Form 990-PF Return of Private Foundation

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

Department of the Treasury
Internal Revenue Service

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

OMB No. 1545-0052

2001

For calendar year 2001, or tax year beginning , 2001, and ending , 20

G Check all that apply: ☑ Initial return ☐ Final return ☐ Amended return ☐ Address change ☐ Name change

Use the IRS label. Otherwise, print or type. See Specific Instructions.

Name of organization: Michael G. Nicholas Foundation

Number and street (or P.O. box number if mail is not delivered to street address): 1168 Middlebury Lane — Room/suite: #B1

City or town, state, and ZIP code: Wheeling, IL 60090-2453

A Employer identification number: 36 7331363

B Telephone number (see page 10 of the instructions): (847) 465-8338

C If exemption application is pending, check here ▶ ☐

D 1. Foreign organizations, check here ▶ ☐

2. Foreign organizations meeting the 85% test, check here and attach computation ▶ ☐

E If private foundation status was terminated under section 507(b)(1)(A), check here ▶ ☐

F If the foundation is in a 60-month termination under section 507(b)(1)(B), check here ▶ ☐

H Check type of organization: ☑ Section 501(c)(3) exempt private foundation ☐ Section 4947(a)(1) nonexempt charitable trust ☐ Other taxable private foundation

I Fair market value of all assets at end of year *(from Part II, col. (c), line 16)* ▶ $ 11999.80

J Accounting method: ☑ Cash ☐ Accrual ☐ Other (specify) *(Part I, column (d) must be on cash basis.)*

Part I Analysis of Revenue and Expenses *(The total of amounts in columns (b), (c), and (d) may not necessarily equal the amounts in column (a) (see page 10 of the instructions).)*

		(a) Revenue and expenses per books	(b) Net investment income	(c) Adjusted net income	(d) Disbursements for charitable purposes (cash basis only)
Revenue	1 Contributions, gifts, grants, etc., received (attach schedule)	20385.15			
	Check ▶ ☐ if the foundation is **not** required to attach Sch. B				
	2 Distributions from split-interest trusts				
	3 Interest on savings and temporary cash investments				
	4 Dividends and interest from securities	164.79	164.79		
	5a Gross rents				
	b (Net rental income or (loss))				
	6a Net gain or (loss) from sale of assets not on line 10	751.71			
	b Gross sales price for all assets on line 6a 4901.57				
	7 Capital gain net income (from Part IV, line 2)		751.71		
	8 Net short-term capital gain				
	9 Income modifications				
	10a Gross sales less returns and allowances				
	b Less: Cost of goods sold				
	c Gross profit or (loss) (attach schedule)				
	11 Other income (attach schedule)				
	12 **Total.** Add lines 1 through 11	21301.65	916.50		
Operating and Administrative Expenses	13 Compensation of officers, directors, trustees, etc.				
	14 Other employee salaries and wages				
	15 Pension plans, employee benefits				
	16a Legal fees (attach schedule)	1240.00	-0-		-0-
	b Accounting fees (attach schedule)				
	c Other professional fees (attach schedule)				
	17 Interest				
	18 Taxes (attach schedule) (see page 14 of the instructions)				
	19 Depreciation (attach schedule) and depletion				
	20 Occupancy				
	21 Travel, conferences, and meetings				
	22 Printing and publications				
	23 Other expenses (attach schedule)	1228.40	50.00		663.40
	24 **Total operating and administrative expenses.** Add lines 13 through 23	2468.40	50.00		663.40
	25 Contributions, gifts, grants paid	7411.00			7411.00
	26 **Total expenses and disbursements.** Add lines 24 and 25	9879.40	50.00		8074.40
	27 Subtract line 26 from line 12:				
	a **Excess of revenue over expenses and disbursements**	11422.25			
	b **Net investment income** (if negative, enter -0-)		866.50		
	c **Adjusted net income** (if negative, enter -0-)				

Part II Balance Sheets

Attached schedules and amounts in the description column should be for end-of-year amounts only. (See instructions.)

		Beginning of year (a) Book Value	End of year (b) Book Value	End of year (c) Fair Market Value
Assets	1 Cash—non-interest-bearing		100.00	100.00
	2 Savings and temporary cash investments		1134.80	1134.80
	3 Accounts receivable ▶			
	Less: allowance for doubtful accounts ▶			
	4 Pledges receivable ▶			
	Less: allowance for doubtful accounts ▶			
	5 Grants receivable			
	6 Receivables due from officers, directors, trustees, and other disqualified persons (attach schedule) (see page 15 of the instructions)			
	7 Other notes and loans receivable (attach schedule) ▶ 1900.00			
	Less: allowance for doubtful accounts ▶		1900.00	1900.00
	8 Inventories for sale or use			
	9 Prepaid expenses and deferred charges			
	10a Investments—U.S. and state government obligations (attach schedule)			
	b Investments—corporate stock (attach schedule)		6084.44	8865.00
	c Investments—corporate bonds (attach schedule)			
	11 Investments—land, buildings, and equipment: basis ▶			
	Less: accumulated depreciation (attach schedule) ▶			
	12 Investments—mortgage loans			
	13 Investments—other (attach schedule)			
	14 Land, buildings, and equipment: basis ▶			
	Less: accumulated depreciation (attach schedule) ▶			
	15 Other assets (describe ▶)			
	16 **Total assets** (to be completed by all filers—see page 16 of the instructions. Also, see page 1, item I)		9219.24	11999.80
Liabilities	17 Accounts payable and accrued expenses			
	18 Grants payable			
	19 Deferred revenue			
	20 Loans from officers, directors, trustees, and other disqualified persons			
	21 Mortgages and other notes payable (attach schedule)			
	22 Other liabilities (describe ▶)			
	23 **Total liabilities** (add lines 17 through 22)			
Net Assets or Fund Balances	**Organizations that follow SFAS 117, check here ▶ ☑ and complete lines 24 through 26 and lines 30 and 31.**			
	24 Unrestricted		9219.24	
	25 Temporarily restricted			
	26 Permanently restricted			
	Organizations that do not follow SFAS 117, check here ▶ ☐ and complete lines 27 through 31.			
	27 Capital stock, trust principal, or current funds			
	28 Paid-in or capital surplus, or land, bldg., and equipment fund			
	29 Retained earnings, accumulated income, endowment, or other funds			
	30 **Total net assets or fund balances** (see page 17 of the instructions)			
	31 **Total liabilities and net assets/fund balances** (see page 17 of the instructions)		9219.24	

Part III Analysis of Changes in Net Assets or Fund Balances

1 Total net assets or fund balances at beginning of year—Part II, column (a), line 30 (must agree with end-of-year figure reported on prior year's return)	1	-0-
2 Enter amount from Part I, line 27a	2	11422.25
3 Other increases not included in line 2 (itemize) ▶	3	-0-
4 Add lines 1, 2, and 3	4	11422.25
5 Decreases not included in line 2 (itemize) ▶ Contribution of Stock, Adjust to Donor's Basis	5	2203.01
6 Total net assets or fund balances at end of year (line 4 minus line 5)—Part II, column (b), line 30	6	9219.24

Part IV Capital Gains and Losses for Tax on Investment Income

	(a) List and describe the kind(s) of property sold (e.g., real estate, 2-story brick warehouse; or common stock, 200 shs. MLC Co.)	(b) How acquired P—Purchase D—Donation	(c) Date acquired (mo., day, yr.)	(d) Date sold (mo., day, yr.)
1a	50 Shares JNJ	D	1/3/2001	1/15/2001
b				
c				
d				
e				

	(e) Gross sales price	(f) Depreciation allowed (or allowable)	(g) Cost or other basis plus expense of sale	(h) Gain or (loss) (e) plus (f) minus (g)
a	4901.57		4149.86	751.71
b				
c				
d				
e				

Complete only for assets showing gain in column (h) and owned by the foundation on 12/31/69

	(i) F.M.V. as of 12/31/69	(j) Adjusted basis as of 12/31/69	(k) Excess of col. (i) over col. (j), if any	(l) Gains (Col. (h) gain minus col. (k), but not less than -0-) **or** Losses (from col.(h))
a				
b				
c				
d				
e				

2 Capital gain net income or (net capital loss). { If gain, also enter in Part I, line 7 / If (loss), enter -0- in Part I, line 7 }	2	751.71
3 Net short-term capital gain or (loss) as defined in sections 1222(5) and (6): If gain, also enter in Part I, line 8, column (c) (see pages 13 and 17 of the instructions). If (loss), enter -0- in Part I, line 8	3	

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

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

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

Was the organization liable for the section 4942 tax on the distributable amount of any year in the base period? ☐ Yes ☐ No
If "Yes," the organization does not qualify under section 4940(e). Do not complete this part.

1 Enter the appropriate amount in each column for each year; see page 18 of the instructions before making any entries.

(a) Base period years Calendar year (or tax year beginning in)	(b) Adjusted qualifying distributions	(c) Net value of noncharitable-use assets	(d) Distribution ratio (col. (b) divided by col. (c))
2000			
1999			
1998			
1997			
1996			

2 **Total** of line 1, column (d)	2	
3 Average distribution ratio for the 5-year base period—divide the total on line 2 by 5, or by the number of years the foundation has been in existence if less than 5 years	3	
4 Enter the net value of noncharitable-use assets for 2001 from Part X, line 5	4	
5 Multiply line 4 by line 3	5	
6 Enter 1% of net investment income (1% of Part I, line 27b)	6	
7 Add lines 5 and 6	7	
8 Enter qualifying distributions from Part XII, line 4	8	

If line 8 is equal to or greater than line 7, check the box in Part VI, line 1b, and complete that part using a 1% tax rate. See the Part VI instructions on page 18.

Part VI Excise Tax Based on Investment Income (Section 4940(a), 4940(b), 4940(e), or 4948—see page 18 of the instructions)

1a	Exempt operating foundations described in section 4940(d)(2), check here ▶ ☐ and enter "N/A" on line 1. Date of ruling letter: .... **(attach copy of ruling letter if necessary–see instructions)**			
b	Domestic organizations that meet the section 4940(e) requirements in Part V, check here ▶ ☐ and enter 1% of Part I, line 27b	1	17	33
c	All other domestic organizations enter 2% of line 27b. Exempt foreign organizations enter 4% of Part I, line 12, col. (b)			
2	Tax under section 511 (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	2	-0-	
3	Add lines 1 and 2	3	17	33
4	Subtitle A (income) tax (domestic section 4947(a)(1) trusts and taxable foundations only. Others enter -0-)	4	-0-	
5	**Tax based on investment income.** Subtract line 4 from line 3. If zero or less, enter -0-	5	17	33
6	Credits/Payments:			
a	2001 estimated tax payments and 2000 overpayment credited to 2001 — 6a			
b	Exempt foreign organizations—tax withheld at source — 6b			
c	Tax paid with application for extension of time to file (Form 8868) — 6c			
d	Backup withholding erroneously withheld — 6d			
7	Total credits and payments. Add lines 6a through 6d	7	-0-	
8	Enter any **penalty** for underpayment of estimated tax. Check here ☐ if Form 2220 is attached	8	-0-	
9	**Tax due.** If the total of lines 5 and 8 is more than line 7, enter **amount owed** ▶	9	17	33
10	**Overpayment.** If line 7 is more than the total of lines 5 and 8, enter the **amount overpaid** ▶	10		
11	Enter the amount of line 10 to be: **Credited to 2002 estimated tax** ▶ **Refunded** ▶	11		

Part VII-A Statements Regarding Activities

			Yes	No
1a	During the tax year, did the organization attempt to influence any national, state, or local legislation or did it participate or intervene in any political campaign?	1a		✔
b	Did it spend more than $100 during the year (either directly or indirectly) for political purposes (see page 19 of the instructions for definition)?	1b		✔
	*If the answer is "Yes" to **1a** or **1b**, attach a detailed description of the activities and copies of any materials published or distributed by the organization in connection with the activities.*			
c	Did the organization file **Form 1120-POL** for this year?	1c		✔
d	Enter the amount (if any) of tax on political expenditures (section 4955) imposed during the year: **(1)** On the organization. ▶ $ ______ **(2)** On organization managers. ▶ $ ______			
e	Enter the reimbursement (if any) paid by the organization during the year for political expenditure tax imposed on organization managers. ▶ $ ______			
2	Has the organization engaged in any activities that have not previously been reported to the IRS? *If "Yes," attach a detailed description of the activities.*	2		✔
3	Has the organization made any changes, not previously reported to the IRS, in its governing instrument, articles of incorporation, or bylaws, or other similar instruments? *If "Yes," attach a conformed copy of the changes*	3		✔
4a	Did the organization have unrelated business gross income of $1,000 or more during the year?	4a		✔
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	4b		
5	Was there a liquidation, termination, dissolution, or substantial contraction during the year? *If "Yes," attach the statement required by General Instruction T.*	5		✔
6	Are the requirements of section 508(e) (relating to sections 4941 through 4945) satisfied either: • By language in the governing instrument or • By state legislation that effectively amends the governing instrument so that no mandatory directions that conflict with the state law remain in the governing instrument?	6	✔	
7	Did the organization have at least $5,000 in assets at any time during the year? *If "Yes," complete Part II, col. (c), and Part XV.*	7	✔	
8a	Enter the states to which the foundation reports or with which it is registered (see page 19 of the instructions) ▶ ILLINOIS			
b	If the answer is "Yes" to line 7, has the organization furnished a copy of Form 990-PF to the Attorney General (or designate) of each state as required by General Instruction G? *If "No," attach explanation*	8b	✔	
9	Is the organization claiming status as a private operating foundation within the meaning of section 4942(j)(3) or 4942(j)(5) for calendar year 2001 or the taxable year beginning in 2001 (see instructions for Part XIV on page 25)? *If "Yes," complete Part XIV*	9		✔
10	Did any persons become substantial contributors during the tax year? *If "Yes," attach a schedule listing their names and addresses.*	10	✔	
11	Did the organization comply with the public inspection requirements for its annual returns and exemption application?	11	✔	

Web site address ▶ www.michaelgnicholas.org

12 The books are in care of ▶ Michael G. Nicholas Telephone no. ▶ 847-465-8338

Located at ▶ 1168 Middlebury Lane #B1, Wheeling, IL ZIP+4 ▶ 60090-2453

13 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-PF in lieu of **Form 1041**—Check here ▶ ☐
and enter the amount of tax-exempt interest received or accrued during the year ▶ | 13 |

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

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

			Yes	No
1a	During the year did the organization (either directly or indirectly):			
	(1) Engage in the sale or exchange, or leasing of property with a disqualified person? ☐ Yes ☑ No			
	(2) Borrow money from, lend money to, or otherwise extend credit to (or accept it from) a disqualified person? ☐ Yes ☑ No			
	(3) Furnish goods, services, or facilities to (or accept them from) a disqualified person? ☐ Yes ☑ No			
	(4) Pay compensation to, or pay or reimburse the expenses of, a disqualified person? ☐ Yes ☑ No			
	(5) Transfer any income or assets to a disqualified person (or make any of either available for the benefit or use of a disqualified person)? ☐ Yes ☑ No			
	(6) Agree to pay money or property to a government official? (**Exception.** Check "No" if the organization agreed to make a grant to or to employ the official for a period after termination of government service, if terminating within 90 days.) ☐ Yes ☑ No			
b	If any answer is "Yes" to 1a(1)–(6), did **any** of the acts fail to qualify under the exceptions described in Regulations section 53.4941(d)-3 or in a current notice regarding disaster assistance (see page 19 of the instructions)?	1b		
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐			
c	Did the organization engage in a prior year in any of the acts described in 1a, other than excepted acts, that were not corrected before the first day of the tax year beginning in 2001?	1c		✔
2	Taxes on failure to distribute income (section 4942) (does not apply for years the organization was a private operating foundation defined in section 4942(j)(3) or 4942(j)(5)):			
a	At the end of tax year 2001, did the organization have any undistributed income (lines 6d and 6e, Part XIII) for tax year(s) beginning before 2001? ☐ Yes ☑ No			
	If "Yes," list the years ▶ 20 ...., 19 ...., 19 ...., 19			
b	Are there any years listed in 2a for which the organization is **not** applying the provisions of section 4942(a)(2) (relating to incorrect valuation of assets) to the year's undistributed income? (If applying section 4942(a)(2) to **all** years listed, answer "No" and attach statement—see page 19 of the instructions.)	2b		
c	If the provisions of section 4942(a)(2) are being applied to **any** of the years listed in 2a, list the years here. ▶ 20 ...., 19 ...., 19 ...., 19			
3a	Did the organization hold more than a 2% direct or indirect interest in any business enterprise at any time during the year? ☐ Yes ☑ No			
b	If "Yes," did it have excess business holdings in 2001 as a result of **(1)** any purchase by the organization or disqualified persons after May 26, 1969; **(2)** the lapse of the 5-year period (or longer period approved by the Commissioner under section 4943(c)(7)) to dispose of holdings acquired by gift or bequest; or **(3)** the lapse of the 10-, 15-, or 20-year first phase holding period? *(Use Schedule C, Form 4720, to determine if the organization had excess business holdings in 2001.)*	3b		
4a	Did the organization invest during the year any amount in a manner that would jeopardize its charitable purposes?	4a		✔
b	Did the organization make any investment in a prior year (but after December 31, 1969) that could jeopardize its charitable purpose that had not been removed from jeopardy before the first day of the tax year beginning in 2001?	4b		✔
5a	During the year did the organization pay or incur any amount to:			
	(1) Carry on propaganda, or otherwise attempt to influence legislation (section 4945(e))? ☐ Yes ☑ No			
	(2) Influence the outcome of any specific public election (see section 4955); or to carry on, directly or indirectly, any voter registration drive? ☐ Yes ☑ No			
	(3) Provide a grant to an individual for travel, study, or other similar purposes? ☑ Yes ☐ No			
	(4) Provide a grant to an organization other than a charitable, etc., organization described in section 509(a)(1), (2), or (3), or section 4940(d)(2)? ☐ Yes ☑ No			
	(5) Provide for any purpose other than religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals? ☐ Yes ☑ No			
b	If any answer is "Yes" to 5a(1)–(5), did **any** of the transactions fail to qualify under the exceptions described in Regulations section 53.4945 or in a current notice regarding disaster assistance (see page 20 of the instructions)?	5b	✔	
	Organizations relying on a current notice regarding disaster assistance check here ▶ ☐			
c	If the answer is "Yes" to question 5a(4), does the organization claim exemption from the tax because it maintained expenditure responsibility for the grant? ☐ Yes ☐ No			
	If "Yes," attach the statement required by Regulations section 53.4945–5(d).			
6a	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ Yes ☑ No			
b	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	6b		✔
	If you answered "Yes" to 6b, also file Form 8870.			

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

1 List all officers, directors, trustees, foundation managers and their compensation (see page 20 of the instructions):

(a) Name and address	**(b)** Title, and average hours per week devoted to position	**(c)** Compensation **(If not paid, enter -0-)**	**(d)** Contributions to employee benefit plans and deferred compensation	**(e)** Expense account, other allowances
Michael G. Nicholas 1168 Middlebury Lane #B1, Wheeling, IL 60090	Trustee, 5 hr/wk	-0-	-0-	-0-

2 Compensation of five highest-paid employees (other than those included on line 1—see page 21 of the instructions). If none, enter "NONE."

(a) Name and address of each employee paid more than $50,000	**(b)** Title and average hours per week devoted to position	**(c)** Compensation	**(d)** Contributions to employee benefit plans and deferred compensation	**(e)** Expense account, other allowances
NONE				

Total number of other employees paid over $50,000 . . . . ▶

3 Five highest-paid independent contractors for professional services—(see page 21 of the instructions). If none, enter "NONE."

(a) Name and address of each person paid more than $50,000	**(b)** Type of service	**(c)** Compensation
NONE		

Total number of others receiving over $50,000 for professional services . . . . ▶

Part IX-A Summary of Direct Charitable Activities

List the foundation's four largest direct charitable activities during the tax year. Include relevant statistical information such as the number of organizations and other beneficiaries served, conferences convened, research papers produced, etc.	Expenses
1 Scholarship Grants, Financial Aid for 22 Secondary School Students and 1 Nursing School Student From 15 different Orthodox Christian Churches in Kenya. Attending 7 different schools.	8049.40
2	
3	
4	

Part IX-B Summary of Program-Related Investments (see page 21 of the instructions)

Describe the two largest program-related investments made by the foundation during the tax year on lines 1 and 2.	Amount
1 No Interest Scholarship Loan for 1 student from Kenya to attend Kansas State University	3000.00
2	
All other program-related investments. See page 22 of the instructions.	
3	
Total. Add lines 1 through 3 ▶	3000.00

Part X Minimum Investment Return (All domestic foundations must complete this part. Foreign foundations, see page 22 of the instructions.)

1	Fair market value of assets not used (or held for use) directly in carrying out charitable, etc., purposes:			
a	Average monthly fair market value of securities		1a	7761.26
b	Average of monthly cash balances		1b	1599.95
c	Fair market value of all other assets (see page 22 of the instructions)		1c	-0-
d	**Total** (add lines 1a, b, and c)		1d	9361.21
e	Reduction claimed for blockage or other factors reported on lines 1a and 1c (attach detailed explanation)	1e		
2	Acquisition indebtedness applicable to line 1 assets		2	-0-
3	Subtract line 2 from line 1d		3	9361.21
4	Cash deemed held for charitable activities. Enter 1½% of line 3 (for greater amount, see page 23 of the instructions)		4	140.42
5	**Net value of noncharitable-use assets.** Subtract line 4 from line 3. Enter here and on Part V, line 4		5	9220.79
6	**Minimum investment return.** Enter 5% of line 5		6	461.04

Part XI Distributable Amount (see page 23 of the instructions) (Section 4942(j)(3) and (j)(5) private operating foundations and certain foreign organizations check here ▶ ☐ and do not complete this part.)

1	Minimum investment return from Part X, line 6			1	461.04
2a	Tax on investment income for 2001 from Part VI, line 5	2a	17.33		
b	Income tax for 2001. (This does not include the tax from Part VI.)	2b			
c	Add lines 2a and 2b			2c	17.33
3	Distributable amount before adjustments. Subtract line 2c from line 1			3	443.71
4a	Recoveries of amounts treated as qualifying distributions	4a	1100.00		
b	Income distributions from section 4947(a)(2) trusts	4b			
c	Add lines 4a and 4b			4c	1100.00
5	Add lines 3 and 4c			5	1543.71
6	Deduction from distributable amount (see page 23 of the instructions)			6	-0-
7	**Distributable amount** as adjusted. Subtract line 6 from line 5. Enter here and on Part XIII, line 1			7	1543.71

Part XII Qualifying Distributions (see page 23 of the instructions)

1	Amounts paid (including administrative expenses) to accomplish charitable, etc., purposes:		
a	Expenses, contributions, gifts, etc.—total from Part I, column (d), line 26	1a	8074.40
b	Program-related investments—Total from Part IX-B	1b	3000.00
2	Amounts paid to acquire assets used (or held for use) directly in carrying out charitable, etc., purposes	2	-0-
3	Amounts set aside for specific charitable projects that satisfy the:		
a	Suitability test (prior IRS approval required)	3a	-0-
b	Cash distribution test (attach the required schedule)	3b	-0-
4	**Qualifying distributions.** Add lines 1a through 3b. Enter here and on Part V, line 8, and Part XIII, line 4	4	11074.40
5	Organizations that qualify under section 4940(e) for the reduced rate of tax on net investment income. Enter 1% of Part I, line 27b (see page 24 of the instructions)	5	-0-
6	**Adjusted qualifying distributions.** Subtract line 5 from line 4	6	11074.40

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

Part XIII Undistributed Income (see page 24 of the instructions)

		(a) Corpus	(b) Years prior to 2000	(c) 2000	(d) 2001
1	Distributable amount for 2001 from Part XI, line 7				1543.71
2	Undistributed income, if any, as of the end of 2000:				
a	Enter amount for 2000 only			-0-	
b	Total for prior years: 19____ ,19____ ,19____		-0-		
3	Excess distributions carryover, if any, to 2001:				
a	From 1996				
b	From 1997				
c	From 1998				
d	From 1999				
e	From 2000				
f	**Total** of lines 3a through e	-0-			
4	Qualifying distributions for 2001 from Part XII, line 4: ► $ 11074.40				
a	Applied to 2000, but not more than line 2a			-0-	
b	Applied to undistributed income of prior years (Election required—see page 24 of the instructions)		-0-		
c	Treated as distributions out of corpus (Election required—see page 24 of the instructions)	-0-			
d	Applied to 2001 distributable amount				1543.71
e	Remaining amount distributed out of corpus	9530.69			
5	Excess distributions carryover applied to 2001 *(If an amount appears in column (d), the same amount must be shown in column (a).)*	-0-			-0-
6	**Enter the net total of each column as indicated below:**				
a	Corpus. Add lines 3f, 4c, and 4e. Subtract line 5	9530.69			
b	Prior years' undistributed income. Subtract line 4b from line 2b		-0-		
c	Enter the amount of prior years' undistributed income for which a notice of deficiency has been issued, or on which the section 4942(a) tax has been previously assessed		-0-		
d	Subtract line 6c from line 6b. Taxable amount—see page 25 of the instructions		-0-		
e	Undistributed income for 2000. Subtract line 4a from line 2a. Taxable amount—see page 25 of the instructions			-0-	
f	Undistributed income for 2001. Subtract lines 4d and 5 from line 1. This amount must be distributed in 2002				-0-
7	Amounts treated as distributions out of corpus to satisfy requirements imposed by section 170(b)(1)(E) or 4942(g)(3) (see page 25 of the instructions)	-0-			
8	Excess distributions carryover from 1996 not applied on line 5 or line 7 (see page 25 of the instructions)	-0-			
9	**Excess distributions carryover to 2002.** Subtract lines 7 and 8 from line 6a	9530.69			
10	Analysis of line 9:				
a	Excess from 1997				
b	Excess from 1998				
c	Excess from 1999				
d	Excess from 2000				
e	Excess from 2001 9530.69				

Part XIV Private Operating Foundations (see page 25 of the instructions and Part VII-A, question 9)

1a If the foundation has received a ruling or determination letter that it is a private operating foundation, and the ruling is effective for 2001, enter the date of the ruling . . . . . ▶

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

	Tax year	Prior 3 years			
	(a) 2001	**(b)** 2000	**(c)** 1999	**(d)** 1998	**(e) Total**
2a Enter the lesser of the adjusted net income from Part I or the minimum investment return from Part X for each year listed					
b 85% of line 2a					
c Qualifying distributions from Part XII, line 4 for each year listed					
d Amounts included in line 2c not used directly for active conduct of exempt activities					
e Qualifying distributions made directly for active conduct of exempt activities. Subtract line 2d from line 2c					
3 Complete 3a, b, or c for the alternative test relied upon: **a** "Assets" alternative test—enter: **(1)** Value of all assets					
(2) Value of assets qualifying under section 4942(j)(3)(B)(i)					
b "Endowment" alternative test— Enter ⅔ of minimum investment return shown in Part X, line 6 for each year listed					
c "Support" alternative test—enter: **(1)** Total support other than gross investment income (interest, dividends, rents, payments on securities loans (section 512(a)(5)), or royalties)					
(2) Support from general public and 5 or more exempt organizations as provided in section 4942(j)(3)(B)(iii)					
(3) Largest amount of support from an exempt organization					
(4) Gross investment income					

Part XV Supplementary Information (Complete this part only if the organization had $5,000 or more in assets at any time during the year—see page 26 of the instructions.)

1 Information Regarding Foundation Managers:

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

Michael G. Nicholas

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

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

Check here ▶ ☐ if the organization only makes contributions to preselected charitable organizations and does not accept unsolicited requests for funds. If the organization makes gifts, grants, etc. (see page 26 of the instructions) to individuals or organizations under other conditions, complete items 2a, b, c, and d.

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

email michael@michaelgnicholas.org or mail Michael G. Nicholas, 1168 Middlebury Lane #B1, Wheeling, IL 60090-2453

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

Brief (one page) letter explaining how the grant request meets the Michael G. Nicholas Foundation mission statement.

c Any submission deadlines:

None

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

The mission of this foundation is to fund education of Orthodox Christian children in developing countries.

Part XV **Supplementary Information** (continued)

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

Recipient Name and address (home or business)	If recipient is an individual, show any relationship to any foundation manager or substantial contributor	Foundation status of recipient	Purpose of grant or contribution	Amount
a *Paid during the year*				
See Attachments 4 and 5				
Total . . . . ▶ **3a**				**10411.00**
b *Approved for future payment*				
Total . . . . ▶ **3b**				**-0-**

Part XVI-A Analysis of Income-Producing Activities

Enter gross amounts unless otherwise indicated.	Unrelated business income		Excluded by section 512, 513, or 514		(e) Related or exempt function income (See page 26 of the instructions.)
	(a) Business code	(b) Amount	(c) Exclusion code	(d) Amount	
1 Program service revenue:					
a					
b					
c					
d					
e					
f					
g Fees and contracts from government agencies					
2 Membership dues and assessments					
3 Interest on savings and temporary cash investments					
4 Dividends and interest from securities			14	164.79	
5 Net rental income or (loss) from real estate:					
a Debt-financed property					
b Not debt-financed property					
6 Net rental income or (loss) from personal property					
7 Other investment income					
8 Gain or (loss) from sales of assets other than inventory			18	751.71	
9 Net income or (loss) from special events					
10 Gross profit or (loss) from sales of inventory					
11 Other revenue: a					
b					
c					
d					
e					
12 Subtotal. Add columns (b), (d), and (e)				916.50	

13 Total. Add line 12, columns (b), (d), and (e) . . . . ▶ 13 916.50

(See worksheet in line 13 instructions on page 26 to verify calculations.)

Part XVI-B Relationship of Activities to the Accomplishment of Exempt Purposes

Line No. ▼	Explain below how each activity for which income is reported in column (e) of Part XVI-A contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes). (See page 27 of the instructions.)

Part XVII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations

			Yes	No
1	Did the organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?			
a	Transfers from the reporting organization to a noncharitable exempt organization of:			
	(1) Cash	1a(1)		✔
	(2) Other assets	1a(2)		✔
b	Other Transactions:			
	(1) Sales of assets to a noncharitable exempt organization	1b(1)		✔
	(2) Purchases of assets from a noncharitable exempt organization	1b(2)		✔
	(3) Rental of facilities, equipment, or other assets	1b(3)		✔
	(4) Reimbursement arrangements	1b(4)		✔
	(5) Loans or loan guarantees	1b(5)		✔
	(6) Performance of services or membership or fundraising solicitations	1b(6)		✔
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	1c		✔

d If the answer to any of the above is "Yes," complete the following schedule. Column **(b)** should always show the fair market value of the goods, other assets, or services given by the reporting organization. If the organization received less than fair market value in any transaction or sharing arrangement, show in column **(d)** the value of the goods, other assets, or services received.

(a) Line no.	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements

2a Is the organization directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ☐ Yes ☑ No

b If "Yes," complete the following schedule.

(a) Name of organization	(b) Type of organization	(c) Description of relationship

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

Michael D. Nicholas | 5/13/2002 | Trustee
Signature of officer or trustee | Date | Title

Paid Preparer's Use Only

Preparer's signature	Date	Check if self-employed ☐	Preparer's SSN or PTIN (See **Signature** on page 28 of the instructions.)
Firm's name (or yours if self-employed), address, and ZIP code		EIN	Phone no. ( )

Michael G. Nicholas Foundation 36-7331363

Statement 1
Form 990-PF, Part I, Line 1
Contributions, Gifts, Grants

Contributor's Name/Address Date	Description	Amount
Michael G. Nicholas 1168 Middlebury Lane #B1 Wheeling, IL 60090-2453		
1/3/2001	125 Shares JNJ @ $98/75	$12,343.75
1/6/2001	Cash	$706.00
1/13/2001	Cash	$1288.20
1/17/2001	Cash	$1686.20
1/20/2001	Cash	$1016.00
2/3/2001	Cash	$1306.00
2/17/2001	Cash	$1100.00
4/23/2001	Cash	$339.00
Eastern Orthodox Church of the Annunciation 13515 SE Rusk Rd. Milwaukie, OR 97222-3212		
4/28/2001	Check #2004	$600.00
Total Contributions		$20385.15

Michael G. Nicholas Foundation 36-7331363

Statement 2
Form 990-PF, Part I, Line 16a
Legal Fees

	(a) Expenses per books	(b) Net Invesment Income	(d) Charitable Purposes
Carroll & Wall	$1240.00	-0-	-0-
Totals	$1240.00	-0-	-0-

Statement 3
Form 990-PF, Part I, Line 23
Other Expenses

	(a) Expenses per books	(b) Net Invesment Income	(d) Charitable Purposes
1023 User Fee	$500.00	-0-	-0-
IL Filing Fee	$15.00	-0-	-0-
Salomon Smith Barney			
Annual Fee	$50.00	$50.00	
Wire Transfer Fee	$25.00	-0-	$25.00
Western Union			
Wire Transfer Fees	$638.40	-0-	$638.40
Totals	$1228.40	$50.00	$663.40

Michael G. Nicholas Foundation 36-7331363

Statement 4
Form 990-PF, Part I, Line 25
Contributions, Gifts, Grants Paid

Donee's Name/Address	Amount
Grant Request from Nandi Bishopric, Orthodox Church of Kenya 20 secondary school students from poor families, 1 nursing school student Fr. Thomas Maritim, secretary P.O. Box 381, Serem, Kenya tmaritim@yahoo.com There are 30 Orthodox churches in the Nandi Bishopric, served by 15 priests. The clergy worked together to select these 21 students based on need. Students must meet academic standards to be selected to attend school. Fees are paid directly to the public schools to ensure accountability. Students are not related to recommending clergy, nor to trustee of Foundation	
Serem Secondary School P.O. Box 317, Serem, Kenya Headmaster Daniel K. Cheruiyot Scholarship Grants for 8 students	$2518.00
Kemeloi Secondary School P.O. Box 16, Serem, Kenya Headmaster S.K. Kolum Scholarship Grants for 8 students	$2464.00
Aldai Girl's Secondary School P.O. Box 28, Kapcheno, Kenya Headmistress Rachel Rutto Scholarship Grant for 1 student	$302.00
Givogi Girl's Secondary School P.O. Box 6, Serem, Kenya Headmaster Richard Ademba Kigane Scholarship Grant for 1 student	$330.00
Maraba Secondary School P.O. Box 16, Kobujoi, Kenya Headmistress Ann Jepsongok Maiyo (Ann Jeptoo Kichwen maiden name for wire transfer) Scholarship Grant for 2 students	$602.00
Kakamega Medical Training College P.O. Box 535, Kakamega, Kenya Headmaster John Kakai Scholarship Grant for 1 nursing school student	$545.00
Total	$6761.00

Statement 4 (continued)
Form 990-PF, Part I, Line 25
Contributions, Gifts, Grants Paid

Donee's Name/Address	Amount
Grant Request from Archbishopric of Kenya, Orthodox Church of Kenya 2 Secondary School students who are orphans Fr. Johannes Eko P.O. Box 42721, Nairobi, Kenya tirop90@yahoo.com Students are not related to recommending clergy, nor to trustee of Foundation	
Kaimosi Boys' Secondary School P.O. Box 103, Tiriki, Kenya Headmistress Grace Munjeresa Scholarship Grant for 2 students	$650.00
Total	$650.00
Total All Grants	$7411.00

Statement 5
Form 990-PF, Part II, Line 7
Other Notes and Loans Receivable

No Interest Scholarship Loan Grants

Loan Request from Archbishopric of Kenya, Orthodox Church of Kenya
1 University Student
Fr. Johannes Eko
P.O. Box 42721, Nairobi, Kenya
tirop90@yahoo.com
Student is not related to recommending clergy, nor to trustee of Foundation

Donee's Name/Address	Initial Loan Amount	Repayments	Balance
Boaz Nandwa Manhattan, KS	$3000.00	$1100.00	$1900.00
Total Loans Receivable			$1900.00

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Statement 6
Form 990-PF, Part II, Line 10b
Investments - Corporate Stock

Corporate Stocks	Valuation Method	Book Value	Fair Market Value
JNJ	Cost	$6084.44	$8865.00
Total		$6084.44	$8865.00

Statement 7
Form 990-PF, Part III, Line 4
Other Decreases

Contribution of stock, adjust to donor's basis	$2203.01
Total	$2203.01

Statement 8
Form 990-PF, Part VII-A, Line 10
Substantial Contributors

Michael G. Nicholas
1168 Middlebury Lane #B1
Wheeling, IL 60090-2453