

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

2005

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

A For the 2005 calendar year, or tax year beginning January 1, 2005, and ending **December 31**, 20 **05**

B Check if applicable:
 Address change
 Name change
 Initial return
 Final return
 Amended return
 Application pending

C Name of organization
The Mosaic Project
 Number and street (or P.O. box if mail is not delivered to street address) Room/suite
2223A Woolsey Street
 City or town, state or country, and ZIP + 4
Berkeley, CA 94705

D Employer identification number
94 3367263

E Telephone number
(510) 530-3377

F Accounting method: Cash Accrual
 Other (specify) ▶

G Website: ▶ **www.mosaicproject.org**

J Organization type (check only one) ▶ 501(c) () ◀ (insert no.) 4947(a)(1) or 527

K Check here 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 chooses to file a return, be sure to file a complete return. Some states require a complete return.

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 ▶

H and I are not applicable to section 527 organizations.
H(a) Is this a group return for affiliates? Yes No
H(b) If "Yes," enter number of affiliates ▶
H(c) Are all affiliates included? Yes No
 (If "No," attach a list. See instructions.)
H(d) Is this a separate return filed by an organization covered by a group ruling? Yes No
I Group Exemption Number ▶
M Check if the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF).

• Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See the instructions.)

Revenue	1 Contributions, gifts, grants, and similar amounts received:				
	a Direct public support	1a	158,905		
	b Indirect public support	1b	0		
	c Government contributions (grants)	1c	0		
	d Total (add lines 1a through 1c) (cash \$ 153,319 noncash \$ 5,586)	1d			158,905
	2 Program service revenue including government fees and contracts (from Part VII, line 93)	2			169,813
	3 Membership dues and assessments	3			0
	4 Interest on savings and temporary cash investments	4			286
	5 Dividends and interest from securities	5			0
	6a Gross rents	6a	0		
	b Less: rental expenses	6b	0		
	c Net rental income or (loss) (subtract line 6b from line 6a)	6c			0
7 Other investment income (describe ▶)	7			0	
8a Gross amount from sales of assets other than inventory	(A) Securities		(B) Other		
	0	8a	0		
	0	8b	0		
	0	8c	0		
d Net gain or (loss) (combine line 8c, columns (A) and (B))	8d			0	
9 Special events and activities (attach schedule). If any amount is from gaming, check here <input type="checkbox"/>					
a Gross revenue (not including \$ 0 of contributions reported on line 1a)	9a	0			
b Less: direct expenses other than fundraising expenses	9b	0			
c Net income or (loss) from special events (subtract line 9b from line 9a)	9c			0	
10a Gross sales of inventory, less returns and allowances	10a	5,279			
	b Less: cost of goods sold	10b	0		
	c Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	10c			5,279
11 Other revenue (from Part VII, line 103)	11			0	
12 Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12			334,283	
Expenses	13 Program services (from line 44, column (B))	13		318,392	
	14 Management and general (from line 44, column (C))	14		25,115	
	15 Fundraising (from line 44, column (D))	15		10,937	
	16 Payments to affiliates (attach schedule)	16		0	
	17 Total expenses (add lines 13 and 14, column (A))	17			354,444
Net Assets	18 Excess or (deficit) for the year (subtract line 17 from line 12)	18		(20,161)	
	19 Net assets or fund balances at beginning of year (from line 73, column (A))	19		48,212	
	20 Other changes in net assets or fund balances (attach explanation)	20		0	
	21 Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21			28,051

Part II Statement of Functional Expenses All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others. (See the instructions.)

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22	Grants and allocations (attach schedule) (cash \$ <u>0</u> noncash \$ <u>0</u>) If this amount includes foreign grants, check here <input type="checkbox"/>	0	0		
23	Specific assistance to individuals (attach schedule)	0	0		
24	Benefits paid to or for members (attach schedule)	0	0		
25	Compensation of officers, directors, etc.	47,700	42,231	1,719	3,750
26	Other salaries and wages	76,074	59,310	14,640	2,124
27	Pension plan contributions	0	0	0	0
28	Other employee benefits	4,380	3,254	753	373
29	Payroll taxes	12,828	10,469	1,874	485
30	Professional fundraising fees	0	0	0	0
31	Accounting fees	0	0	0	0
32	Legal fees	0	0	0	0
33	Supplies	7,710	7,396	194	120
34	Telephone	1,702	1,313	234	155
35	Postage and shipping	261	17	151	93
36	Occupancy	6,000	4,950	630	420
37	Equipment rental and maintenance	0	0	0	0
38	Printing and publications	1,507	40	481	986
39	Travel	487	487	0	0
40	Conferences, conventions, and meetings	919	805	114	0
41	Interest	0	0	0	0
42	Depreciation, depletion, etc. (attach schedule)	6,443	6,443	0	0
43	Other expenses not covered above (itemize): a see schedule #3	188,433	181,677	4,325	2,431
	b				
	c				
	d				
	e				
	f				
	g				
44	Total functional expenses. Add lines 22 through 43. (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	354,444	318,392	25,115	10,937

Joint Costs. Check if you are following SOP 98-2.
 Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? Yes No
 If "Yes," enter (i) the aggregate amount of these joint costs \$ _____; (ii) the amount allocated to Program services \$ _____;
 (iii) the amount allocated to Management and general \$ _____; and (iv) the amount allocated to Fundraising \$ _____

Part III Statement of Program Service Accomplishments (See the instructions.)

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

What is the organization's primary exempt purpose? ► Human Relations/Peace Education All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)	Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)
a Residential Program: The Mosaic Project ran 9 sessions of our outdoor school (6 spring and 3 fall) in 2005, serving 686 children and 30 teachers from 17 elementary schools. _____ _____ _____ (Grants and allocations \$ 0) If this amount includes foreign grants, check here ► <input type="checkbox"/>	266,622
b Leadership Training: The Mosaic Project served 88 students from 10 high schools. The students participated in intensive leadership training prior to serving as cabin leaders in the Residential Program (outdoor school). _____ _____ _____ (Grants and allocations \$ 0) If this amount includes foreign grants, check here ► <input type="checkbox"/>	43,132
c In-School Program: The Mosaic Project provided 28 programs to 17 schools, serving 800 students and 35 teachers. The programs prepare students for, follow up on, and enhance the Residential Program. _____ _____ _____ (Grants and allocations \$ 0) If this amount includes foreign grants, check here ► <input type="checkbox"/>	7,514
d Consultations/Trainings for Other Organizations: The Mosaic Project provided 4 trainings as well as consultations to other organizations. These trainings improved youth leaders', teachers', and service providers' skills in addressing issues of difference, conflict resolution, and building inclusive communities. _____ _____ _____ (Grants and allocations \$ 0) If this amount includes foreign grants, check here ► <input type="checkbox"/>	1,124
e Other program services (attach schedule) (Grants and allocations \$ 0) If this amount includes foreign grants, check here ► <input type="checkbox"/>	0
f Total of Program Service Expenses (should equal line 44, column (B), Program services). . . . ►	318,392

Part IV Balance Sheets (See the instructions.)

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.

		(A) Beginning of year		(B) End of year
Assets	45 Cash—non-interest-bearing	50,039	45	7,780
	46 Savings and temporary cash investments	0	46	22,055
	47a Accounts receivable	47a 17,653		
	b Less: allowance for doubtful accounts	47b 0	1,687	47c 17,653
	48a Pledges receivable	48a 9,000		
	b Less: allowance for doubtful accounts	48b 1,350	0	48c 7,650
	49 Grants receivable		28,500	49 11,500
	50 Receivables from officers, directors, trustees, and key employees (attach schedule)		0	50 0
	51a Other notes and loans receivable (attach schedule)	51a 0		
	b Less: allowance for doubtful accounts	51b 0	0	51c 0
	52 Inventories for sale or use		0	52 0
	53 Prepaid expenses and deferred charges		0	53 0
	54 Investments—securities (attach schedule) <input type="checkbox"/> Cost <input type="checkbox"/> FMV		0	54 0
	55a Investments—land, buildings, and equipment: basis	55a 0		
	b Less: accumulated depreciation (attach schedule)	55b 0	0	55c 0
56 Investments—other (attach schedule)		0	56 0	
57a Land, buildings, and equipment: basis	57a 22,500			
b Less: accumulated depreciation (attach schedule)	57b 10,688	18,255	57c 11,812	
58 Other assets (describe <input type="checkbox"/> none)		0	58 0	
59 Total assets (must equal line 74). Add lines 45 through 58.		98,481	59 78,450	
Liabilities	60 Accounts payable and accrued expenses	269	60	399
	61 Grants payable	0	61	0
	62 Deferred revenue	0	62	0
	63 Loans from officers, directors, trustees, and key employees (attach schedule)		0	63 0
	64a Tax-exempt bond liabilities (attach schedule)		0	64a 0
	b Mortgages and other notes payable (attach schedule)		0	64b 0
	65 Other liabilities (describe <input type="checkbox"/> Program Related Investment)		50,000	65 50,000
66 Total liabilities. Add lines 60 through 65		50,269	66 50,399	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.			
	67 Unrestricted	48,212	67	28,051
	68 Temporarily restricted	0	68	0
	69 Permanently restricted	0	69	0
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74.			
	70 Capital stock, trust principal, or current funds.	n/a	70	n/a
	71 Paid-in or capital surplus, or land, building, and equipment fund	n/a	71	n/a
	72 Retained earnings, endowment, accumulated income, or other funds	n/a	72	n/a
73 Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72; column (A) must equal line 19; column (B) must equal line 21)		48,212	73 28,051	
74 Total liabilities and net assets/fund balances. Add lines 66 and 73.		98,481	74 78,450	

Part IV-A Reconciliation of Revenue per Audited Financial Statements With Revenue per Return (See the instructions.)

a	Total revenue, gains, and other support per audited financial statements		a	n/a
b	Amounts included on line a but not on Part I, line 12:			
1	Net unrealized gains on investments	b1		
2	Donated services and use of facilities	b2		
3	Recoveries of prior year grants	b3		
4	Other (specify):	b4		
	Add lines b1 through b4		b	n/a
c	Subtract line b from line a		c	n/a
d	Amounts included on Part I, line 12, but not on line a :			
1	Investment expenses not included on Part I, line 6b	d1		
2	Other (specify):	d2		
	Add lines d1 and d2		d	n/a
e	Total revenue (Part I, line 12). Add lines c and d ▶		e	n/a

Part IV-B Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

a	Total expenses and losses per audited financial statements		a	n/a
b	Amounts included on line a but not on Part I, line 17:			
1	Donated services and use of facilities	b1		
2	Prior year adjustments reported on Part I, line 20	b2		
3	Losses reported on Part I, line 20	b3		
4	Other (specify):	b4		
	Add lines b1 through b4		b	n/a
c	Subtract line b from line a		c	n/a
d	Amounts included on Part I, line 17, but not on line a :			
1	Investment expenses not included on Part I, line 6b	d1		
2	Other (specify):	d2		
	Add lines d1 and d2		d	n/a
e	Total expenses (Part I, line 17). Add lines c and d ▶		e	n/a

Part V-A Current Officers, Directors, Trustees, and Key Employees (List each person who was an officer, director, trustee, or key employee at any time during the year even if they were not compensated.) (See 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 & deferred compensation plans	(E) Expense account and other allowances
see schedule #4				

Part V-A Current Officers, Directors, Trustees, and Key Employees (continued)

75a Enter the total number of officers, directors, and trustees permitted to vote on organization business at board meetings **15**

b Are any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, related to each other through family or business relationships? If "Yes," attach a statement that identifies the individuals and explains the relationship(s)

75b Yes No

c Do any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, receive compensation from any other organizations, whether tax exempt or taxable, that are related to this organization through common supervision or common control? **Note.** Related organizations include section 509(a)(3) supporting organizations.

75c Yes No

If "Yes," attach a statement that identifies the individuals, explains the relationship between this organization and the other organization(s), and describes the compensation arrangements, including amounts paid to each individual by each related organization.

d Does the organization have a written conflict of interest policy?

75d Yes No

Part V-B Former Officers, Directors, Trustees, and Key Employees That Received Compensation or Other Benefits (if any former officer, director, trustee, or key employee received compensation or other benefits (described below) during the year, list that person below and enter the amount of compensation or other benefits in the appropriate column. See the instructions.)

(A) Name and address	(B) Loans and Advances	(C) Compensation	(D) Contributions to employee benefit plans & deferred compensation plans	(E) Expense account and other allowances
none				

Part VI Other Information (See the instructions.)

76 Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity

76 Yes No

77 Were any changes made in the organizing or governing documents but not reported to the IRS?
If "Yes," attach a conformed copy of the changes.

77 Yes No

78a Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?

78a Yes No

b If "Yes," has it filed a tax return on **Form 990-T** for this year?

78b Yes No

79 Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement

79 Yes No

80a Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization?

80a Yes No

b If "Yes," enter the name of the organization ▶ and check whether it is exempt or nonexempt

81a Enter direct and indirect political expenditures. (See line 81 instructions.) . . . **81a** 0

81b Yes No

Part VI Other Information (continued)		Yes	No
82a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	b If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.)	82b	
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
83b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
84a	Did the organization solicit any contributions or gifts that were not tax deductible?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	84b	
85	501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members?	85a	
	b Did the organization make only in-house lobbying expenditures of \$2,000 or less? If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.	85b	
	c Dues, assessments, and similar amounts from members	85c n/a	
	d Section 162(e) lobbying and political expenditures	85d n/a	
	e Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85e n/a	
	f Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f n/a	
	g Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	85g	
	h If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85h	
86	501(c)(7) orgs. Enter: a Initiation fees and capital contributions included on line 12	86a n/a	
	b Gross receipts, included on line 12, for public use of club facilities	86b n/a	
87	501(c)(12) orgs. Enter: a Gross income from members or shareholders	87a n/a	
	b Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)	87b n/a	
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX	<input type="checkbox"/>	<input checked="" type="checkbox"/>
89a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 ▶ 0 ; section 4912 ▶ 0 ; section 4955 ▶ 0	89a	
	b 501(c)(3) and 501(c)(4) orgs. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	c Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958	89c 0	
	d Enter: Amount of tax on line 89c, above, reimbursed by the organization	89d 0	
90a	List the states with which a copy of this return is filed ▶ <u>California</u>	90a	
	b Number of employees employed in the pay period that includes March 12, 2005 (See instructions.)	90b 3	
91a	The books are in care of ▶ <u>Margaret Hodder</u> Telephone no. ▶ <u>(510) 845-8084</u> Located at ▶ <u>2223A Woolsey Street, Berkeley, CA</u> ZIP + 4 ▶ <u>94705</u>	91a	
	b At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If "Yes," enter the name of the foreign country ▶ <u>n/a</u> See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.	<input type="checkbox"/>	<input checked="" type="checkbox"/>
	c At any time during the calendar year, did the organization maintain an office outside of the United States? If "Yes," enter the name of the foreign country ▶ <u>n/a</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041—Check here and enter the amount of tax-exempt interest received or accrued during the tax year ▶ 92	n/a	

Part VII Analysis of Income-Producing Activities (See the instructions.)

Note: Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue:					
a Program Fees					169,813
b					
c					
d					
e					
f Medicare/Medicaid payments					0
g Fees and contracts from government agencies					0
94 Membership dues and assessments					0
95 Interest on savings and temporary cash investments					286
96 Dividends and interest from securities					0
97 Net rental income or (loss) from real estate:					
a debt-financed property					0
b not debt-financed property					0
98 Net rental income or (loss) from personal property					0
99 Other investment income					0
100 Gain or (loss) from sales of assets other than inventory					0
101 Net income or (loss) from special events					0
102 Gross profit or (loss) from sales of inventory					5,279
103 Other revenue: a					0
b					0
c					0
d					0
e					0
104 Subtotal (add columns (B), (D), and (E))		0		0	175,378
105 Total (add line 104, columns (B), (D), and (E))					175,378

Note: Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I.

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See the instructions.)

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
93a	Fees paid by schools for participation in residential and in-school programs - a primary component of our tax exempt purpose.
102	Revenue from distribution of our musical curriculum (CD's) and our values (displayed on t-shirts) directly related to our tax exempt purpose.

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See the instructions.)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
n/a	%			
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See the instructions.)

- (a) 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? Yes No
- Note:** If "Yes" to (b), file Form 8870 and Form 4720 (see instructions).

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.

Please Sign Here

Signature of officer: **Margaret Hodder, Board President & Director** Date: _____

Type or print name and title.

Paid Preparer's Use Only

Preparer's signature: _____ Date: _____ Check if self-employed Preparer's SSN or PTIN (See Gen. Inst. W)

Firm's name (or yours if self-employed), address, and ZIP + 4: _____ EIN: _____ Phone no.: _____

THE MOSAIC PROJECT
EIN: 94-3367263
2005 IRS Form 990

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

Schedule 1 - Gross Profit from sales of inventory
Part I, Line 10c

Income from sales of CDs and T-shirts	\$	5,279
Expenses in production of same	\$	-
Gross profit from sales	\$	<u>5,279</u>

THE MOSAIC PROJECT
EIN: 94-3367263
2005 IRS Form 990

Statement of Functional Expenses

Schedule 2 - Depreciation Schedule
Part II, Line 42 and Part IV, Line 57b

Name of Item	Acquisition		Method	Depreciation					Additions	Disposals	Total Depreciation
	Date	Value		2001	2002	2003	2004	2005			
100 sleeping bags	04/01/01	22,500	SL 10	1,688	2,250	2,250	2,250	2,250	-	-	10,688
Total		22,500		1,688	2,250	2,250	2,250	2,250			10,688

Schedule 3- Other Expenses Not Covered
Part II, Line 43 Detail

	(C)			
	(A) Total	(B) Program Services	(C) Program Management & General	(D) Fundraising
Program Facilities & Food	146,304	146,304	0	0
Program Insurance	4,210	4,210	0	0
Staff Training and Development	2,823	2,823	0	0
Program Expenses - other	1,595	1,595	0	0
Program Fee Write Offs	5,847	5,847	0	0
Consultants (Program)	4,328	4,328	0	0
Payroll Processing Fees	267	0	267	0
Workers Comp Insurance	13,476	12,988	389	99
Computer/Internet/Website/Progr	2,184	815	1,240	129
Dues and Memberships	50	0	50	0
Bad Debt Expense	17	0	17	0
Bank Fees	308	0	199	109
Insurance- Directors & Officers	1,645	0	1,645	0
Board Expense	417	0	388	29
Graphic Design	1,313	1,013	0	300
T-shirt & CD Production	0	0	0	0
Video & Photography	0	0	0	0
Marketing & Outreach	84	84	0	0
Donor Development	1,765	0	0	1,765
Fundraising Events	0	0	0	0
Miscellaneous Expense	1,271	1,141	130	0
	187,904	181,148	4,325	2,431

THE MOSAIC PROJECT
 EIN: 94-3367263
 2005 IRS Form 990

Schedule 4 - Officers, Directors & Key Employees

	(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation	(D) Contributions to employee benefit plans & deferred compensation	(E) Expense account and other allowances
1	Lara Mendel Armour Drive Oakland, CA 94611	Executive Director/Director 80	45,000	0	0
2	Margaret "Gogi" Hodder 2223A Woolsey Street Berkeley, CA 94705	Board President/Director 40	0	0	0
3	Jonathan Marley * 2223A Woolsey Street Berkeley, CA 94705	Vice President/Director 1	1,425	0	0
4	Mark Breimhorst 2223A Woolsey Street Berkeley, CA 94705	Treasurer/Director 1	0	0	0
5	Jillian Kwan 2223A Woolsey Street Berkeley, CA 94705	Secretary/Director 1	0	0	0
6	Sriram Balasubramanian 2223A Woolsey Street Berkeley, CA 94705	Director 1	0	0	0
7	Masankho Banda * 2223A Woolsey Street Berkeley, CA 94705	Director 1	750	0	0
8	Natalee Bauer * 2223A Woolsey Street Berkeley, CA 94705	Director 1	525	0	0
9	Albert Chan 2223A Woolsey Street Berkeley, CA 94705	Director 1	0	0	0
10	Ann Hecht 2223A Woolsey Street Berkeley, CA 94705	Director 1	0	0	0
11	Thom Massey 2223A Woolsey Street Berkeley, CA 94705	Director 1	0	0	0
12	Nancy Nagramada Pederson 2223A Woolsey Street Berkeley, CA 94705	Director 1	0	0	0
13	Susie Sarlo 2223A Woolsey Street Berkeley, CA 94705	Director 1	0	0	0
14	Tirlen Steinbach 2223A Woolsey Street Berkeley, CA 94705	Director 1	0	0	0
15	Timmy Yuen * 2223A Woolsey Street Berkeley, CA 94705	Director 1	0	0	0

47,700

*Compensation was paid as program staff, not as director.

SCHEDULE A
(Form 990 or 990-EZ)

Organization Exempt Under Section 501(c)(3)

(Except Private Foundation) and Section 501(e), 501(f), 501(k), 501(n),
or 4947(a)(1) Nonexempt Charitable Trust

OMB No. 1545-0047

2005

Department of the Treasury
Internal Revenue Service

Supplementary Information—(See separate instructions.)

▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

Name of the organization January 1	Employer identification number D: 05
--	--

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See page 1 of the instructions. List each one. If there are 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 & deferred compensation	(e) Expense account and other allowances
The Mosaic Project 2223A Woolsey Street 510 530-3377		Berkeley, CA 94 www.mosaicpro	94	3367263
	158,905	0	0	153,319
	5,586 158,905	0	286	0
	0	0	0	0
	0			
Total number of other employees paid over \$50,000 ▶				

Part II-A Compensation of the Five Highest Paid Independent Contractors for Professional Services
(See page 2 of the instructions. List each one (whether individuals or firms). If there are none, enter "None.")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
		0
		0
		0
		0
		5,279
		5,279
		334,283
		318,392
		0
		354,444
Total number of others receiving over \$50,000 for professional services ▶		

Part II-B Compensation of the Five Highest Paid Independent Contractors for Other Services
(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter "None." See page 2 of the instructions.)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
		28,051
Total number of other contractors receiving over \$50,000 for other services ▶		

Part III Statements About Activities (See page 2 of the instructions.)

Yes No

1 During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ▶ \$ _____ (Must equal amounts on line 38, Part VI-A, or line I of Part VI-B.)

1	✓	
---	---	--

Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes" must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.

2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)

2a	✓	
2b		✓
2c		✓
2d	✓	
2e		✓
3a		✓
3b		✓
3c		✓
4a		✓
4b		

- a Sale, exchange, or leasing of property?
- b Lending of money or other extension of credit?
- c Furnishing of goods, services, or facilities?
- d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?
- e Transfer of any part of its income or assets?
- 3a** Do you make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how you determine that recipients qualify to receive payments.)
- b** Do you have a section 403(b) annuity plan for your employees?
- c** During the year, did the organization receive a contribution of qualified real property interest under section 170(h)?
- 4a** Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds?
- b** Do you provide credit counseling, debt management, credit repair, or debt negotiation services?

Part IV Reason for Non-Private Foundation Status (See pages 3 through 6 of the instructions.)

The organization is not a private foundation because it is: (Please check only **ONE** applicable box.)

- 5** A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
- 6** A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)
- 7** A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).
- 8** A Federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).
- 9** A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state ▶ _____
- 10** An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the **Support Schedule** in Part IV-A.)
- 11a** An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 11b** A community trust. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 12** An organization that normally receives: **(1) more than 33 1/3%** of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions—subject to certain exceptions, and **(2) no more than 33 1/3%** of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Also complete the **Support Schedule** in Part IV-A.)
- 13** An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in: **(1)** lines 5 through 12 above; or **(2)** sections 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2). Check the box that describes the type of supporting organization: ▶ Type 1 Type 2 Type 3

Provide the following information about the supported organizations. (See page 6 of the instructions.)

(a) Name(s) of supported organization(s)	(b) Line number from above

14 An organization organized and operated to test for public safety. Section 509(a)(4). (See page 6 of the instructions.)

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12.) **Use cash method of accounting.**
Note: You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.

Calendar year (or fiscal year beginning in)	(a) 2004	(b) 2003	(c) 2002	(d) 2001	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	127,021	85,620	68,896	24,787	306,324
16 Membership fees received	0	0	0	0	0
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose	118,660	70,391	22,359	3,025	214,435
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	0	0	0	0	0
19 Net income from unrelated business activities not included in line 18	0	0	0	0	0
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf	0	0	0	0	0
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge	0	0	0	0	0
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets	2,581	6,624	400	22,500	32,105
23 Total of lines 15 through 22	248,262	162,635	91,655	50,312	552,864
24 Line 23 minus line 17	129,602	92,244	69,296	47,287	337,007
25 Enter 1% of line 23	2,483	1,626	917	503	
26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24					26a 6,769
b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2001 through 2004 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts					26b 91,508
c Total support for section 509(a)(1) test: Enter line 24, column (e)					26c 337,007
d Add: Amounts from column (e) for lines: 18 0 19 0					26d 123,613
22 32,105 26b 91,508					26e 213,394
e Public support (line 26c minus line 26d total)					26f 63 %
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					
27 Organizations described on line 12: a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." Do not file this list with your return. Enter the sum of such amounts for each year:	(2004) (2003) (2002) (2001)				
b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11b, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year:	(2004) (2003) (2002) (2001)				
c Add: Amounts from column (e) for lines: 15 _____ 16 _____					27c _____
17 _____ 20 _____ 21 _____					27d _____
d Add: Line 27a total _____ and line 27b total _____					27e _____
e Public support (line 27c total minus line 27d total)					27f _____
f Total support for section 509(a)(2) test: Enter amount from line 23, column (e)					27g _____ %
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))					27h _____ %
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					

28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2001 through 2004, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.

Part V Private School Questionnaire (See page 7 of the instructions.)
(To be completed ONLY by schools that checked the box on line 6 in Part IV)

	Yes	No
29 Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?		
30 Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
31 Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.)		
32 Does the organization maintain the following:		
a Records indicating the racial composition of the student body, faculty, and administrative staff?		
b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?		
c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?		
d Copies of all material used by the organization or on its behalf to solicit contributions? If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.)		
33 Does the organization discriminate by race in any way with respect to:		
a Students' rights or privileges?		
b Admissions policies?		
c Employment of faculty or administrative staff?		
d Scholarships or other financial assistance?		
e Educational policies?		
f Use of facilities?		
g Athletic programs?		
h Other extracurricular activities? If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.)		
34a Does the organization receive any financial aid or assistance from a governmental agency?		
b Has the organization's right to such aid ever been revoked or suspended? If you answered "Yes" to either 34a or b, please explain using an attached statement.		
35 Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation		

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 9 of the instructions.)
 (To be completed **ONLY** by an eligible organization that filed Form 5768)

Check **a** if the organization belongs to an affiliated group. Check **b** if you checked "a" and "limited control" provisions apply.

Limits on Lobbying Expenditures		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
(The term "expenditures" means amounts paid or incurred.)			
36	Total lobbying expenditures to influence public opinion (grassroots lobbying)		
37	Total lobbying expenditures to influence a legislative body (direct lobbying)		
38	Total lobbying expenditures (add lines 36 and 37)		
39	Other exempt purpose expenditures		
40	Total exempt purpose expenditures (add lines 38 and 39)		
41	Lobbying nontaxable amount. Enter the amount from the following table—		
	If the amount on line 40 is—		
	The lobbying nontaxable amount is—		
	Not over \$500,000 20% of the amount on line 40		
	Over \$500,000 but not over \$1,000,000 \$100,000 plus 15% of the excess over \$500,000		
	Over \$1,000,000 but not over \$1,500,000 \$175,000 plus 10% of the excess over \$1,000,000		
	Over \$1,500,000 but not over \$17,000,000 \$225,000 plus 5% of the excess over \$1,500,000		
	Over \$17,000,000 \$1,000,000		
42	Grassroots nontaxable amount (enter 25% of line 41)		
43	Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36.		
44	Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38.		

Caution: If there is an amount on either line 43 or line 44, you must file Form 4720.

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 45 through 50 on page 11 of the instructions.)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2005	(b) 2004	(c) 2003	(d) 2002	(e) Total
45 Lobbying nontaxable amount					
46 Lobbying ceiling amount (150% of line 45(e))					
47 Total lobbying expenditures					
48 Grassroots nontaxable amount					
49 Grassroots ceiling amount (150% of line 48(e))					
50 Grassroots lobbying expenditures					

Part VI-B Lobbying Activity by Nonelecting Public Charities
 (For reporting only by organizations that did not complete Part VI-A) (See page 11 of the instructions.)

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:	Yes	No	Amount
a Volunteers			
b Paid staff or management (Include compensation in expenses reported on lines c through h.)			
c Media advertisements.			
d Mailings to members, legislators, or the public			
e Publications, or published or broadcast statements			
f Grants to other organizations for lobbying purposes			
g Direct contact with legislators, their staffs, government officials, or a legislative body.			
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means			
i Total lobbying expenditures (Add lines c through h.)			

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities.

Part VII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations (See page 12 of the instructions.)

51 Did the reporting 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?

		Yes	No
a	Transfers from the reporting organization to a noncharitable exempt organization of:		
	(i) Cash	51a(i)	✓
	(ii) Other assets	a(ii)	✓
b	Other transactions:		
	(i) Sales or exchanges of assets with a noncharitable exempt organization	b(i)	
	(ii) Purchases of assets from a noncharitable exempt organization	b(ii)	
	(iii) Rental of facilities, equipment, or other assets	b(iii)	
	(iv) Reimbursement arrangements	b(iv)	
	(v) Loans or loan guarantees	b(v)	
	(vi) Performance of services or membership or fundraising solicitations	b(vi)	
c	Sharing of facilities, equipment, mailing lists, other assets, or paid employees	c	

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

52a 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

THE MOSAIC PROJECT
EIN: 94-3367263
2005 IRS Form 990, Schedule A

Part III, Statements About Activities

Schedule 5 - Detail Statement of Transactions
Line 2 a, c, & d

- 2a The Mosaic Project uses as storage space the garage of Margaret Hodder, Founder/Board President. This garage space was donated from January to July 2004. From August through December 2004, the Board of Directors (absent Margaret Hodder) voted to pay nominal rent (below market rate @ \$150 per month).
- 2c See 2a above.
- 2d Lara Mendel, Founder/Executive Director/Board Member, is paid a salary as Executive Director. She also receives reimbursement of expenses (purchase of supplies and other materials). Margaret Hodder, Founder/Board President also receives reimbursement of expenses (purchase of supplies and other materials).

Part IV-A, Support Schedule

Schedule 6 - Other Income
Line 22

	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>Total</u>
Donated Sleeping Bags		-	-	22,500	22,500
HP Office Jet D135 Printer		-	400	-	400
Donated Vehicle		5,750	-	-	5,750
Streamline Graphics: Mosaic Banner		300	-	-	300
Home Depot: Program Supplies		500	-	-	500
Best Buy: Telephone		74	-	-	74
Tile Shack: Mosaic-making supplies	40				
Safeway donation	65				
Donated software	1,075				
Donated computer & monitor	800				
HP Office Jet G85 Printer	600				
Total Other Income	2,580	6,624	400	22,500	32,104