses the challenges of managing organizational change in turbulent times with interviewer Hodding Carter III, IS board member and president and CEO of the John S. and James L. Knight Foundation.
**INDEPENDENT SECTOR offers members unparalleled networking opportunities.** By including in its membership grantmakers, voluntary organizations, academic centers, and major corporations with traditions of philanthropy, IS creates a rich opportunity for intense dialogue and the sharing of new ideas. At INDEPENDENT SECTOR’s Annual Conference, regional member events, and other briefings, members enjoy unparalleled access to leading CEOs in philanthropy, scholars, policy experts, top government officials, and emerging leaders within key grassroots constituencies. These networks ensure IS members are among the most well-informed in the field.

**INDEPENDENT SECTOR membership is open to foundations, corporations with giving programs, and nonprofit voluntary organizations with national and international interests and impact in philanthropy and voluntary action.** To create a level playing field and to make membership affordable for organizations of all sizes, dues are based on annual salaries and benefits expenditures. For national voluntary organizations, dues are 1/4 of 1 percent of the organization’s salaries and benefits. For grantmaking organizations, dues are 1/8 of 1 percent of the organization’s annual grants. The current maximum annual dues are $12,500, and the minimum annual dues are $300. For a membership application, please visit www.IndependentSector.org or call the IS Membership hotline at 202-467-6161.

**Lorna Bourg**, president and executive director of the Southern Mutual Health Association—the human services group honored with the 2003 Leadership IS Award—is congratulated by **Skip Rhodes** (right), manager of corporate community involvement for ChevronTexaco, the organization that sponsors the award, and **Sanford Cloud, Jr.**, president and CEO of the National Conference for Community and Justice and chair of the Leadership IS Award Committee.

**From left**: **Robert Kuttner**, co-editor of The American Prospect; **Ignacio De La Fuente**, president of the Oakland (California) City Council; and **Anita Friedman**, executive director of Jewish Family and Children’s Services of San Francisco, ponder audience commentary during the plenary, “Conquering the Fiscal Crisis: What Can Nonprofit and Community Leaders Do?” during the IS Annual Conference.

**From left**: **William E. Trueheart**, IS board member and president and CEO of The Pittsburgh Foundation, presides over the plenary, “Facing the New Accountability Challenge,” featuring a keynote address from **Bill Lockyer**, attorney general of the State of California, and further input from IS board member **Paula Van Ness**, president and CEO of Make-A-Wish Foundation of America, and **Michael Klausner**, professor of law and Bernard D. Bergreen Faculty Scholar at Stanford Law School.
members

AAFRC Trust for Philanthropy
AARP
The Academy for Leadership and Governance (JCLA)
Action Without Borders - Idealist.Org
The Advertising Council
Advisory Board Foundation
Advocacy Institute
Aetna Foundation, Inc.*
Aga Khan Council for USA*
Aga Khan Foundation U.S.A.
Alcoa Foundation**
Consuelo Zobel Alger Foundation
Alliance for Children and Families**
Alliance for Excellent Education
Alliance for International Educational and Cultural Exchange
Alliance of Nonprofit Mailers
Allwin Initiative for Corporate Citizenship*
Altria Group, Inc.**
Amateur Athletic Union (AAU)
America's All Stars, Inc.*
America's Charities
America's Fund for Communities*
America's Second Harvest
American Arts Alliance**
American Association of Community Colleges
American Association of Museums
American Association of University Women Educational Foundation
American Autoimmune Related Diseases Association
American Cancer Society**
American Corn Growers Foundation
American Council on Education
American Diabetes Association
American Express Company
American Foundation for AIDS Research (AMFAR)
American Foundation for the Blind
American Heart Association
American Humanics
American Indian College Fund
American Institute for Managing Diversity (AIMD)
American Institute of Philanthropy
The American Leadership Forum
American Library Association
American Marketing Association Foundation*
American Museum of Natural History
American Red Cross**
American Society of Civil Engineers Foundation
American Symphony Orchestra League
American Veterinary Medical Foundation
Americans for Indian Opportunity
Americans for the Arts**
Amigos de las Americas
Amistad America Inc.
Anti-Defamation League (ADL)*
AOL Time Warner Foundation
Appalachian College Association
Arts & Business Council
Asian Pacific American Institute for Congressional Studies (APAICS)
The Aspen Institute
The ASPIRA Association**
The Associated Blind, Inc.
Association for Research on Nonprofit Organizations & Voluntary Action (ARNOVA)
Association for Volunteer Administration
Association of Advanced Rabbinical & Talmudic Schools (AARTS)
Association of Art Museum Directors
Association of Baltimore Area Grantmakers
Association of Catholic Colleges and Universities
Association of Fundraising Professionals**
Association of Governing Boards of Universities and Colleges**
Association of Jewish Family and Children's Agencies
Association of Junior Leagues International**
Association of Lutheran Development Executives
Association of Performing Arts Presenters
Association of Public Television Stations (APTS)
AT&T Foundation**
The Atlantic Philanthropies
B.A.Y. Fund*
Mary Reynolds Babcock Foundation**
Bank of America Foundation
Bayer Center for Nonprofit Management, Robert Morris College*
BBB Wise Giving Alliance
Elizabeth and Stephen Bechtel, Jr. Foundation
BellSouth Corporation
Benton Foundation
Big Brothers/Big Sisters of America
Big Brothers Big Sisters of Charleston SC*
Black Culinary Alliance
The Black Patriots Foundation
Blackbaud, Inc.
BoardSource
Booz-Allen & Hamilton
Boundless Playgrounds
Boy Scouts of America
Boys & Girls Clubs of America
Brain Trauma Foundation
Otto Bremer Foundation
The Bridgespan Group
Bristol-Myers Squibb Foundation**
The Burnett Foundation
The Bush Foundation
Business Volunteers Unlimited*
C-One, Center on Nonprofit Effectiveness
CAF America
The Louis Calder Foundation
California Association of Nonprofits
The California Endowment
California HealthCare Foundation
The California Wellness Foundation
Camp Fire USA**
Campaign for Tobacco-Free Kids
Cancer Care, Inc.
CARE, Inc.
Carnegie Corporation of New York**
The Annie E. Casey Foundation
Caterpillar Foundation
Catholic Charities USA**
Catholic Network of Volunteer Service

*New Member
**Charter Member
members, continued

CBM Credit Education Foundation, Inc.
CDC Foundation
The Center for Effective Philanthropy*
Center for Non-Profit Corporations
Center for Nonprofit Excellence
Center for Nonprofit Organization Leadership, Regis University
The Center for Public and Nonprofit Leadership, Georgetown University
Center for Public Service, Seton Hall University
The Center for What Works
Center on Philanthropy and Civil Society, City University of New York
The Center on Philanthropy At Indiana University
Chamber Nonprofit Partnership
Champions At Heart
Charity Lobbying in the Public Interest
Charlotte Museum of History
ChevronTexaco**
The Chicago Community Trust
The Chicago Public Education Fund
Chicago Tribune Foundation
Child Care Action Campaign
Child Welfare League of America
Chorus America
Christian Church Foundation
Christian Service Charities
Cisco Systems, Inc.
City Year, Inc.
CityCares, Inc.
CLAL - The National Jewish Center for Learning and Leadership
Edna McConnell Clark Foundation
The Cleveland Foundation**
Close Up Foundation
The Coca-Cola Company**
The Collaboratory for Community Support College Board
College Fund/UNCF**
Colorado Association of Nonprofit Organizations
Columbia Foundation
Columbia Lighthouse for the Blind
The Columbus Foundation
Common Cause Education Fund
Commonwealth Fund
Community Anti-Drug Coalitions of America
Community Corrections Improvement Association
Community Counselling Service Co. Inc.
The Community Foundation for Greater Atlanta
The Community Foundation for the National Capital Region
Community Foundations for Pennsylvania
Community Foundation for Southeastern Michigan
Community Foundations of America, Inc.
CompuMentor*
Congressional Black Caucus Foundation, Inc.
Congressional Hispanic Caucus Institute, Inc.
Connecticut Council for Philanthropy
The Conservation Fund
Consistent Computer Bargains
Consumer Consortium on Assisted Living*
Consumers Union of the U.S.
Cooperative Development Foundation
Copilevitz & Canter LLC
Peter C. Cornell Trust
Corning Incorporated Foundation
Corporation for Enterprise Development
Council for Advancement and Support of Education (CASE)**
Council for American Private Education*
Council for Opportunity in Education
The Council of Excellence in Government
Council of Michigan Foundations
Council on Foundations**
The Nathan Cummings Foundation
Cystic Fibrosis Foundation
DaimlerChrysler Corporation Fund
Daniels Fund
Day, Berry & Howard Foundation, Inc.
Delaware Valley Grantmakers
DEMOS: A Network for Ideas and Action*
The Development Fund*
Diana, Princess of Wales Memorial Fund (U.S.)
Divine Integrity, Inc.
DMA Nonprofit Federation
The Dodge Foundation
DonorSource
Eagle Foundation
Easter Seals
Echoing Green Foundation
Ecolab Foundation
Ecumenical Center for Stewardship Studies
Educational Testing Service
Egmont Associates
El Pomar Foundation
Elderworks
Emory Gives*
The Enterprise Foundation
Environmental Defense
Environmental Support Center
ERM Foundation/Village Botanica, Inc.
Eureka Communities
Evangelical Council for Financial Accountability**
The Evergreen State Society
Executive Service Corps
Maurice Falk Medical Fund
Fannie Mae Foundation
Fedcap Rehabilitation Services, Inc.
Federation of State Humanities Councils
F.E.G.S. Health and Human Services System*
First Nations Development Institute
First Night International
First Nonprofit Educational Foundation
Florida Association of Nonprofit Organizations
The Ford Foundation**
The Ford Motor Company Fund**
Forum of Regional Associations of Grantmakers
The Foundation Center**
Foundation for a Healthy Kentucky
The Foundation for Community Empowerment*
Foundation for Early Learning
Foundation for Independent Higher Education
Foundation for the Mid South
Foundation of the National Student Nurses' Association, Inc.
*New Member
**Charter Member
FoundationWorks*
The Fresh Air Fund**
Lloyd A. Fry Foundation
Fund for Theological Education
Bill & Melinda Gates Foundation
GE Foundation**
General Board of Global Ministries, The United Methodist Church
General Conference of Seventh-day Adventists**
General Mills Foundation
General Service Foundation
Georgia Center for Nonprofits
The Wallace Alexander Gerbode Foundation
Gifts In Kind International
Gill Foundation
Girl Scouts of the USA**
Girls Incorporated**
The Gleitsman Foundation
The Global Fund for Children
Global Fund for Women
Global Impact
Global Rights*
The Goldman Sachs Foundation
Goodkids! Inc.
Goodwill Industries International, Inc.
Goodwin & Company
The Berry Gordy Family Foundation
The Grace Children's Foundation*
Granite State Association of Nonprofits
Grant Thornton LLP*
William T. Grant Foundation
Grantmakers for Effective Organizations*
Grantmakers In Health
Grantmakers of Western Pennsylvania
Grants Management Associates
William Caspar Graustein Memorial Fund
Greater Bridgeport Area Foundation
Greater Philadelphia Federation of Settlements
Grenzgebach Glier & Associates
The Gries Family Foundation
The Harry Frank Guggenheim Foundation
GuideStar-Philanthropic Research, Inc.
The George Gund Foundation**
Miriam and Peter Haas Fund
Walter and Elise Haas Fund**
Evelyn and Walter Haas, Jr. Fund
Half the Sky Foundation*
HalfthePlanet Foundation
Hallmark Corporate Foundation
HandKind Company
Mary W. Harriman Foundation
Hart-Shigos and Associates*
Hartford Foundation for Public Giving
The Edward W. Hazen Foundation**
William Randolph Hearst Foundations
Helen Bader Institute for Nonprofit Management, University of Wisconsin-Milwaukee
Helping Teens Succeed
Hemlock Society
F. B. Heron Foundation
The William and Flora Hewlett Foundation**
High/Scope Educational Research Foundation
Conrad N. Hilton Foundation
Hispanic Association of Colleges and Universities
Hispanic Scholarship Fund
Hispanics in Philanthropy
Hitachi Foundation
Hole In The Wall Gang Fund
Horizons Stewardship Co., Inc.
The Hospital for Special Surgery, New York City
Houston Endowment Inc.
Hubert H. Humphrey Institute of Public Affairs, University of Minnesota
Hudson-Webber Foundation
Human Rights Initiative of North Texas, Inc.
“I Have A Dream” Foundation
IBM International Foundation**
Indiana Grantmakers Alliance
Innovation Network*
Institute for Global Ethics
Institute for Nonprofit Organization Management
Institute for Women's Policy Research
InterAction-American Council for Voluntary International Action
Interim International
The International Alliance for Women
International Primate Protection League
International Society for Third Sector Research
International Women's Democracy Center
International Youth Foundation
The James Irvine Foundation**
Ittleson Foundation**
Japanese American National Museum
JCPenney Company Fund**
JM Foundation
Jobs for the Future
Johnson & Johnson**
The Robert Wood Johnson Foundation
The Johnson Foundation
Joint Action in Community Service, Inc. (JACS)
Joint Agencies' Trust
The Joyce Foundation
JP Morgan Chase Foundation**
JSJ Foundation
Jumpstart for Young Children, Inc.
Junior Achievement
KaBOOM! Inc.
Kansas Health Foundation
Ewing Marion Kaufman Foundation
W. K. Kellogg Foundation
Kellogg School of Management, Northwestern University
The Kerr Foundation, Inc.
Charles F. Kettering Foundation**
John S. and James L. Knight Foundation
The Kosciuszko Foundation, Inc.
KPMG Foundation
The Kresge Foundation
Albert Kunstadter Family Foundation
The Laguna Education Foundation
Eugene M. Lang Foundation
Lawyers' Committee for Civil Rights Under Law
Leader To Leader Institute
Leadership Education for Asian Pacifics (LEAP)
Lexi Com LTD*
Libraries for the Future
Lilly Endowment, Inc.**
Local Initiatives Support Corporation
Lucent Technologies Foundation
Lumina Foundation for Education
John D. and Catherine T. MacArthur Foundation
Maddie's Spirit*
Make-A-Wish Foundation of America
The Management Center
Mandel Center for Nonprofit Organizations
March of Dimes Birth Defects Foundation**
John and Mary R. Markle Foundation

*New Member
**Charter Member
members, continued

Maryland Association of Nonprofit Organizations
McCormick Tribune Foundation**
McGregor Fund
McKesson Foundation**
The McKnight Foundation
The Meadows Foundation
Medical Education for South African Blacks
Richard King Mellon Foundation
MEM Associates, Inc.
Memorial Sloan-Kettering Cancer Center
The John Merck Fund
Merrill Lynch & Co. Foundation, Inc.
MetLife Foundation
Metropolitan Association for Philanthropy
The Metropolitan Museum of Art
Mexican American Legal Defense and Educational Fund (MALDEF)
Eugene and Agnes E. Meyer Foundation
Michigan Nonprofit Association
Mid-Delta Workforce Alliance
Midwest Center for Nonprofit Leadership, L.P.
Cookingham Institute of Public Affairs
The Minneapolis Foundation**
Minnesota Council of Nonprofits
Alan Minskoff & Royanne Minskoff Foundation
Mississippi Center for Nonprofits
MOBI
Molokai Occupational Center
Morino Institute
Charles Stewart Mott Foundation**
Museum Trustee Association
MVPphilanthropy
National 4-H Council
National Academy of Public Administration
National Alliance for Choice in Giving
National Alliance of Breast Cancer Organizations
National Alliance to End Homelessness
National Asian Pacific American Legal Consortium
National Assembly of Health and Human Service Organizations**
National Assembly of State Arts Agencies (NASAA)**
National Association for Bilingual Education
National Association for Visually Handicapped
National Association of Independent Schools
National Association of Latino Elected & Appointed Officials Educational Fund
National Association of Schools of Art and Design**
National Association of Schools of Music**
National Association of Schools of Public Affairs and Administration
National Association of Schools of Dance
National Association of Schools of Theatre
National Association of Service & Conservation Corps (NASCC)
National Business Officers Association*
National Catholic Development Conference, Inc.**
The National Center for Family Philanthropy
National Center for Learning Disabilities
National Center for Outreach*
The National Center on Nonprofit Enterprise
National Civic League, Inc.
National Coalition for Homeless Veterans
National Committee for Responsive Philanthropy
The National Conference for Community and Justice
National Congress of Parents and Teachers
National Council for International Visitors
National Council for Research on Women
National Council of La Raza (NCLR)**
National Council of Nonprofit Associations
National Council of The Churches of Christ in the USA
National Council on Child Abuse & Family Violence
National Crime Prevention Council
National Executive Service Corps**
National FFA
National Health Council**
National Health Foundation
The National Health Museum
National Humanities Alliance
National Medical Fellowships, Inc.
National Military Family Association
National Multiple Sclerosis Society
National Network for Youth
National Press Foundation
National Public Radio
National Puerto Rican Forum, Inc.
The National Society of Collegiate Scholars*
National Tree Trust
National Urban Fellows, Inc.**
National Urban League, Inc.**
National Wildlife Federation**
National Youth Leadership Council
Native American Rights Fund
Natural Resources Defense Council
The Nature Conservancy
NEC Foundation of America
Nehemiah Community Foundation*
Neighborhood Reinvestment Corporation
Nellie Mae Education Foundation
NetAid Foundation
New Hampshire Charitable Foundation
The New York Community Trust**
New York Life Foundation**
New York Regional Association of Grantmakers
NIKE Foundation
Nokomis Foundation
Nonprofit & Public Management Center, Ford School of Public Policy, University of Michigan
Nonprofit Academic Centers Council
Nonprofit Coordinating Committee of New York
Nonprofit Finance Fund*
Nonprofit Management Program, Milano Graduate School of Management & Urban Policy
Nonprofit Television Programs, Inc.

*New Member
**Charter Member
INDEPENDENT SECTOR entered into 2003 facing significant financial challenges, in part caused by the external economic climate and by leadership transition, but concluded the year in sound financial condition. In February of 2003, following a seven-month search process, the board named a new president, Diana Aviv, who started full time in June. She immediately took steps to redeploy resources with a view to holding down costs until new support could be secured. Several funders generously assisted in the process of transition and assisted Diana in reaching new funders who shared the vision.

In 2004, INDEPENDENT SECTOR will crystallize its focus and evaluate structures and operations in order to deploy best possible uses of resources toward its mission. This will include a review of organizational practices, development of membership retention and recruitment, inviting the support of new donors, and convening members for policy discussion and action.

Net Assets, Year Ended December 31, 2003 ($8.0 million)

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Restricted</td>
<td>$2.2 Million</td>
</tr>
<tr>
<td>Unrestricted</td>
<td>$5.8 Million</td>
</tr>
</tbody>
</table>

Revenues 2003 ($5.6 million)

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dues</td>
<td>39%</td>
</tr>
<tr>
<td>Grants</td>
<td>40%</td>
</tr>
<tr>
<td>Conference</td>
<td>16%</td>
</tr>
<tr>
<td>Other</td>
<td>5%</td>
</tr>
</tbody>
</table>

Expenses 2003 ($5.5 million)

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finance</td>
<td>13%</td>
</tr>
<tr>
<td>Administration</td>
<td>13%</td>
</tr>
<tr>
<td>Research</td>
<td>16%</td>
</tr>
<tr>
<td>Meeting Ground/Accountability</td>
<td>29%</td>
</tr>
<tr>
<td>Public Affairs (Policy and Communications)</td>
<td>31%</td>
</tr>
<tr>
<td>Member Services Fundraising</td>
<td>11%</td>
</tr>
</tbody>
</table>

These figures provide a brief glimpse of IS’s financial position. Please visit the IS website at www.IndependentSector.org to view the full audited financial statements, including information about IS’s net assets, revenues, program and supportive services, and cash flows.
## Statement of Activities

**Summary of Revenue, Expense, and Change in Net Assets**

### Year Ended December 31, 2003

<table>
<thead>
<tr>
<th>Description</th>
<th>Unrestricted</th>
<th>Temporarily Restricted</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Membership dues</td>
<td>$ 2,195,711</td>
<td></td>
<td>$ 2,195,711</td>
</tr>
<tr>
<td>Grants and contributions</td>
<td>567,579</td>
<td>$ 779,049</td>
<td>1,346,628</td>
</tr>
<tr>
<td>Conference fees and sponsorships</td>
<td>871,422</td>
<td></td>
<td>871,422</td>
</tr>
<tr>
<td>Interest and dividend income</td>
<td>195,029</td>
<td></td>
<td>195,029</td>
</tr>
<tr>
<td>Publication sales and other</td>
<td>115,833</td>
<td></td>
<td>115,833</td>
</tr>
<tr>
<td>Net assets released from restrictions</td>
<td>1,681,796</td>
<td>(1,681,796)</td>
<td></td>
</tr>
<tr>
<td><strong>Total revenue</strong></td>
<td>5,627,370</td>
<td>(902,747)</td>
<td>4,724,623</td>
</tr>
<tr>
<td><strong>Expense</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Program Services</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Public affairs</td>
<td>1,689,906</td>
<td></td>
<td>1,689,906</td>
</tr>
<tr>
<td>Meeting ground/Accountability</td>
<td>1,343,090</td>
<td></td>
<td>1,343,090</td>
</tr>
<tr>
<td>Research</td>
<td>888,308</td>
<td></td>
<td>888,308</td>
</tr>
<tr>
<td>Strategic outreach</td>
<td>285,514</td>
<td></td>
<td>285,514</td>
</tr>
<tr>
<td><strong>Total program services</strong></td>
<td>4,206,818</td>
<td></td>
<td>4,206,818</td>
</tr>
<tr>
<td><strong>Supporting services</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>General and administrative</td>
<td>723,398</td>
<td></td>
<td>723,398</td>
</tr>
<tr>
<td>Membership development</td>
<td>326,835</td>
<td></td>
<td>326,835</td>
</tr>
<tr>
<td>Fundraising</td>
<td>267,359</td>
<td></td>
<td>267,359</td>
</tr>
<tr>
<td><strong>Total supporting services</strong></td>
<td>1,317,592</td>
<td></td>
<td>1,317,592</td>
</tr>
<tr>
<td><strong>Total expense</strong></td>
<td>5,524,410</td>
<td></td>
<td>5,524,410</td>
</tr>
<tr>
<td>Change in net assets before net gain (loss)</td>
<td>102,960</td>
<td>(902,747)</td>
<td>(799,787)</td>
</tr>
<tr>
<td>on investments and grant cancellation</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net gain (loss) on investments</strong></td>
<td>685,053</td>
<td></td>
<td>685,053</td>
</tr>
<tr>
<td><strong>Change in net assets from operations</strong></td>
<td>788,013</td>
<td>(902,747)</td>
<td>(114,734)</td>
</tr>
<tr>
<td>Grant cancellation</td>
<td></td>
<td>(125,000)</td>
<td>(125,000)</td>
</tr>
<tr>
<td><strong>Change in net assets</strong></td>
<td>788,013</td>
<td>(1,027,747)</td>
<td>(239,734)</td>
</tr>
<tr>
<td>Net assets, beginning of year</td>
<td>4,985,428</td>
<td>3,249,289</td>
<td>8,234,717</td>
</tr>
<tr>
<td><strong>Net assets, end of year</strong></td>
<td><strong>$ 5,773,441</strong></td>
<td><strong>$ 2,221,542</strong></td>
<td><strong>$ 7,994,983</strong></td>
</tr>
</tbody>
</table>
staff

Office of the President
Diana Aviv
President and CEO
diana@IndependentSector.org

Gina Catedrilla
Senior Executive Assistant,
Office of the President
gina@IndependentSector.org

Brin Frazier
Speechwriter/Special Assistant to the President
for Executive Communications
brin@IndependentSector.org

Tracy L. Fleming
Executive Assistant, Office of the President
tfleming@IndependentSector.org

Programs and Planning
Peter Shiras
Senior Vice President for Programs
peter@IndependentSector.org

Public Affairs
Patricia Read
Vice President, Public Affairs
pat@IndependentSector.org

Mauricio Vivero
Director, Government Relations
mauricio@IndependentSector.org

Mary Coogan
Assistant Director, Government Relations
maryc@IndependentSector.org

Gloria Kemp Engelke
Legislative and Policy Associate
gloria@IndependentSector.org

Claudia Holtzman
Project Director, Electronic Data
Initiative for Nonprofits
claudia@IndependentSector.org

Tiffany Newman
Executive Assistant, Public Affairs
tiffany@IndependentSector.org

Research
Gordon W. Green, Ph.D
Vice President, Research
gordon@IndependentSector.org

Nadine Jalandoni
Director, Research Services and Nonprofit
Almanac Project
nadine@IndependentSector.org

Chris Toppe
Director, Philanthropic Studies
chris@IndependentSector.org

Jocabel Michel
Research Associate
jocabel@IndependentSector.org

Communications and Marketing
Patricia Nash
Vice President, Communications and Marketing
patricia@IndependentSector.org

Roy Wu
Communications and Marketing Associate
roy@IndependentSector.org

Kia Sutton
Administrative Assistant,
Communications and Research
kia@IndependentSector.org

Resource Development
Marianne P. Eby, Esq.
Vice President, Resource Development
marianne@IndependentSector.org

Mary M. Grimm, CFRE
Associate Director, Membership
and Development
maryg@IndependentSector.org

Angelia Bland, CMP
Assistant Director, Conference
and Meeting Planning
angelia@IndependentSector.org

Anne Tishkoff
Assistant Director, Membership
anne@IndependentSector.org

Monique Brown
Data Manager
monique@IndependentSector.org

KC Dallia
Development Associate
kc@IndependentSector.org

Caroline O. Boitano (contractor)
Director, West Coast Outreach
cboitano@concentric.net

Administration, Finance,
and Technology
Keith Greenidge*
Assistant Director, Human Resources
and Administration
keith@IndependentSector.org

Eric Williams
Office Assistant, Administration
ewilliams@IndependentSector.org

Alice (Rose) Brown
Executive Assistant, Administration/Finance
and Programs and Planning
rose@IndependentSector.org

Sandra Lynne Davis
Accounting Supervisor
sandra@IndependentSector.org

Marian McChie
Accounting Associate
marian@IndependentSector.org

Ben Anawalt
Database Administrator
ben@IndependentSector.org

*Our longtime staff member, Keith Greenidge, is away on active duty in the U.S. Army reserves in Iraq. We wish him a safe and speedy return.

Staff listing as of June 2004