

Return of Organization Exempt From Income Tax

1997

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

This Form Is Open to Public Inspection

A For the 1997 calendar year, OR tax year period beginning 07/01, 1997, and ending 06/30, 1998

B Check if: Change of address, Initial return, Final return, Amended return. C Name of organization: NATIONAL ALLIANCE FOR AUTISM RESEARCH, INC. RESEARCH PARK 414 WALL STREET PRINCETON, NJ 08540. D Employer identification number: 04-3246763. E State registration number: CH0709500. F Check exemption application is pending.

G Type of organization: [X] Exempt under section 501(c)(3) (insert number) OR [ ] section 4947(a)(1) nonexempt charitable trust. Note: Section 501(c)(3) exempt organizations and 4947(a)(1) nonexempt charitable trusts MUST attach a completed Schedule A (Form 990).

H (a) Is this a group return filed for affiliates? [ ] Yes [X] No. (b) If "Yes," enter the number of affiliates for which this return is filed: 0. (c) Is this a separate return filed by an organization covered by a group ruling? [ ] Yes [X] No. I If either box in H is checked "Yes," enter four digit group exemption number (GEN). J Accounting method: [ ] Cash [X] Accrual [ ] Other (specify).

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 it received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return. Note: Form 990-EZ may be used by organizations with gross receipts less than \$100,000 and total assets less than \$250,000 at end of year.

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

Table with columns for Revenue, Expenses, and Net Assets. Rows include: 1 Contributions, gifts, grants, and similar amounts received; 2 Program service revenue; 3 Membership dues and assessments; 4 Interest on savings and temporary cash investments; 5 Dividends and interest from securities; 6a-6c Rental income; 7 Other investment income; 8a-8c Gain or loss from sale of assets; 9 Special events and activities; 10a-10c Sales of inventory; 11 Other revenue; 12 Total revenue; 13-17 Expenses; 18-21 Net assets.

SCANNED NOV 30 1998

REVENUE

EXPENSES

NET ASSETS

Form 990 (1997)

**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 & section 4947(a)(1) nonexempt charitable trusts but optional for others. (See Specific Instr.)

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>516,154.</u> noncash \$ _____)	516,154.	516,154.	SEE STMT 990 Part III - 1	
23	Specific assistance to individuals (attach schedule)				
24	Benefits paid to or for members (attach schedule)				
25	Compensation of officers, directors, etc	110,465.	22,093.	38,138.	50,234.
26	Other salaries and wages	15,550.	3,110.	5,369.	7,071.
27	Pension plan contributions	7,700.	1,540.	3,850.	2,310.
28	Other employee benefits				
29	Payroll taxes	11,694.	2,341.	5,846.	3,507.
30	Professional fundraising fees				
31	Accounting fees	8,150.		8,150.	
32	Legal fees				
33	Supplies	5,647.	262.	5,385.	
34	Telephone	10,764.	3,037.	3,037.	4,690.
35	Postage and shipping	11,096.	3,677.	3,179.	4,240.
36	Occupancy	13,600.		13,600.	
37	Equipment rental and maintenance	5,866.	2,004.	657.	3,205.
38	Printing and publications	19,318.	8,607.	1,913.	8,798.
39	Travel	22,215.	20,700.		1,515.
40	Conferences, conventions, and meetings	24,767.	21,104.		3,663.
41	Interest				
42	Depreciation, depletion, etc. (attach schedule)	4,464.	1,488.	1,488.	1,488.
43	Other expenses (itemize): a SEE STMT 990 Part II - 2				
b					
c	SEE STMT 990 Part II - 3	44,130.	24,889.	7,187.	12,054.
d					
e					
44	<b>Total functional expenses</b> (add lines 22 through 43) Organizations completing columns (B)-(D), carry these totals to lines 13-15	831,580.	631,006.	97,799.	102,775.

**Reporting of Joint Costs.** - Did you report in column (B) (Program services) any joint costs from a combined educational campaign and fundraising solicitation?  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 Specific Instructions.)

What is the organization's primary exempt purpose? <u>STIMULATE AND ADVANCE MEDICAL RESEARCH INTO AUTISM</u>	Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)
a SEE ATTACHED SCHEDULE  (Grants and allocations \$ <u>516,154.</u> )	551,758.
b SEE ATTACHED SCHEDULE  (Grants and allocations \$ _____)	4,594.
c SEE ATTACHED SCHEDULE  (Grants and allocations \$ _____)	3,446.
d SEE ATTACHED SCHEDULE  (Grants and allocations \$ _____)	26,416.
e Other program services (attach schedule) SEE 990 PT III - 1 (Grants and allocations \$ _____)	44,792.
f <b>Total of Program Service Expenses</b> (should equal line 44, column (B), Program services)	631,006.

**Part IV Balance Sheets** (See Specific Instructions.)

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

		(A)		(B)
		Beginning of year		End of year
A s s e t s	45 Cash - non-interest-bearing . . . . .	-964.	45	6,487.
	46 Savings and temporary cash investments . . . . .	244,342.	46	584,233.
	47a Accounts receivable . . . . .		47a	
	b Less: allowance for doubtful accounts . . . . .		47b	47c
	48a Pledges receivable . . . . .	587,000.	48a	
	b Less: allowance for doubtful accounts . . . . .		48b	48c
	49 Grants receivable . . . . .		49	
	50 Receivables from officers, directors, trustees, and key employees (attach schedule) . . . . .		50	
	51a Other notes and loans receivable (attach schedule) . . . . .		51a	
	b Less: allowance for doubtful accounts . . . . .		51b	51c
	52 Inventories for sale or use . . . . .		52	
	53 Prepaid expenses and deferred charges . . . . .	10,000.	53	575.
	54 Investments - securities (attach schedule) . . . . .	SEE 990 PT. IV - 1	54	638.
	55a Investments - land, buildings, and equipment: basis . . . . .		55a	
	b Less: accumulated depreciation (attach schedule) . . . . .		55b	55c
56 Investments - other (attach schedule) . . . . .		56		
57a Land, buildings, and equipment: basis . . . . .	14,926.	57a	SEE 990 PT IV - 2	
b Less: accumulated depreciation (attach schedule) - 3	4,465.	57b	57c	
58 Other assets (describe ► SEE 990 PT IV - 4)	2,250.	58	2,250.	
59 <b>Total assets</b> (add lines 45 through 58) (must equal line 74)	465,628.	59	1,191,644.	
L i a b i l i t i e s	60 Accounts payable and accrued expenses . . . . .	11,562.	60	22,104.
	61 Grants payable . . . . .	118,970.	61	531,194.
	62 Deferred revenue . . . . .		62	
	63 Loans from officers, directors, trustees, and key employees (attach schedule) . . . . .		63	
	64a Tax-exempt bond liabilities (attach schedule) . . . . .		64a	
	b Mortgages and other notes payable (attach schedule) . . . . .		64b	
	65 Other liabilities (describe ►)		65	
66 <b>Total liabilities</b> (add lines 60 through 65)	130,532.	66	553,298.	
N e t A s s e t s o r F u n d B a l a n c e s	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.			
	67 Unrestricted . . . . .	275,976.	67	298,346.
	68 Temporarily restricted . . . . .	59,120.	68	340,000.
	69 Permanently restricted . . . . .		69	
	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 . . . . .		70	
	71 Paid-in or capital surplus, or land, building, and equipment fund . . . . .		71	
	72 Retained earnings, endowment, accumulated income, or other funds . . . . .		72	
73 <b>Total net assets or fund balances</b> (add lines 67 through 69 OR lines 70 through 72; column (A) must equal line 19 and column (B) must equal line 21)	335,096.	73	638,346.	
74 <b>Total liabilities and net assets/fund balances</b> (add lines 66 and 73)	465,628.	74	1,191,644.	

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.



Part VI Other Information (See Specific Instructions.)

		Yes	No
76	Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity.	76	X
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	X
78a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	78a	X
b	If "Yes," has it filed a tax return on Form 990-T for this year?	78b	N/A
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement.	79	X
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	X
b	If "Yes," enter the name of the organization _____ and check whether it is <input type="checkbox"/> exempt OR <input type="checkbox"/> nonexempt.		
81a	Enter the amount of political expenditures, direct or indirect, as described in the instructions for line 81.	81a	NONE
b	Did the organization file Form 1120-POL for this year?	81b	N/A
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?	82a	X
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 for reporting in Part III.)	82b	143,000.
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	83a	X
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	83b	X
84a	Did the organization solicit any contributions or gifts that were not tax deductible?	84a	X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	84b	N/A
85	501(c)(4), (5), or (6) organizations. - a Were substantially all dues nondeductible by members?	85a	N/A
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	N/A
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 in 85f?	85g	N/A
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount in 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85h	N/A
86	501(c)(7) organizations. - 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) organizations. - 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? If "Yes," complete Part IX.	88	X
89a	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 a statement explaining each transaction	89b	X
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 89c, above, reimbursed by the organization		
90a	List the states with which a copy of this return is filed	TO BE PROVIDED UPON REQUEST.	
b	Number of employees employed in the pay period that includes March 12, 1997 (See instructions)	2	
91	The books are in care of	DAVID N. MAXSON, EXEC. DIR. Telephone no. (609) 430-9160 Located at 414 WALL STREET, RESEARCH PARK, PRINCETON, NJ ZIP+4 08540	
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 III Statements About Activities**

	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 . . . . . ▶ \$ <u>1,300.</u> 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.	X	
2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any of its 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:		
a Sale, exchange, or leasing of property? . . . . .		X
b Lending of money or other extension of credit? . . . . .		X
c Furnishing of goods, services, or facilities? . . . . .		X
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? . Form 990, Part V - SEE STMT. . . . .	X	
e Transfer of any part of its income or assets? . . . . . If the answer to any question is "Yes," attach a detailed statement explaining the transactions.		X
3 Does the organization make grants for scholarships, fellowships, student loans, etc.? . . . . .		X
4 Attach a statement to explain how the organization determines that individuals or organizations receiving grants or loans from it in furtherance of its charitable programs qualify to receive payments. (See instructions.)		

**Part IV Reason for Non-Private Foundation Status** (See 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, page 4.)
- 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) section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2). (See section 509(a)(3).)

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

NATIONAL ALLIANCE FOR AUTISM

Schedule A (Form 990) 1997

RESEARCH, INC.

**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) 1996	(b) 1995	(c) 1994	(d) 1993	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	268,916.	90,474.	11,945.		371,335.
16 Membership fees received.					NONE
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is not a business unrelated to the organization's charitable, etc., purpose	13,840.	4,813.			18,653.
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	8,404.	817.			9,221.
19 Net income from unrelated business activities not included in line 18.					NONE
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf.					NONE
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.					NONE
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets.					NONE
23 Total of lines 15 through 22	291,160.	96,104.	11,945.	NONE	399,209.
24 Line 23 minus line 17	277,320.	91,291.	11,945.		380,556.
25 Enter 1% of line 23	2,912.	961.	119.		
26 Organizations described in lines 10 or 11: a Enter 2% of amount in column (e), line 24					26a 7,611.
b Attach a list (which is not open to public inspection) showing the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 1993 through 1996 exceeded the amount shown in line 26a. Enter the sum of all these excess amounts. SEE STMT Sch. A, Part. IV-A : 1					26b 181,723.
c Total support for section 509(a)(1) test: Enter line 24, column (e).					26c 380,556.
d Add: Amounts from column (e) for lines: 18 9,221. 19 _____ 22 _____ 26b 181,723.					26d 190,944.
e Public support (line 26c minus line 26d total).					26e 189,612.
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					26f 49.82%
27 Organizations described on line 12: a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," attach a list to show the name of, and total amounts received in each year from, each "disqualified person." Enter the sum of such amounts for each year: (1996) _____ (1995) _____ (1994) _____ (1993) _____					N/A
b For any amount included in line 17 that was received from a nondisqualified person, attach a list 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 11, as well as individuals.) 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: (1996) _____ (1995) _____ (1994) _____ (1993) _____					
c Add: Amounts from column (e) for lines: 15 _____ 16 _____ 17 _____ 20 _____ 21 _____					27c _____
d Add: Line 27a total _____ and line 27b total _____					27d _____
e Public support (line 27c total minus line 27d total)					27e _____
f Total support for section 509(a)(2) test: Enter amount on line 23, column (e)					27f \$ _____
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))					27g _____ %
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					27h _____ %
28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 1993 through 1996, attach a list (which is not open to public inspection) for each year showing the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not include these grants in line 15. (See instructions.)					

Part V

Private School Questionnaire (See instructions.)

(To be completed ONLY by schools that checked the box on line 6 in Part IV)

N/A

		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 instructions.)

(To be completed ONLY by an eligible organization that filed Form 5768)

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

**Limits on Lobbying Expenditures**  
 (The term "expenditures" means amounts paid or incurred.)

		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
36	Total lobbying expenditures to influence public opinion (grassroots lobbying) . . . . .	36	
37	Total lobbying expenditures to influence a legislative body (direct lobbying) . . . . .	37	
38	Total lobbying expenditures (add lines 36 and 37) . . . . .	38	
39	Other exempt purpose expenditures . . . . .	39	
40	Total exempt purpose expenditures (add lines 38 and 39) . . . . .	40	
41	Lobbying nontaxable amount. Enter the amount from the following table-		
	<b>If the amount on line 40 is-</b>		
	<b>The lobbying nontaxable amount is-</b>		
	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 . . . . .	41	
	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) . . . . .	42	
43	Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36 . . . . .	43	
44	Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38 . . . . .	44	

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.)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 1997	(b) 1996	(c) 1995	(d) 1994	(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 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 . . . . .	X		
b Paid staff or management (Include compensation in expenses reported on lines c through h.) . . . . .	X		
c Media advertisements . . . . .		X	
d Mailings to members, legislators, or the public . . . . .	X		50.
e Publications, or published or broadcast statements . . . . .		X	
f Grants to other organizations for lobbying purposes . . . . .		X	
g Direct contact with legislators, their staffs, government officials, or a legislative body . . . . .	X		1,250.
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means . . . . .		X	
i Total lobbying expenditures (add lines c through h) . . . . .			1,300.

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

See Stmt



## 1997 SUPPLEMENTARY STATEMENTS

NATIONAL ALLIANCE FOR AUTISM RESEARCH, INC.

04-3246763

## STATEMENT: 990 PT I - 2

LINE 8c(A) - SECURITIES ACQUIRED DESCRIPTION	ACQUISITION SOURCE SOLD	PURCHASER	EXP' & IMPR	DEPR	PROCEEDS	BASIS	GAIN (LOSS)
10 SH. GENERAL SIGNAL	11/03/97 12/23/97	DEBRA GIERINGER			386.	408.	-22.
10 SHS. INTEL	12/23/97 01/13/98	ALBERT WANG			716.	714.	2.
600 SHS. LIN TELEV'N	09/17/97 11/05/97	M/M MALCOLM BAKER			31,244.	27,863.	3,381.
TOTAL AMOUNT					32,346.	28,985.	3,361.

## STATEMENT: 990 PT I - 3

LINE 9 - SPECIAL EVENTS DESCRIPTION	GROSS RECEIPTS	CONTRIB	GROSS REVENUE	DIRECT EXPENSES	NET INCOME
BENEFIT CO-SPONSORED WITH ACHIEVABLE FOUNDATION	50,523.	24,476.	26,047.	26,047.	
TOTAL AMOUNT	50,523.	24,476.	26,047.	26,047.	

## STATEMENT: 990 PT I - 4

LINE 20 - OTHER CHANGES DESCRIPTION	AMOUNT
UNREALIZED LOSS ON INVESTMENTS	-888.
TOTAL AMOUNT	-888.

## 1997 SUPPLEMENTARY STATEMENTS

NATIONAL ALLIANCE FOR AUTISM RESEARCH, INC.

04-3246763

## STATEMENT: 990 Part II - 1

LINE 22 - GRANTS AND ALLOCATIONS DONEE/ADDRESS	RELATION	DESCRIPTION PURPOSE	BOOK VALUE	BV DETERMINATION FMV DETERMINATION	TOTAL FMV
E.COURCHESNE,PHD.&D.AMARAL,PHD %UNIV.OF CALIF., SAN DIEGO, CA	NONE	SEE ATT. SCHEDULE SEE ATT. SCHEDULE	60,000.		60,000.
PAM FACTOR-LITVAK, PH.D. %COLUMBIA SCH.OF HEALTH,NY, NY	NONE	SEE ATT. SCHEDULE SEE ATT. SCHEDULE	52,000.		52,000.
WENDY R. KATES, PH.D. KENNEDY KRIEGER INST.,BALT, MD	NONE	SEE ATT. SCHEDULE SEE ATT. SCHEDULE	58,707.		58,707.
YVES LAMARRE, MD, PH.D. UNIV.OF MONTREAL,MONTREAL,CAN	NONE	SEE ATT. SCHEDULE SEE ATT. SCHEDULE	46,860.		46,860.
REBECCA LANDA, PH.D., CCC-SLP KENNEDY KRIEGER CTR.,BALT, MD	NONE	SEE ATT. SCHEDULE SEE ATT. SCHEDULE	60,000.		60,000.
REBECCA LANDA, PH.D., CCC-SLP %KENNEDY KRIEGER CTR., BALT,MD	NONE	SEE ATT. SCHEDULE SEE ATT. SCHEDULE	60,000.		60,000.
ANNE MESSER, PH.D. %NYS DEPT. OF HEALTH,ALBANY,NY	NONE	SEE ATT. SCHEDULE SEE ATT. SCHEDULE	29,920.		29,920.
CHRISTOPHER A. WALSH, MD,PH.D. %HARVARD MED. SCH., BOSTON, MA	NONE	SEE ATT. SCHEDULE SEE ATT. SCHEDULE	58,872.		58,872.
PATRICIA M.WHITAKER-AMITIA,PHD %ST.UNIV.OF NY, STONYBROOK, NY	NONE	SEE ATT. SCHEDULE SEE ATT. SCHEDULE	60,000.		60,000.
ANDREW W. ZIMMERMAN, MD %KENNEDY KRIEGER INST.,BALT,MD	NONE	SEE ATT. SCHEDULE SEE ATT. SCHEDULE	29,795.		29,795.
TOTAL AMOUNT					516,154.

## STATEMENT: 990 Part II - 2

LINE 42 - DEPRECIATION, DEPLETION DESCRIPTION	DATE	BASIS	(LIFE)	METHOD	PRIOR	CURRENT
EQUIPMENT	VARIOUS	11,096.	3.00	SL		3,698.
FURNITURE & FIXTURES	VARIOUS	3,830.	5.00	SL		766.
TOTAL AMOUNT						4,464.

1997 SUPPLEMENTARY STATEMENTS

NATIONAL ALLIANCE FOR AUTISM RESEARCH, INC.

04-3246763

STATEMENT: 990 Part II - 3

LINE 43 - OTHER EXPENSES DESCRIPTION	(A) TOTAL	(B) PGM SVCS	(C) MGMT/GEN	(D) FUNDRAISING
FILING FEES	1,270.		1,270.	
DUES & SUBSCRIPTIONS	2,373.	989.	1,087.	297.
MEALS & LODGING	12,417.	10,272.		2,145.
BANK SERVICE CHARGES	220.		220.	
CONSULTING FEES	14,167.	9,917.		4,250.
RECRUITING EXPENSES	3,202.	2,469.	524.	209.
INSURANCE EXPENSE	3,672.		3,672.	
COMPUTER SOFTWARE EXPENSE	2,077.	414.	414.	1,249.
PUBLICITY	916.			916.
MISCELLANEOUS	3,816.	828.		2,988.
TOTAL AMOUNT	44,130.	24,889.	7,187.	12,054.

STATEMENT: 990 Part III - 1

LINE E - OTHER PROGRAM SERVICES SERVICES PROVIDED, PERSONS BENEFITED	GRANTS AND ALLOCATIONS	EXPENSES
SEE ATTACHED SCHEDULE		16,079.
SEE ATTACHED SCHEDULE		28,713.
CONTRIBUTED SERVICES OF \$47,500, ALLOCATED TO PROGRAM SERVICES, ARE REFLECTED IN THE AUDITED FINANCIAL STATEMENTS OF NAAR, IN ACCORDANCE WITH FASB STATEMENT NO. 117.		
TOTAL AMOUNT		44,792.

SUPPLEMENTARY STATEMENTS

PART:II LINE:22 ERIC COURCHESNE, PH.D.

Professor of Neurosciences, School of Medicine, University of California, San Diego and Director, Research on the Neuroscience of Autism Laboratory, Children's Hospital Research Center; and DAVID AMARAL, Ph.D., Professor, Department of Psychiatry and Center for Neuroscience, University of California, Davis received a two-year grant for "Magnetic Resonance Imaging and Postmordem Neuro-anatomical Evaluation of the Amygdaloid Complex in Autism." These researchers will conduct the first detailed, quantitative studies to identify neural and molecular abnormalities in the amygdala of subjects with autism. The entire amygdaloid complex and each of its subsections will be examined for cell number and cell soma size and certain critical neurotransmitters will also be analyzed. The sample will compare autistic and normal age and sex matched autopsy cases, creating 3-D magnetic resonance images (MRI) of the brain, including volumetric measures of the amygdala and other brain structures. The results will be statistically compared to in vivo measures from large samples of autistic and normal subjects to determine whether the microscopic abnormalities found in the autism autopsy cases are reflected and detectable in in vivo MRI data.

SUPPLEMENTARY STATEMENTS

PART:II LINE:22 PAM FACTOR-LITVAK, PH.D.

Assistant Professor, Division of Epidemiology, Columbia School of Health, received a two-year grant for "Autism and Hazardous Waste Sites: An Ecologic Study in New Jersey." The goal of this study are to determine: 1) whether the prevalence of special education diagnoses related to autism and autism spectrum disorders increases as residential areas get closer to hazardous waste sites; 2) whether the rates of special education diagnoses related to autism and autism spectrum disorders have increased from 1992 to 1997; and 3) whether these associations are specific to such diagnoses by evaluating proximity to hazardous waste sites for other special education diagnoses and the general rate of other special education diagnoses from 1992 through 1997. The entire state of New Jersey was selected as the site for the study because of its large number of federal and state hazardous waste sites. Dr. Factor-Litvak and her study team will evaluate outcome data available from the New Jersey State Department of Education, Office of Special Education. This study addresses the possible roles of non-genetic factors in the etiology of autism spectrum disorders that has previously not been explored.

SUPPLEMENTARY STATEMENTS

PART:II LINE:22 YVES LAMARRE, M.D., PH.D.

Professor of Physiology, Department of Physiology and Center for Research in the Neurological Sciences, University of Montreal, received a two-year grant for "Cerebellar and Cerebral Local Field Potential Oscillations. Relations with Attention and Movement." This study uses an animal model to obtain deeper insights into the brain structures closely associated with autistic pathology and physiology. Abnormalities in the structure of the cerebellum could explain why autistic children exhibit diminished attention control and difficulties in social situations. Electrical oscillations in the cerebellum and cerebral cortex, which have already been related to attentional phenomena, will be studied further, as well as their synchrony, in the search for further insights into the causes of autism. The study will help promote new areas of research using non-invasive recordings of brain electrical activity and functional brain imaging.

SUPPLEMENTARY STATEMENTS

PART:II LINE:22 REBECCA LANDA, PH.D., CCC-SLP(1)

Associate Professor, Director, The Johns Hopkins Autism Research Program, Director, The Kennedy Krieger Center for Autism and Related Disorders, received a two-year grant for the continuation of her ongoing NAAR-funded study, "Core Deficits of Autism: Evidence of Infant Siblings of Autistic Probands." The goal of this study is to elucidate early patterns of development in infant siblings of children with autism, who are at high risk of impairments similar to those of autism. This is the first such prospective study of siblings of autistic children to be undertaken and may lead to earlier diagnosis and intervention, thus avoiding treatment delays that tend to result in less favorable outcomes at greater financial cost. This longitudinal study will provide the basis for a larger-scale study addressing important clinical and theoretical questions about the etiology, core deficits and course of autism.

SUPPLEMENTARY STATEMENTS

PART:II LINE:22 REBECCA LANDA, PH.D., CCC-SLP (2)

Dr. Landa and two associates also received a two-year grant for "The Visual System in Autism: Relations between Oculomotor and Higher Cognitive Functions." Motor and sensory impairments may underlie, or be intimately involved with, the behavioral, communicative, and/or social features of autism. This preliminary study will test the following hypotheses: first, that eye movement abnormalities and differences in how the brain processes visual information are present in autism; and second, that these abnormalities may help explain certain neuropsychological features of the autism spectrum disorders. In testing these hypotheses, the performance of high functioning individuals with autism on neuropsychological measures of executive function and attention will be examined in light of their performance on oculomotor tasks in order to make inferences about abnormal brain regions or systems in autism. The results of this study will form the basis for a larger follow-up NIH proposal and may also help identify autism markers that would be useful in genetic and other studies.

SUPPLEMENTARY STATEMENTS

PART:II LINE:22 ANNE MESSER, PH.D.

Laboratory Chief, Human Molecular Genetics, Wadsworth Center, New York State Department of Health, received a one-year grant for "Manipulating the Differentiation and Survival of Cerebellar Purkinje Cells." The long-term goal of this pilot study is to evaluate the potential for developing methods to use viral gene therapy in treating autism. Defects in the development of cerebellar Purkinje cells have been strongly implicated as contributing factors to the abnormal brain function in autism spectrum disorders. The immediate study goal is to generate pilot data on the use of viral gene therapy to rescue genetically defective cells in mutant mouse brains. The study protocol will use a particular group of DNA-containing viruses as a means to insert a marker gene and a correction gene into Purkinje cells of mice with specific cerebellar mutation. The next step will be to verify that the coded information supplied by the gene is converted into the structures present and operating in cerebellar cells. From there, various methods will be used to test the anatomical and molecular effects of replacing a known mutant gene within individual cells of the subject mice.

SUPPLEMENTARY STATEMENTS

PART:II LINE:22 CHRISTOPHER A. WALSH, MD, PH.D

Director, Division of Neurogenetics, Beth Israel Deaconess Medical Center, Associate Professor of Neurology, Harvard Medical School, received a two-year grant for "Positional Identification of the Chromosome 15q11-13 Autism Locus." As increasing evidence supports the existence of a gene on human chromosome 15 that predisposes to autism, this study will undertake microscopic analysis to further define the specific DNA segments that are abnormal; to identify additional patients to further hone down the responsible DNA segments; and, finally to sequence the DNA of the abnormal segments to identify the genes they contain so as to test them and determine whether autistic patients have other mutations on these genes. The identification of human genes associated with autism offers profound potential for diagnosis and improved treatment because gene identification is widely regarded as a critical first step in developing treatments for human diseases.

SUPPLEMENTARY STATEMENTS

PART:II LINE:22 PATRICIA M.WHITAKER-AMITIA,PHD

Associate Professor of Psychology, State University of New York at Stony Brook, received a two-year grant for "Autoregulation of Serotonin Development." It is already known that individuals with autism have higher levels of the neurotransmitter serotonin in their blood. What these researchers propose to examine is the other role serotonin plays as a regulator of brain development. This function of serotonin has never been examined as a possible cause of many of the symptoms of autism. This study will investigate, in an animal model, what changes occur in the morphology of a brain after it has been exposed to too much serotonin during development. The researchers suggest that the serotonin neurons will be visibly stunted, and that there will be alterations in the key serotonin receptor most involved in development. The changes may be seen in areas such as the hippocampus (an emotional and memory center) and the cerebellum (an area thought to be altered in autism). Ultimately, the results of these studies will be used to examine the postmortem human brains of affected individuals.

SUPPLEMENTARY STATEMENTS

PART:II LINE:22 ANDREW W. ZIMMERMAN, M.D.

Pediatric Neurologist, Kennedy Krieger Institute received a one-year grant for "The Role of Neural Cell Adhesion Molecule in Autism." Neural cell adhesion molecule (NCAM) is one of several related cell proteins important in the formation and early development of the central nervous system. This study will use state-of-the-art techniques to detect and quantify different forms of NCAM in sera, cerebrospinal fluid and brain tissue of children with autism compared to normal controls and children with other neuropsychiatric disorders. The study is a follow-up to an earlier study reporting a striking decrease of serum NCAM in all of the 16 patients with autism in the sample compared to age-matched controls. A finding of an abnormality of NCAM in autism may serve not only as a potential clinical marker for autism, but also for defining subtypes and responses to drug and behavioral therapy, and in defining a molecular mechanism that contributes to abnormal brain development.

SUPPLEMENTARY STATEMENTS

PART:II LINE:22 WENDY R. KATES, PH.D.

Assistant Professor, Kennedy Krieger Institute, received a two-year grant for "Neuroanatomic and Neurocognitive Differences Between MZ Twins Discordant for the Narrow Phenotype for Autism." This study will use state-of-the-art neuroimaging and assessment techniques to compare brain development and the neuropsychological profiles of identical twins in which one cotwin has been identified with autism and the other cotwin exhibits mild social and/or language delays. An important goal of this study is to understand the causes of the similar but milder deficits that occur with high frequency in the relatives of children with autism. By comparing identical twin pairs, these researchers can determine more precisely how and whether the brain regions that are atypical in children with autism differ from the same regions in cotwins who do not have autism, but exhibit less severe social and language delays. These findings would greatly contribute to our understanding of the neurobiological basis of a fuller range of the autism spectrum disorders that occur within families.

SUPPLEMENTARY STATEMENTS

PART:III LINE:a PROGRAM SVC. ACCOMPLISHMENTS

NAAR completed its second cycle of research awards. In this process we increased the number of research proposals received by over 100%, from 26 to 54, and we doubled the number of research awards made, from 5 to 10. We introduced two-year awards for the first time and more than tripled the dollar amount of awards funded, from \$148,817 to \$516,154.

SUPPLEMENTARY STATEMENTS

PART:III LINE:b PROGRAM SVC. ACCOMPLISHMENTS

NAAR formed alliances with other autism organizations, including the Autism Society of America Foundation and the Solving the Mysteries of Autism Foundation, by which they will satisfy their interests in supporting autism biomedical research via gifts to NAAR for this purpose.

SUPPLEMENTARY STATEMENTS

PART:III LINE:c PROGRAM SVC. ACCOMPLISHMENTS

NAAR organized a fellowship search committee chaired by Dr. Joseph Coyle of Harvard University in order to award its first two autism fellowships, long an important component of NAAR's mission.

SUPPLEMENTARY STATEMENTS

PART:III LINE:d PROGRAM SVC. ACCOMPLISHMENTS

NAAR organized two major conferences on key areas of autism research (with the Centers for Disease Control and Prevention on the epidemiology of autism and a workshop of our own focusing on the language impairments in autism) and participated in eight conferences and workshops on other autism topics. In addition, we made arrangements to co-sponsor a parents' conference with the Foundation for Educating Children with Autism.

SUPPLEMENTARY STATEMENTS

PART:III LINE:e PROGRAM SVC. ACCOMPLISHMENTS

NAAR launched the nation's first organ donation program for autism brain tissue. In partnership with the Autism Society of America, we hired a Coordinator of the program, defined its mission and objectives and began the process of encouraging donations of post-mortem brain tissue within the autism community.

SUPPLEMENTARY STATEMENTS

PART:III LINE:e PROGRAM SVC. ACCOMPLISHMENTS

NAAR completed the second issue of our newsletter, "NAARRATIVE," which is distributed to over 10,000 recipients and provides current information on recent developments in autism biomedical research.

NAAR also upgraded our web site ([www.naar.org](http://www.naar.org)) and increased the amount of information on autism research and the ease of access for individuals and organizations seeking such information.

1997 SUPPLEMENTARY STATEMENTS

NATIONAL ALLIANCE FOR AUTISM RESEARCH, INC.

04-3246763

STATEMENT: 990 PT IV -1

INVESTMENTS - CORPORATE STOCK DESCRIPTION	END OF YEAR AMOUNT	FMV
100 SH. PROCOM	638.	
TOTALS	638.	

STATEMENT: 990 PT IV -2

LAND, BUILDINGS, and EQUIPMENT : BASIS DESCRIPTION	BEG. YEAR	ADDITIONS	RETIREMENTS	TRANS/OTH	END YEAR
EQUIPMENT		11,096.			11,096.
FURN. & FIXT		3,830.			3,830.
TOTAL AMOUNT		14,926.			14,926.

STATEMENT: 990 PT IV -3

LAND, BUILDINGS, and EQUIPMENT : ACCUMULATED DEPRECIATION DESCRIPTION	BEG. YEAR	ADDITIONS	RETIREMENTS	TRANS/OTH	END YEAR
EQUIPMENT		3,699.			3,699.
FURN. & FIXT		766.			766.
TOTAL AMOUNT		4,465.			4,465.

STATEMENT: 990 PT IV -4

OTHER ASSETS DESCRIPTION	END OF YEAR AMOUNT	FMV
RENT SECURITY DEPOSIT	2,250.	
TOTALS	2,250.	

## 1997 SUPPLEMENTARY STATEMENTS

NATIONAL ALLIANCE FOR AUTISM RESEARCH, INC.

04-3246763

## STATEMENT: Part IV-A - 1

DESCRIPTION	AMOUNT
NET UNREALIZED LOSS ON INVESTMENTS	888.
TOTALS	888.

## STATEMENT: 990 Part V - 1

LIST OF OFFICERS, DIRECTORS, ETC. NAME/ADDRESS	TITLE/HOURS	COMPENSATION	BENEFITS	EXPENSE ACCOUNT
KAREN MARGULIS LONDON, ESQ. C/O NAAR, 414 WALL STREET, PRINCETON, NJ 08540	PRESIDENT, TRUSTEE PART	NONE	NONE	NONE
CLARENCE SCHUTT, PH.D. C/O NAAR, 414 WALL STREET, PRINCETON, NJ 08540	EXEC.VP, SEC'Y, TTEE PART	NONE	NONE	NONE
ERIC LONDON, M.D. C/O NAAR, 414 WALL STREET, PRINCETON, NJ 08540	V.P.-MED.AFFRS, TTEE PART	NONE	NONE	NONE
MARK J. KRINSKY, C.P.A. C/O NAAR, 414 WALL STREET, PRINCETON, NJ 08540	TREASURER, TRUSTEE PART	NONE	NONE	NONE
ERIC CUSHING C/O NAAR, 414 WALL STREET, PRINCETON, NJ 08540	TRUSTEE PART	NONE	NONE	NONE
C.T. GORDON, M.D. C/O NAAR, 414 WALL STREET, PRINCETON, NJ 08540	TRUSTEE PART	NONE	NONE	NONE
GARY DUBERSTEIN, ESQ. C/O NAAR, 414 WALL STREET, PRINCETON, NJ 08540	TRUSTEE PART	NONE	NONE	NONE
W. DONALD GOUGH C/O NAAR, 414 WALL STREET, PRINCETON, NJ 08540	TRUSTEE PART	NONE	NONE	NONE
SALLY PEDERSON C/O NAAR, 414 WALL STREET, PRINCETON, NJ 08540	TRUSTEE PART	NONE	NONE	NONE
CATHERINE JOHNSON, PH.D. C/O NAAR, 414 WALL STREET, PRINCETON, NJ 08540	TRUSTEE PART	NONE	NONE	NONE
CATHY J. LURIE C/O NAAR, 414 WALL STREET, PRINCETON, NJ 08540	TRUSTEE PART	NONE	NONE	NONE
JEFFREY R. LURIE, PH.D. C/O NAAR, 414 WALL STREET, PRINCETON, NJ 08540	TRUSTEE PART	NONE	NONE	NONE
DAVID N. MAXSON C/O NAAR, 414 WALL STREET, PRINCETON, NJ 08540	EXECUTIVE DIRECTOR ALL	110,465.	7,700.	NONE
TOTAL AMOUNT		110,465.	7,700.	

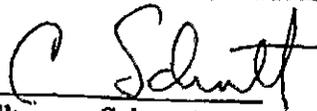
PART VI - LINE 77

Certified Copy of Resolution  
Of the  
Board of Trustees  
Of the  
National Alliance for Autism Research

The undersigned, being the duly elected Secretary and Executive Vice President of the National Alliance for Autism Research, hereby certifies that the following resolution was duly adopted by the Board of Trustees of the National Alliance for Autism Research at a duly convened meeting on March 29, 1998 and that such resolution has not been revoked or amended in any respect and is in full force and effect as of the date hereof:

RESOLVED, that the provisions of the Bylaws classifying the Board into three classes shall be amended to postpone the implementation of a classified Board and that, accordingly, Section Two (b) of Article IV hereby is amended to refer to 1999 in the first sentence thereof and to 2000, 2001 and 2002, respectively, in the last sentence thereof.

In witness thereof, I hereunto set my hand this sixteenth day of October, 1998.



Clarence Schutt, Ph.D.  
Secretary and Executive Vice President

Oct. 16 1998 01:55PM P2

PHONE NO. : 609 438 9163

FROM : NAT ALLIANCE AUTISM RESEARCH

OCT 16 '98 14:54

1 609 258 1980

PAGE.02

SCHEDULE A

SUPPLEMENTARY STATEMENTS

PART:III LINE:2d REIMBURSEMENT OF EXPENSES

THE NATIONAL ALLIANCE FOR AUTISM RESEARCH, INC.  
REIMBURSES TRUSTEES AND OFFICERS FOR OUT-OF-POCKET  
EXPENSES CONNECTED WITH THE PERFORMANCE OF THEIR  
RESPONSIBILITIES AS SUCH TRUSTEES AND OFFICERS.

ALL EXPENSES PAID ARE SUBSTANTIATED BY RECEIPTS  
AND OTHER NECESSARY DOCUMENTATION.

SCHEDULE A SUPPLEMENTARY STATEMENTS

PART:III LINE:4 QUALIFICATION FOR GRANTS

All proposals submitted to NAAR for funding and addressing the prevention, causes, treatment and, perhaps, cure of the autism spectrum disorders, are reviewed by NAAR's Scientific Advisory Board. NAAR's Scientific Advisory Board is composed of eminent researchers in the various disciplines of medicine and science relevant to autism research.

The Board of Trustees of NAAR determines which research proposals to fund taking into consideration the recommendations of the Scientific Advisory Board. Investigators of NAAR-funded research proposals are affiliated with, and under the rules and guidelines of, education or medical organizations which have received exempt status under Internal Revenue Code Section 501(c).

*SCHEDULE A*

SUPPLEMENTARY STATEMENTS

PART:VI-B LINE:i LOBBYING ACTIVITIES STATEMENT

In March of 1998 The National Alliance for Autism Research sent letters to members of the subcommittees on Labor, Health and Human Services and Education of the House of Representatives and the Senate urging their support of increased funding for autism research at the National Institutes of Health and Centers for Disease Control and Prevention.

In April and May of 1998, the Executive Director and President of NAAR met with members of Congress and their staffs to urge their support of increased funding for autism research at the National Institutes of Health and the Centers for Disease Control and Prevention.