

Form **990-EZ**

Short Form Return of Organization Exempt From Income Tax

OMB No. 1545-1150

1997

This Form Is
Open to Public
Inspection

Department of the Treasury
Internal Revenue Service

Under section 501(c) of the Internal Revenue Code (except black lung benefit trust or private foundation) or section 4947(a)(1) nonexempt charitable trust
▶ For organizations with gross receipts less than \$100,000 and total assets less than \$250,000 at the end of the year.

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

A For the 1997 calendar year, OR tax year beginning , 1997, and ending , 19

<p>B Check if:</p> <p><input type="checkbox"/> Change of address</p> <p><input checked="" type="checkbox"/> Initial return</p> <p><input type="checkbox"/> Final return</p> <p><input type="checkbox"/> Amended return (required also for state reporting)</p>	<p>Please use IRS label or print or type. See Specific Instructions.</p>	<p>C Name of organization DRUG REFORM COORDINATION NETWORK</p> <p>Number and street (or P.O. box, if mail is not delivered to street address) Room/suite 2000 P STREET, NW 615</p> <p>City, town or post office, state, and ZIP code + 4 WASHINGTON, DC 20036</p>	<p>D Employer identification number 52-2034866</p> <p>E State registration number</p> <p>F Check <input checked="" type="checkbox"/> if exemption application is pending</p> <p>H Enter four-digit group exemption number (GEN)</p>
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G Accounting method: Cash Accrual Other (specify) ▶

I Type of organization - ▶ Exempt under Section 501(c) (4) ▶ (insert number) OR ▶ Section 4947(a)(1) nonexempt charitable trust
Note: Section 501(c)(3) organizations and section 4947(a)(1) nonexempt charitable trusts MUST attach a completed Schedule A (Form 990).

J Check If the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS; but if the organization received a Form 990 Package in the mail, the organization should file a return without financial data. Some states require a complete return.

K Enter the organization's 1997 gross receipts (add back lines 5b, 6b, and 7b, to line 9) ▶ \$ 57,288.
If \$100,000 or more, the organization must file Form 990 instead of Form 990-EZ.

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

		STMT 5		
Revenue	1	Contributions, gifts, grants, and similar amounts received	1	52,169.
	2	Program service revenue including government fees and contracts	2	148.
	3	Membership dues and assessments	3	4,971.
	4	Investment income	4	
	5a	Gross amount from sale of assets other than inventory	5a	
	5b	Less: cost or other basis and sales expenses	5b	
	5c	Gain or (loss) from sale of assets other than inventory (line 5a less line 5b)	5c	
	6	Special events and activities (attach schedule):		
	6a	Gross revenue (not including \$ _____ of contributions reported on line 1)	6a	
6b	Less: direct expenses other than fundraising expenses	6b		
6c	Net income or (loss) from special events and activities (line 6a less line 6b)	6c		
7a	Gross sales of inventory, less returns and allowances	7a		
7b	Less: cost of goods sold	7b		
7c	Gross profit or (loss) from sales of inventory (line 7a less line 7b)	7c		
8	Other revenue (describe ▶ _____)	8		
9	Total revenue (add lines 1, 2, 3, 4, 5c, 6c, 7c, and 8) ▶	9	57,288.	
Expenses	10	Grants and similar amounts paid	10	
	11	Benefits paid to or for members	11	
	12	Salaries, other compensation, and employee benefits	12	43,439.
	13	Professional fees and other payments to independent contractors	13	
	14	Occupancy, rent, utilities, and maintenance	14	3,677.
	15	Printing, publications, postage, and shipping	15	2,864.
	16	Other expenses (describe ▶ SEE STATEMENT 1)	16	21,766.
17	Total expenses (add lines 10 through 16) ▶	17	71,746.	
Net Assets	18	Excess or (deficit) for the year (line 9 less line 17)	18	<14,458.>
	19	Net assets or fund balances at beginning of year (from line 27, column (A)) (must agree with end-of-year figure reported on prior year's return)	19	0.
	20	Other changes in net assets or fund balances (attach explanation)	20	
	21	Net assets or fund balances at end of year (combine lines 18 through 20) ▶	21	<14,458.>

Part II Balance Sheets - If Total assets on line 25, column (B) are \$250,000 or more, file Form 990 instead of Form 990-EZ.

		(A) Beginning of year	(B) End of year
22	Cash, savings, and investments	0 . 22	1,984.
23	Land and buildings	23	
24	Other assets (describe ▶ SEE STATEMENT 2)	0 . 24	5,266.
25	Total assets	0 . 25	7,250.
26	Total liabilities (describe ▶ SEE STATEMENT 3)	0 . 26	21,708.
27	Net assets or fund balances (line 27 of column (B) must agree with line 21)	0 . 27	<14,458.>

Part III Statement of Program Service Accomplishments

What is the organization's primary exempt purpose?

SEE STATEMENT 7

Describe what was achieved in carrying out the organization's exempt purposes. In a clear and concise manner, describe the services provided, the number of persons benefited, or other relevant information for each program title.

28 SEE STATEMENT 6

(Grants \$) 28a 40,038.

29 PROMOTE POSITIVE DRUG POLICY REFORM THROUGH GRASSROOTS LOBBYING ACTIVITIES

(Grants \$) 29a 3,190.

30

(Grants \$) 30a

31 Other program services (attach schedule)

(Grants \$) 31a

32 Total program service expenses (add lines 28a through 31a)

32 43,228.

Part IV List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated.)

Table with 5 columns: (A) Name and address, (B) Title and average hours per week devoted to position, (C) Compensation (if not paid, enter -0-), (D) Contributions to employee benefit plans & deferred compensation, (E) Expense account and other allowances. Row 1: SEE STATEMENT 8, 25,846.

Part V Other Information

Form with questions 33-43 and Yes/No columns. 33: Did the organization engage in any activity not previously reported to the IRS? 34: Were any changes made to the organizing or governing documents? 35: If the organization had income from business activities... 36: Was there a liquidation, dissolution, termination, or substantial contraction during the year? 37a: Enter amount of political expenditures... 37b: Did the organization file Form 1120-POL... 38a: Did the organization borrow from, or make any loans to, any officer, director, trustee, or key employee... 38b: If "Yes," attach the schedule specified in the line 38 instructions and enter the amount involved... 39: 501(c)(7) organizations. - Enter: a Initiation fees and capital contributions included on line 9... b Gross receipts, included on line 9, for public use of club facilities... 40a: 501(c)(3) organizations. - Enter: Amount of tax imposed during the year under: section 4911... section 4912... section 4955... b 501(c)(3) and 501(c)(4) organizations. - Did the organization engage in any section 4958 excess benefit transaction during the year? If "Yes," attach an explanation... c Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955 and 4958... d Enter: Amount of tax in 40c, above, reimbursed by the organization... 41: List the states with which a copy of this return is filed. 42: The books are in care of... Telephone no... Located at... ZIP + 4... 43: Section 4947(a)(1) nonexempt charitable trusts filing Form 990-EZ in lieu of Form 1041. - Check here and enter the amount of tax-exempt interest received or accrued during the tax year.

Please Sign Here 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. Signature of officer: David Allen, Date: 12/14/98, Type or print name and title: President

Paid Preparer's Use Only Preparer's signature: [Signature], Date: 08/13/98, Check if self-employed: [], Preparer's SSN: [], Firm's name (or yours if self-employed) and address: MAY & BARNHARD, PC, CPA, 4840 CORDELL AVENUE, BETHESDA, MD, EIN: [], ZIP + 4: 20814

DRUG REFORM COORDINATION NETWORK

52-2034866

FORM 990-EZ	OTHER EXPENSES	STATEMENT	1
DESCRIPTION			AMOUNT
BANK FEES			382.
BOARD MEETINGS			135.
CONFERENCES			1,703.
DEPRECIATION			299.
EQUIPMENT RENTAL			2,196.
INSURANCE			2,782.
INTERNET			1,637.
LEGAL SERVICES			200.
LICENSES & PERMITS			618.
MISCELLANEOUS			379.
OFFICE SUPPLIES			659.
PAYROLL TAXES			4,274.
SUBSCRIPTIONS			65.
TELEPHONE			5,549.
TRAINING			95.
TRAVEL & ENTERTAINMENT			793.
TOTAL TO FORM 990-EZ, LINE 16			21,766.

FORM 990-EZ	OTHER ASSETS	STATEMENT	2
DESCRIPTION		BEG. OF YEAR	END OF YEAR
TRAVEL REIMBURSEMENT		0.	565.
LOANS TO OFFICERS, DIRECTORS AND KEY PERSONNEL		0.	1,837.
OTHER DEPRECIABLE ASSETS		0.	2,864.
TOTAL TO FORM 990-EZ, LINE 24		0.	5,266.

FORM 990-EZ	OTHER LIABILITIES	STATEMENT	3
DESCRIPTION		BEG. OF YEAR	END OF YEAR
ACCOUNTS PAYABLE		0.	1,664.
ACCRUED SALARIES & RELATED LIABILITIES		0.	14,089.
LOANS FROM OFFICERS, DIRECTORS AND KEY PERSONNEL		0.	5,955.
TOTAL TO FORM 990-EZ, LINE 26		0.	21,708.

DRUG REFORM COORDINATION NETWORK

52-2034866

FOOTNOTES

STATEMENT 4

PART V, LINE 38A, SCHEDULE OF LOANS TO OFFICERS

CLIFFORD SCHAFFER - WEBSITE EXPENSE ADVANCE 200.

ADAM SMITH - SALARY ADVANCE 1,637.

TOTAL 1,837.

PART V, LINE 38A, SCHEDULE OF LOANS FROM OFFICER

DAVID BORDEN 5,955.

DRUG REFORM COORDINATION NETWORK

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FORM 990-EZ STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS STATEMENT 6

STATEMENT

EDUCATE THE PUBLIC ON ISSUES RELATING TO DRUG POLICY REFORM THROUGH 3 WEBSITES, ACTION ALERTS, AN ON-LINE DISCUSSION GROUP, AND NEWSLETTERS TO APPROX. 750 MEMBERS

	GRANTS	EXPENSES
TO FORM 990-EZ, LINE 28		40,038.

FORM 990-EZ PART III - STATEMENT OF ORGANIZATION'S PRIMARY EXEMPT PURPOSE STATEMENT 7

EXPLANATION

INCREASE PUBLIC AWARENESS OF THE EFFECTS OF DRUG POLICIES; TO PROMOTE DEBATE ON DRUG PROHIBITION & ALTERNATIVES; TO PROMOTE POSITIVE REFORM IN DRUG LAWS.

FORM 990-EZ PART IV - LIST OF OFFICERS, DIRECTORS, TRUSTEES AND KEY EMPLOYEES STATEMENT 8

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN-SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
DAVID BORDEN 2000 P ST NW, ST 615, WASH., DC 20036	PRESIDENT/TREAS 40	13,538.	0.	0.
ADAM SMITH 2000 P ST NW, ST 615, WASH., DC 20036	VICE PRESIDENT 40	12,308.	0.	0.
RICHARD EVANS ██████████, NORTHAMPTON, MA ██████████	SECRETARY AS NEEDED	0.	0.	0.
AARON WILSON 2000 P ST NW, ST 615, WASH., DC 20036	CHAIR AS NEEDED	0.	0.	0.
KEITH CYLAR ██████████, NEW YORK, NY	DIRECTOR AS NEEDED	0.	0.	0.

DRUG REFORM COORDINATION NETWORK

52-2034866

CLIFFORD SCHAFFER ██████████, CANYON COUNTRY, CA ██████████	DIRECTOR AS NEEDED	0.	0.	0.
CHERYL EPPS 2000 P ST NW, ST 615, WASH., DC 20036	DIRECTOR AS NEEDED	0.	0.	0.
JOEY TRANCHINA 2000 P ST NW, ST 615, WASH., DC 20036	DIRECTOR AS NEEDED	0.	0.	0.
TOTALS INCLUDED ON FORM 990-EZ, PART IV		<u>25,846.</u>	<u>0.</u>	<u>0.</u>

Form 2758

(Rev. May 1995)

Department of the Treasury Internal Revenue Service

Application for Extension of Time To File Certain Excise, Income, Information, and Other Returns

File a separate application for each return.

OMB No. 1545-0148

Name: DRUG REFORM COORDINATION NETWORK
Employer Identification number: 52 2034866
Number, street (or P.O. box no. if mail is not delivered to street address): 2000 P STREET, NW, NO. 615
City, town, or post office, state, and ZIP code: WASHINGTON, DC 20008

Note: Corporate income tax return filers must use Form 7004 to request an extension of time to file. Partnerships, REMICS, and trusts must use Form 8738 to request an extension of time to file Form 1065, 1066, or 1041.

1 I request an extension of time until 08/17, 19 98, to file (check only one):
Form 706-GS (D)
Form 706-GS (T)
[X] Form 990 or 990-EZ
Form 990-BL
Form 990-PF
Form 990-T (401(a) or 408(a) trust)
Form 990-T (trust other than above)
Form 1041 (estate)
Form 1041-A
Form 1042
Form 1120-ND (4951 taxes)
Form 3520-A
Form 4720
Form 5227
Form 6069
Form 8612
Form 8613
Form 8725
Form 8804
Form 8831

If the organization does not have an office or place of business in the United States, check this box

2a For calendar year 97, or other tax year beginning and ending
b If this tax year is for less than 12 months, check reason: Initial return, Final return, Change in accounting period
3 Has an extension of time been previously granted for this tax year? Yes No [X]
4 State in detail why you need the extension

ADDITIONAL DATA IS NEEDED FROM A THIRD PARTY. ADDITIONAL TIME IS NEEDED TO FILE A COMPLETE AND ACCURATE RETURN.

5a If this form is for Form 706-GS(D), 706-GS(T), 990-BL, 990-PF, 990-T, 1041 (estate), 1042, 1120-ND, 4720, 6069, 8612, 8613, 8725, 8804, or 8831, enter the tentative tax, less any nonrefundable credits.
b If this form is for Form 990-PF, 990-T, 1041 (estate), 1042, or 8804, enter any refundable credits and estimated tax payments made.
c Balance due. Subtract line 5b from line 5a. Include your payment with this form, or deposit with FTD coupon if required.

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete; and that I am authorized to prepare this form.

Signature: [Handwritten Signature] Title: CPA Date: 5/11/98

FILE ORIGINAL AND ONE COPY. The IRS will show below whether or not your application is approved and will return the copy.

Notice to Applicant To Be Completed by IRS

[X] We HAVE approved your application. Please attach this form to your return.
[] We HAVE NOT approved your application. However, we have granted a 10-day grace period from the later of the date shown below or the due date of your return (including any prior extensions). This grace period is considered a valid extension of time for elections otherwise required to be made on a timely return. Please attach this form to your return.
[] We HAVE NOT approved your application. After considering your reasons stated in item 4, we cannot grant your request for an extension of time to file. We are not granting the 10-day grace period.
[] We cannot consider your application because it was filed after the due date of the return for which an extension was requested.
[] Other:

Director

By:

EXTENSION APPROVED
MAY 17 1998
Deborah S. Decker
Ondra Service Center

If you want a copy of this form to be returned to an address other than that shown above, please enter the address to which the copy should be sent.

Name: MAY & BARNHARD, P.C.
Number, street (or P.O. box no. if mail is not delivered to street address): 4840 CORDELL AVENUE
City, town, or post office, state, and ZIP code: BETHESDA, MD 20814

LHA For Paperwork Reduction Act Notice, see separate instructions.

Form 2758 (Rev. 5-95)