

Return of Organization Exempt From Income Tax

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

This Form is Open to Public Inspection

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

A For the 1998 calendar year, OR tax year period beginning 1998, and ending 19

B Check if: Change of address, Initial return, Final return, Amended return. C Name of organization: THE BARNES FOUNDATION. D Employer identification number: 23-6000149. E Telephone number: 610-664-3542. F Check if exemption application is pending.

G Type of organization: [X] Exempt under 501(c)(3) (insert number 3) 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: [ ]. I If either box in H is checked "Yes," enter four-digit group exemption number (GEN) [ ]. J Accounting method: [ ] Cash [X] Accrual [ ] Other (specify) [ ]. (c) Is this a separate return filed by an organization covered by a group ruling? [ ] Yes [X] No.

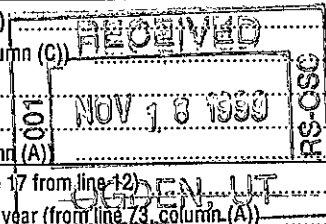
K Check here [ ] if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS; but if it received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return.

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

Table with 21 rows and 4 columns. Rows include: 1 Contributions, gifts, grants, and similar amounts received; 2 Program service revenue including government fees and contracts; 3 Membership dues and assessments; 4 Interest on savings and temporary cash investments; 5 Dividends and interest from securities; 6 a Gross rents; 6 b Less: rental expenses; 6 c Net rental income or (loss); 7 Other investment income; 8 a Gross amount from sale of assets other than inventory; 8 b Less: cost or other basis and sales expenses; 8 c Gain or (loss); 8 d Net gain or (loss); 9 Special events and activities; 10 a Gross sales of inventory, less returns and allowances; 10 b Less: cost of goods sold; 10 c Gross profit or (loss) from sales of inventory; 11 Other revenue; 12 Total revenue; 13 Program services; 14 Management and general; 15 Fundraising; 16 Payments to affiliates; 17 Total expenses; 18 Excess or (deficit) for the year; 19 Net assets or fund balances at beginning of year; 20 Other changes in net assets or fund balances; 21 Net assets or fund balances at end of year.

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**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.

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 \$ _____ noncash \$ _____				
23 Specific assistance to individuals (attach schedule)				
24 Benefits paid to or for members (attach schedule)				
25 Compensation of officers, directors, etc.	0.	0.	0.	0.
26 Other salaries and wages	769,000.	502,923.	266,077.	
27 Pension plan contributions				
28 Other employee benefits	50,636.	38,917.	11,719.	
29 Payroll taxes	66,051.	46,678.	19,373.	
30 Professional fundraising fees				
31 Accounting fees	30,450.		30,450.	
32 Legal fees	1,895,924.	12,596.	1,883,328.	
33 Supplies	146,578.	133,192.	13,386.	
34 Telephone	35,820.	23,663.	12,157.	
35 Postage and shipping	10,295.	7,378.	2,917.	
36 Occupancy	228,328.	200,774.	27,554.	
37 Equipment rental and maintenance	125,995.	123,412.	2,583.	
38 Printing and publications	65,220.	65,152.	68.	
39 Travel	11,712.	4,677.	7,035.	
40 Conferences, conventions, and meetings				
41 Interest				
42 Depreciation, depletion, etc. (attach schedule)	414,239.	413,938.	301.	
43 Other expenses (itemize):				
a _____	43a			
b _____	43b			
c _____	43c			
d _____	43d			
e SEE STATEMENT 5	43e	1,290,897.	674,440.	
44 Total functional expenses (add lines 22 through 43) Organizations completing columns (B)-(D), carry these totals to lines 13-15	44	5,141,145.	2,951,388.	0.

**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**

What is the organization's primary exempt purpose?	Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)
<b>EDUCATION - ART &amp; HORTICULTURE</b>	
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.)	
<b>a ART EDUCATION</b>	
(Grants and allocations \$ _____)	618,955.
<b>b HORTICULTURE EDUCATION</b>	
(Grants and allocations \$ _____)	328,832.
<b>c PUBLIC ACCESS</b>	
(Grants and allocations \$ _____)	943,103.
<b>d GALLERY SHOP AND DEVELOPMENT</b>	
(Grants and allocations \$ _____)	298,867.
<b>e Other program services (attach schedule)</b>	(Grants and allocations \$ _____)
<b>f Total of Program Service Expenses (should equal line 44, column (B), Program services)</b>	2,189,757.

**Part IV Balance Sheets**

		(A) Beginning of year		(B) End of year
<b>Note:</b> Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.				
<b>Assets</b>	45 Cash - non-interest-bearing .....	28,974.	45	24,150.
	46 Savings and temporary cash investments .....	3,920,240.	46	
	47 a Accounts receivable .....	20,510.		
	b Less: allowance for doubtful accounts .....		47b	
	47 c	22,280.	47c	20,510.
	48 a Pledges receivable .....	909,718.		
	b Less: allowance for doubtful accounts .....		48b	
	48 c	1,077,721.	48c	909,718.
	49 Grants receivable .....		49	
	50 Receivables from officers, directors, trustees, and key employees (attach schedule) .....		50	
	51 a Other notes and loans receivable .....		51a	
	b Less: allowance for doubtful accounts .....		51b	
	51 c		51c	
	52 Inventories for sale or use .....	316,913.	52	315,801.
	53 Prepaid expenses and deferred charges .....	118,155.	53	101,441.
	54 Investments - securities (attach schedule) STMT 6 STMT 7	7,149,302.	54	8,027,182.
	55 a Investments - land, buildings, and equipment: basis .....		55a	
	b Less: accumulated depreciation (attach schedule) .....		55b	
	55 c	0.	55c	0.
56 Investments - other .....		56		
57 a Land, buildings, and equipment: basis .....	12,609,780.	57a		
b Less: accumulated depreciation .....	1,763,378.	57b		
57 c	11,281,702.	57c	10,846,402.	
58 Other assets (describe SEE STATEMENT 8 )	2,970,273.	58	3,920,824.	
59 Total assets (add lines 45 through 58) (must equal line 74)	26,885,560.	59	24,166,028.	
<b>Liabilities</b>	60 Accounts payable and accrued expenses .....	569,942.	60	1,164,271.
	61 Grants payable .....		61	
	62 Deferred revenue .....		62	
	63 Loans from officers, directors, trustees, and key employees .....		63	
	64 a Tax-exempt bond liabilities .....		64a	
	b Mortgages and other notes payable .....		64b	
	65 Other liabilities (describe )		65	
	66 Total liabilities (add lines 60 through 65)	569,942.	66	1,164,271.
<b>Net Assets or Fund Balances</b>	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74			
	67 Unrestricted .....	18,220,981.	67	16,142,273.
	68 Temporarily restricted .....	8,094,637.	68	6,859,484.
	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 Total net assets or fund balances (add lines 67 through 69 OR lines 70 through 72; column (A) must equal line 19 and column (B) must equal line 21)	26,315,618.	73	23,001,757.
	74 Total liabilities and net assets / fund balances (add lines 66 and 73)	26,885,560.	74	24,166,028.

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 IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return

Table with 5 columns: Description, a, b, c, d, e. Rows include Total revenue, gains, and other support per audited financial statements (1,927,482), Adjustments (Net unrealized gains, Donated services, Recoveries of prior year grants, Other), and Total revenue per line 12, Form 990 (1,936,950).

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

Table with 5 columns: Description, a, b, c, d, e. Rows include Total expenses and losses per audited financial statements (5,241,343), Adjustments (Donated services, Prior year adjustments, Losses reported), and Total expenses per line 17, Form 990 (5,141,145).

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

Table with 5 columns: (A) Name and address, (B) Title and average hours per week devoted to position, (C) Compensation (if not paid, enter -0-), (D) Contributions to employee benefit plans & deferred compensation, (E) Expense account and other allowances. Includes entries for Kenneth M. Sadler, Randolph S. Kinder, Niara Sudarkasa, Sherman White, and Richard H. Glanton.

75 Did any officer, director, trustee, or key employee receive aggregate compensation of more than \$100,000 from your organization and all related organizations, of which more than \$10,000 was provided by the related organizations? If "Yes," attach schedule. Yes No

Part VI Other Information		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
78 a	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? N/A	78b	
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement;	79	X
80 a	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.		
81 a	Enter the amount of political expenditures, direct or indirect, as described in the instructions for line 81	81a	0.
b	Did the organization file Form 1120-POL for this year?	81b	X
82 a	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	N/A
83 a	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
84 a	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 notice 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
89 a	501(c)(3) organizations. - Enter: Amount of tax imposed during the year under: section 4911 <u>0.</u> ; section 4912 <u>0.</u> ; section 4955 <u>0.</u>		
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		0.
d	Enter: Amount of tax in 89c, above, reimbursed by the organization		0.
90 a	List the states with which a copy of this return is filed <u>PENNSYLVANIA</u>	90a	29
b	Number of employees employed in the pay period that includes March 12, 1998	90b	29
91	The books are in care of <u>VIVIAN E. CLINE, BARNES FOUNDATION</u> Telephone no. <u>610-664-3542</u>		
	Located at <u>MERION STATION, PA</u> ZIP +4 <u>19066</u>		
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**

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) Exclu- sion code	(D) Amount	
93 Program service revenue:					
(a) EDUCATION					72,910.
(b) ADMISSIONS & RENTALS					158,633.
(c) PHOTOS & COPYRIGHTS					17,934.
(d)					
(e)					
(f) Medicare/Medicaid payments					
(g) Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments					
96 Dividends and interest from securities			14	600,005.	
97 Net rental income or (loss) from real estate:					
(a) debt-financed property					
(b) not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory			18	816,476.	
101 Net income or (loss) from special events					113,394.
102 Gross profit or (loss) from sales of inventory					
103 Other revenue:					
a BOOK CONTRACT			15	6,657.	
b LICENSING & MERCHANDNG			15	45,833.	
c AC BARNES TRUST DISTRIB					58,266.
d OTHER REVENUE					8,575.
e USE OF FACILITIES					31,997.
104 Subtotal (add columns (B), (D), and (E))			0.	1,468,971.	461,709.
105 TOTAL (add line 104, columns (B), (D), and (E))					1,930,680.

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**

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	THE BARNES FOUNDATION WAS CHARTERED IN 1922 AS A PRIVATELY ENDOWED
93B	NONPROFIT EDUCATIONAL INSTITUTION BY THE COMMONWEALTH OF PENNSYLVANIA
93C	FOR THE PURPOSE OF CONDUCTING CLASSES IN ART APPRECIATION AND HORTICULTURE. THE FOUNDATION INCLUDES A GALLERY AND ARBORETUM WHICH ARE OPEN TO THE PUBLIC AT DESIGNATED TIMES.
103C	DISTRIBUTION FROM TRUST - CONTRIBUTION
103D	MISCELLANEOUS EXEMPT PURPOSES REVENUE
103E	USE OF FACILITIES TO AID EDUCATION OF PUBLIC

**Part IX Information Regarding Taxable Subsidiaries (Complete this Part if the "Yes" box on 88 is checked.)**

Name, address, and employer identification number of corporation or partnership	Percentage of ownership interest	Nature of business activities	Total income	End-of-year assets
N/A	%			
	%			
	%			

Including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete in all information of which preparer has any knowledge.

Nov. 8, 1999

Kimberly Camp, Exec. Dir. & CEO

**SCHEDULE A  
(Form 990)**

**Organization Exempt Under Section 501(c)(3)**

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

OMB No. 1545-0047

**1998**

Department of the Treasury  
Internal Revenue Service

▶ Must be completed by the above organizations and attached to their Form 990 or 990EZ.

Name of the organization **THE BARNES FOUNDATION** Employer identification number **23-6000149**

**Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees**

(See 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
EARLE BRADFORD, JR. FORMER INTERIM ADMIN DIRECTOR	FULL TIME	142,000.		1,314.
VIVIAN CLINE BUSINESS MANAGER	FULL TIME	58,067.	2,731.	
Total number of other employees paid over \$50,000	0			

**Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services**

(See 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
PAUL WEISS RIFKIND WHARTON & GARRISON 1285 AVENUE OF THE AMERICAS NEW YORK, NY	LEGAL SERVICES	1173658.
J.S. CORNELL & SON, INC. 1528 CHERRY STREET PHILADELPHIA, PA	CONTRACTOR	347,844.
BLANK ROME COMISKY & MCCAULEY FOUR PENN CENTER PLAZA PHILADELPHIA, PA	LEGAL SERVICES	325,964.
FOULKE ASSOCIATES, INC. P.O. BOX 243 323 WEST FRONT STREET MEDIA, PA	SECURITY	302,743.
DILWORTH, PAXSON LLP 1735 MARKET STREET PHILADELPHIA, PA	LEGAL SERVICES	202,335.
Total number of others receiving over \$50,000 for professional services	5	

LHA For Paperwork Reduction Act Notice, see page 1 of the Instructions for Form 990 and Form 990-EZ.

Schedule A (Form 990) 1998

Part III Statement About Activities

Table with 3 columns: Question, Yes, No. Rows include: 1. During the year, has the organization attempted to influence national, state, or local legislation... 2. During the year, has the organization, either directly or indirectly, engaged in any of the following acts... 3. Does the organization make grants for scholarships, fellowships, student loans, etc.? 4. Do you have a section 403(b) annuity plan for your employees?

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 [X] 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).)

Table with 2 columns: (a) Name(s) of supported organization(s), (b) Line number from above. Rows for providing information about supported organizations.

14 [ ] An organization organized and operated to test for public safety. Section 509(a)(4). (See instructions on page 4.)



**Part IV A Support Schedule** (Complete only if you checked a box on line 10, 11, or 12 above.) Use cash method of accounting. N/A  
 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) 1997	(b) 1996	(c) 1995	(d) 1994	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.) .....					
16 Membership fees received .....					
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 .....					
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 .....					
19 Net income from unrelated business activities not included in line 18 .....					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf .....					
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 .....					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets .....					
23 Total of lines 15 through 22 .....	0.	0.	0.	0.	0.
24 Line 23 minus line 17 .....					
25 Enter 1% of line 23 .....					

26 Organizations described in lines 10 or 11: a Enter 2% of amount in column (e), line 24 .....	26a	N/A
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 1994 through 1997 exceeded the amount shown in line 26a. Enter the sum of all these excess amounts .....	26b	N/A
c Total support for section 509(a)(1) test: Enter line 24, column (e) .....	26c	N/A
d Add: Amounts from column (e) for lines: 18 _____ 19 _____ 22 _____ 26b _____ .....	26d	N/A
e Public support (line 26c minus line 26d total) .....	26e	N/A
f Public support percentage (line 26e (numerator) divided by line 26c (denominator)) .....	26f	N/A %

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. (1997) _____ (1996) _____ (1995) _____ (1994) _____		
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: (1997) _____ (1996) _____ (1995) _____ (1994) _____		
c Add: Amounts from column (e) for lines: 15 _____ 16 _____ 17 _____ 20 _____ 21 _____ .....	27c	N/A
d Add: Line 27a total _____ and line 27b total _____ .....	27d	N/A
e Public support (line 27c, total minus line 27d total) .....	27e	N/A
f Total support for section 509(a)(2) test: Enter amount on line 23, column (e) .....	27f	N/A
g Public support percentage (line 27e (numerator) divided by line 27f, (denominator)) .....	27g	N/A %
h Investment income percentage (line 18 column (e) (numerator) divided by line 27f (denominator)) .....	27h	N/A %

28 Unusual Grants: For an organization described in line 10, 11, or 12, that received any unusual grants during 1994 through 1997, 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**

(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? .....	X	
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? .....	X	
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? .....	X	
If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.)			
<b>STATED IN LITERATURE AND MAIL COMMUNICATIONS WITH POTENTIAL STUDENTS</b>			
.....			
.....			
32	Does the organization maintain the following:		
a	Records indicating the racial composition of the student body, faculty, and administrative staff? .....	X	
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis? .....	X	
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships? .....	X	
d	Copies of all material used by the organization or on its behalf to solicit contributions? .....	X	
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? .....		X
b	Admissions policies? .....		X
c	Employment of faculty or administrative staff? .....		X
d	Scholarships or other financial assistance? .....		X
e	Educational policies? .....		X
f	Use of facilities? .....		X
g	Athletic programs? .....		X
h	Other extracurricular activities? .....		X
If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.)			
.....			
.....			
34 a	Does the organization receive any financial aid or assistance from a governmental agency? .....		X
b	Has the organization's right to such aid ever been revoked or suspended? .....		X
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 .....	X	

**Part VI-A Lobbying Expenditures by Electing Public Charities**

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

N/A

- 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
		N/A	
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 -		
	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) .....	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				N/A (e) Total
	(a) 1998	(b) 1997	(c) 1996	(d) 1995	
45	Lobbying nontaxable amount .....				0.
46	Lobbying ceiling amount (150% of line 45(e)) .....				0.
47	Total lobbying expenditures .....				0.
48	Grassroots nontaxable amount .....				0.
49	Grassroots ceiling amount (150% of line 48(e)) .....				0.
50	Grassroots lobbying expenditures .....				0.

**Part VI-B Lobbying Activity by Nonelecting Public Charities**

(For reporting only by organizations that did not complete Part VI-A)

N/A

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) .....			0.

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

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?

a Transfers from the reporting organization to a noncharitable exempt organization of:

(i) Cash

(ii) Other assets

b Other transactions:

(i) Sales of assets to a noncharitable exempt organization

(ii) Purchases of assets from a noncharitable exempt organization

(iii) Rental of facilities or equipment

(iv) Reimbursement arrangements

(v) Loans or loan guarantees

(vi) Performance of services or membership or fundraising solicitations

c Sharing of facilities, equipment, mailing lists, other assets, or paid employees

d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always indicate 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.

Table with 3 columns: Question, Yes, No. Rows include 51a(i), a(ii), b(i), b(ii), b(iii), b(iv), b(v), b(vi), c.

N/A

Table with 4 columns: (a) Line no., (b) Amount involved, (c) Name of noncharitable exempt organization, (d) Description of transfers, transactions, and sharing arrangements.

52 a 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 [X]

b If "Yes," complete the following schedule.

N/A

Table with 3 columns: (a) Name of organization, (b) Type of organization, (c) Description of relationship.

FOOTNOTES

STATEMENT 1

THE BARNES FOUNDATION INCURRED SUBSTANTIAL LEGAL FEES DURING FISCAL 1999. A SIGNIFICANT PORTION OF THE FEES RELATED TO LITIGATION WITH A LOCAL GOVERNMENT UNIT AND SEVERAL NEIGHBORS.

LEGAL FEES WERE ALSO INCURRED OBTAINING PERMITS FOR THE CONSTRUCTION OF A PARKING LOT ON THE PREMISES, AS WELL AS PERMISSION FOR INCREASED PUBLIC VISITATIONS AND VARIOUS CORPORATE LEGAL MATTERS.

FORM 990

GAIN (LOSS) FROM SALE OF OTHER ASSETS

STATEMENT 2

DESCRIPTION	DATE ACQUIRED	DATE SOLD	METHOD ACQUIRED		
PROPERTY AND EQUIPMENT	VARIOUS	VARIOUS	PURCHASED		
NAME OF BUYER	GROSS SALES PRICE	COST OR OTHER BASIS	EXPENSE OF SALE	DEPREC	NET GAIN OR (LOSS)
	850,000.	33,524.	0.	0.	816,476.
TO FM 990, PART I, LN 8	850,000.	33,524.	0.	0.	816,476.

FORM 990

INCOME AND COST OF GOODS SOLD  
INCLUDED ON PART I, LINE 10

STATEMENT 3

INCOME

1. GROSS RECEIPTS . . . . .	213,592	
2. RETURNS AND ALLOWANCES . . . . .		
3. LINE 1 LESS LINE 2 . . . . .		213,592
4. COST OF GOODS SOLD (LINE 13) . . . . .	100,198	
5. GROSS PROFIT (LINE 3 LESS LINE 4) . . . . .		113,394

COST OF GOODS SOLD

6. INVENTORY AT BEGINNING OF YEAR . . . . .		
7. MERCHANDISE PURCHASED . . . . .	100,198	
8. COST OF LABOR . . . . .		
9. MATERIALS AND SUPPLIES . . . . .		
10. OTHER COSTS . . . . .		
11. ADD LINES 6 THROUGH 10 . . . . .		100,198
12. INVENTORY AT END OF YEAR . . . . .		
13. COST OF GOODS SOLD (LINE 11 LESS LINE 12) . . . . .		100,198

FORM 990 OTHER CHANGES IN NET ASSETS OR FUND BALANCES STATEMENT 4

DESCRIPTION	AMOUNT
UNREALIZED LOSS ON MARKETABLE SECURITIES	-109,666.
TOTAL TO FORM 990, PART I, LINE 20	-109,666.

FORM 990 OTHER EXPENSES STATEMENT 5

DESCRIPTION	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT AND GENERAL	(D) FUNDRAISING
PROFESSIONAL AND CONSULTING	670,906.	176,014.	494,892.	
SECURITY	339,745.	337,285.	2,460.	
ART CONSERVATION	6,603.	6,603.		
COMMISSIONS	5,738.		5,738.	
INSURANCE	143,883.		143,883.	
MISCELLANEOUS	124,022.	96,555.	27,467.	
TOTAL TO FM 990, LN 43	1,290,897.	616,457.	674,440.	

FORM 990 NON-GOVERNMENT SECURITIES STATEMENT 6

DESCRIPTION	VALUE METHOD	CORPORATE STOCKS	CORPORATE BONDS	OTHER PUBLICLY TRADED SECURITIES	OTHER SECURITIES	TOTAL NON-GOV'T SECURITIES
COMMON STOCK	COST	10,000.				10,000.
TO FM 990, LN 54 COL B		10,000.				10,000.



FORM 990 GOVERNMENT SECURITIES STATEMENT 7

DESCRIPTION	VALUATION METHOD	U.S. GOVERNMENT	STATE AND LOCAL GOV'T	TOTAL GOV'T SECURITIES
US TREASURY BONDS	MARKET VALUE	1,999,922.		1,999,922.
MONEY MARKET FUNDS	COST	4,517,260.		4,517,260.
CERTIFICATE OF DEPOSIT	COST	1,500,000.		1,500,000.
TOTAL TO FORM 990, LINE 54, COL B		8,017,182.		8,017,182.

FORM 990 OTHER ASSETS STATEMENT 8

DESCRIPTION	AMOUNT
PAINTINGS, SCULPTURE AND OTHER ARTWORK	2,775,386.
INTEREST RECEIVABLE	139,213.
CONSTRUCTION IN PROGRESS	1,006,225.
TOTAL TO FORM 990, PART IV, LINE 58, COLUMN B	3,920,824.

FORM 990 OTHER REVENUE NOT INCLUDED ON FORM 990 STATEMENT 9

DESCRIPTION	AMOUNT
UNREALIZED LOSS ON MARKETABLE SECURITIES	-109,666.
TOTAL TO FORM 990, PART IV-A	-109,666.

FORM 990 OTHER REVENUE INCLUDED ON FORM 990 STATEMENT 10

DESCRIPTION	AMOUNT
COST OF GOODS SOLD	-100,198.
TOTAL TO FORM 990, PART IV-A	-100,198.

FORM 990

OTHER EXPENSES INCLUDED ON FORM 990

STATEMENT 11

DESCRIPTION

AMOUNT

COST OF GOODS SOLD

-100,198.

TOTAL TO FORM 990, PART IV--B

-100,198.

SCHEDULE A

STATEMENT REGARDING ACTIVITIES WITH DIRECTORS,  
TRUSTEES, PRINCIPAL OFFICERS OR CREATOR  
PART III, LINE 2

STATEMENT 12

EXPENSE REIMBURSEMENTS TO TRUSTEES

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

File a separate application for each return.

Please type or print. File the original and one copy by the due date for filing your return.

Name: **THE BARNES FOUNDATION**

Employer identification number: **23 6000149**

Number, street, and room or suite no. (or P.O. box no. if mail is not delivered to street address):  
**300 N. LATCHES LANE**

City, town, or post office, state, and ZIP code. For a foreign address, see instructions.  
**MERION, PA 19066-1759**

Note: Corporate income tax return filers must use Form 7004 to request an extension of time to file. Partnerships, REMICS, and trusts must use Form 8736 to request an extension of time to file Form 1065, 1066, or 1041.

ENVELOPE DATE MAY 17 1999

1 I request an extension of time until **AUGUST 15**, **1999**, to file (check only one):

<input type="checkbox"/> Form 706-GS(D)	<input type="checkbox"/> Form 990-T (sec.401(a) or 408(a) trust)	<input type="checkbox"/> Form 1120-ND (sec. 4951 taxes)	<input type="checkbox"/> Form 8612
<input type="checkbox"/> Form 706-GS(T)	<input type="checkbox"/> Form 990-T (trust other than above)	<input type="checkbox"/> Form 3520-A	<input type="checkbox"/> Form 8613
<input checked="" type="checkbox"/> Form 990 or 990-EZ	<input type="checkbox"/> Form 1041 (estate)	<input type="checkbox"/> Form 4720	<input type="checkbox"/> Form 8725
<input type="checkbox"/> Form 990-BL	<input type="checkbox"/> Form 1041-A	<input type="checkbox"/> Form 5227	<input type="checkbox"/> Form 8804
<input type="checkbox"/> Form 990-PF	<input type="checkbox"/> Form 1042	<input type="checkbox"/> Form 6069	<input type="checkbox"/> Form 8831

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

2a For calendar year 19 **98**, or other tax year beginning \_\_\_\_\_ and ending \_\_\_\_\_

b If this tax year is for less than 12 months, check reason:  Initial return  Final return  Change in accounting period

3 Has an extension of time to file been previously granted for this tax year?  Yes  No

4 State in detail why you need the extension  
**ADDITIONAL INFORMATION IS STILL NEEDED IN ORDER TO FILE A COMPLETE AND ACCURATE TAX RETURN.**

5a If this form is for Form 706-GS(D), 706-GS(T), 990-BL, 990-PF, 990-T, 1041 (estate), 1042, 1120-ND, 4720, 6069, 8612, 8613, 8725, 8804, or 8831, enter the tentative tax, less any nonrefundable credits. \$ \_\_\_\_\_

b If this form is for Form 990-PF, 990-T, 1041 (estate), 1042, or 8804, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit \$ \_\_\_\_\_

c Balance due. Subtract line 5b from line 5a. Include your payment with this form, or deposit with FTD coupon if required. \$ **N/A**

Signature and Verification

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

Signature  Title **CRA** Date **5/11/99**

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

Notice to Applicant - To Be Completed by IRS

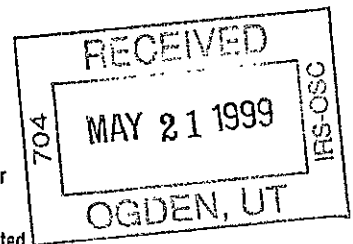
We HAVE approved your application. Please attach this form to your return.

We HAVE NOT approved your application. However, we have granted a 10-day grace period from the later of the date shown below or the due date of your return (including any prior extensions). This grace period is considered a valid extension of time for elections otherwise required to be made on a timely return. Please attach this form to your return.

We HAVE NOT approved your application. After considering your reasons stated in item 4, we cannot grant your request for an extension of time to file. We are not granting the 10-day grace period.

We cannot consider your application because it was filed after the due date of the return for which an extension was requested.

Other: \_\_\_\_\_



By: \_\_\_\_\_ Date \_\_\_\_\_  
Director

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

Please Type or Print

Name: **COGEN SKLAR LLP**

Number, street and room or suite no. (or P.O. box no. if mail is not delivered to street address):  
**150 MONUMENT RD - SUITE 500**

City, town, or post office, state, and ZIP code. For a foreign address, see instructions.  
**BALA CYNWYD, PA 19004**

LHA For Paperwork Reduction Act Notice, see separate instructions.

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

OMB No. 1545-0148

Department of the Treasury Internal Revenue Service

File a separate application for each return.

Name: THE BARNES FOUNDATION; Employer Identification number: 23 6000149; Address: 300 N. LATCHES LANE, MERION, PA 19066-1759

Note: Corporate income tax return filers must use Form 7004 to request an extension of time to file. Partnerships, REMICS, and trusts must use Form 8736 to request an extension of time to file Form 1065, 1066, or 1041.

ENVELOPE DATE MAY 17 1999

1 I request an extension of time until AUGUST 15, 1999, to file (check only one): Form 706-GS(D), Form 706-GS(T), Form 990 or 990-EZ, Form 990-BL, Form 990-PF, Form 990-T (sec.401(a) or 408(a) trust), Form 990-T (trust other than above), Form 1041 (estate), Form 1041-A, Form 1042, Form 1120-ND (sec. 4951 taxes), Form 3520-A, Form 4720, Form 5227, Form 6069, Form 8612, Form 8613, Form 8725, Form 8804, Form 8831

2a For calendar year 19 98, or other tax year beginning and ending; b If this tax year is for less than 12 months, check reason: Initial return, Final return, Change in accounting period; 3 Has an extension of time to file been previously granted for this tax year? No; 4 State in detail why you need the extension: ADDITIONAL INFORMATION IS STILL NEEDED IN ORDER TO FILE A COMPLETE AND ACCURATE TAX RETURN.

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

Signature and Verification

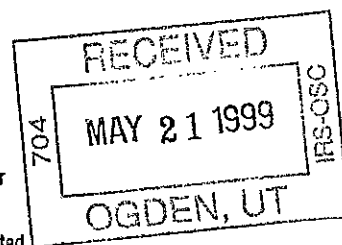
Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete; and that I am authorized to prepare this form.

Signature: [Signature], Title: CPA, Date: 5/11/99

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

Notice to Applicant - To Be Completed by IRS

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



By: Director, Date:

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

Please Type or Print: Name: COGEN SKLAR LLP; Address: 150 MONUMENT RD - SUITE 500, BALA CYNWYD, PA 19004