

TAXPAYER'S COPY

BETTER WORLD FUND, INC.

FOR THE YEAR ENDED 12/31/98

PricewaterhouseCoopers LLP
50 Hurt Plaza
Suite 1700
Atlanta, Georgia 30303

FORM 990 U.S. RETURN OF ORGANIZATION EXEMPT FROM INCOME TAX
FOR THE YEAR ENDED 12/31/98

PricewaterhouseCoopers LLP
50 Hun. Plaza
Suite 1700
Atlanta, Georgia 30303



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BETTER WORLD FUND, INC.
INSTRUCTIONS FOR FILING
FORM 990
U.S. RETURN OF ORGANIZATION EXEMPT FROM INCOME TAX
FOR THE YEAR ENDED 12/31/98

SIGNATURE...

THE RETURN (INCLUDING THE TAXPAYER'S COPY) SHOULD BE SIGNED (USING FULL NAME AND TITLE) AND DATED ON PAGE 6 BY AN OFFICER OF THE CORPORATION.

PAYMENT...

YOUR RETURN INDICATES THERE IS NO TAX DUE.

FILING...

THE SIGNED RETURN SHOULD BE FILED ON OR BEFORE AUGUST 16, 1999 AT THE FOLLOWING ADDRESS:

INTERNAL REVENUE SERVICE CENTER
OGDEN, UTAH 84201-0027

DEPARTMENT OF CONSUMER AND REGULATORY AFFAIRS
BUSINESS SERVICES DIVISION
614 H STREET, NW, ROOM 105
WASHINGTON, DC 20001

GEORGIA DEPARTMENT OF REVENUE
TAX EXEMPT ORGANIZATIONS
P. O. BOX 38467
ATLANTA, GA 30334

ATTORNEY GENERAL
40 CAPITAL SQUARE, SW
ATLANTA, GA 30334

MAILING...

THE RETURN SHOULD BE MAILED BY EITHER REGISTERED OR CERTIFIED MAIL, WITH THE SENDER'S RECEIPT POSTMARKED TO PROVE MAILING BEFORE THE DUE DATE.

Return of Organization Exempt From Income Tax

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



Department of the Treasury Internal Revenue Service

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 03/12, 1998, and ending 12/31, 1998

B Check all that apply: Change of address, Initial return, First return, Amended return. C Name of organization: BETTER WORLD FUND, INC. D Employer identification number: 58-2366765. E Telephone number: (202) 887-9040. F Check if exempt on application pending.

G Type of organization: [X] Exempt under section 501(c) (3) 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 [] No [X] I If either box in H is checked "Yes," enter four-digit group exemption number (GEN)

(b) If "Yes," enter the number of affiliates for which this return is filed: J Accounting method: Cash [] Accrual [X]

(c) Is this a separate return filed by an organization covered by a group filing? Yes [] No [X] 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 on page 13.)

Table with 21 rows and 4 columns: Description, (A) Securities, (B) Other, and Total. Rows include Contributions, Program service revenue, Membership dues, Dividends, Gross rents, Gross amount from sale of assets, Special events, Gross sales of inventory, and Total revenue/expenses.

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. See instructions.

Name

Better World Fund, Inc.

Employer identification number

58-2366765

Number, street, and room or suite no. (or P.O. box no. if mail is not delivered to street address)

1301 Connecticut Avenue, NW

City, town or post office, state, and ZIP code. For a foreign address, see instructions.

Washington, DC 20036

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.

1 I request an extension of time until August 16, 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) (see instructions)
- Form 1041-A
- Form 1042
- Form 1120-ND (sec. 4951 taxes)
- Form 3520-A
- Form 4720
- Form 5227
- Form 8069
- Form 9612
- Form 8613
- Form 8725
- Form 8804
- Form 8831

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

2a For calendar year _____, or other tax year beginning March 12, 1998, and ending December 31, 1998

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 time is necessary in order to file a complete and accurate return.

5a If this form is for Form 706-GS(D), 706-GS(T), 990-BL, 990-PF, 990-T, 1041 (estate), 1042, 1120-ND, 4720, 8069, 8612, 8613, 8725, 8804, or 8831, enter the tentative tax, less any nonrefundable credits. See instructions. \$ _____

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. See instructions. \$ _____ NONE

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: Christine S. Hung CPA

Date: 5/14/99

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 The 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 to be 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 the 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: _____

RECEIVED
MAY 14 1999
OQUEN, UT

Director

By

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
PricewaterhouseCoopers, LLP Attn: Christine Hung

Number, street, and room or suite no. (or P.O. box no. if mail is not delivered to street address)
50 Hurt Plaza, Suite 1700

City, town, or post office, state, and ZIP code. For a foreign address, see instructions.
Atlanta, Georgia 30303

Part II Statement of Functional Expenses

All organizations must complete columns (A), (B), (C), and (D). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others. (See specific instructions on page 1.)

Do not include amounts reported on line 11a, 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) 2,589,212 (cash)		2,589,212		
23	Specific assistance to individuals (attach schedule)				
24	Benefits paid to or for members (attach schedule)				
25	Compensation of officers, directors, etc.				
26	Other salaries and wages				
27	Pension plan contributions				
28	Other employee benefits				
29	Payroll taxes				
30	Professional fundraising fees				
31	Accounting fees				
32	Legal fees				
33	Supplies				
34	Telephone				
35	Postage and shipping				
36	Occupancy				
37	Equipment rental and maintenance				
38	Printing and publications				
39	Travel				
40	Conferences, conventions, and meetings				
41	Interest				
42	Depreciation, depletion, etc. (attach schedule)				
43	Other expenses (itemize): a STMT 2	3,216,044	2,823,920	264,825	127,299
	b				
	c				
	d				
	e				
44	Total functional expenses (and lines 22 through 43) (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	3,216,044	2,823,920	264,825	127,299

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 on page 20)

What is the organization's primary exempt purpose? **EDUCATING PUBLIC ON UN AND ITS WORK WITH CHARITABLE CAUSES**

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.)

	(Grants and allocations \$)	Program Service Expenses (Required for 501(c)(3) and (4) orgs. and 4947(a)(1) trusts; but optional for others.)
a MEDIA EDUCATION CAMPAIGN	SEE STMT 8+9 (Grants and allocations \$ 996,550.)	1,086,886.
b UNITED NATIONS ORGANIZATIONAL CAMPAIGN	SEE STMT 8+9 (Grants and allocations \$ 865,150.)	943,574.
c OTHER UNITED NATIONS CAUSES AND INSTITUTIONAL STRENGTHENING	SEE STMT 8+9 (Grants and allocations \$ 727,512.)	793,460.
d		
e		
f Total of Program Service Expenses (should equal line 44, column (B), Program services)		2,823,920.

Part IV Balance Sheets (See Specific Instructions on page 20.)

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
Assets	45 Cash - non-interest-bearing	NONE 45	2,768,701
	46 Savings and temporary cash investments	46	
	47a Accounts receivable	47a	
	b Less: allowance for doubtful accounts	47b	47c
	48a Fledges receivable	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	53	
	54 Investments - securities (attach schedule)	54	
	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	57a	49,656
	b Less: accumulated depreciation (attach schedule)	57b	11,379
	58 Other assets (describe ► SEE STATEMENT 3)	NONE 57c	38,277
		NONE 58	31,781
59 Total assets (add lines 45 through 58) (must equal line 74)	NONE 59	2,838,759	
Liabilities	60 Accounts payable and accrued expenses	NONE 60	92,982
	61 Grants payable	61	
	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 ► SEE STATEMENT 4)	NONE 65	455,968
66 Total liabilities (add lines 60 through 65)	NONE 66	548,950	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here ► <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.		
	67 Unrestricted	NONE 67	2,289,809
	68 Temporarily restricted	68	
	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 59 and column (B) must equal line 21)	NONE 73	2,289,809
	74 Total liabilities and net assets/fund balances (add lines 66 and 73)	NONE 74	2,838,759

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 VII Other Information (See Specific Instructions on page 23.)

		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 confirmed 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? If "Yes," has it filed a tax return on Form 990-T for this year?	78a	X
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement.	78b	N/A
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? If "Yes," enter the name of the organization: <u>UNITED NATIONS FOUNDATION, INC.</u> and check whether it is <input checked="" type="checkbox"/> exempt OR <input type="checkbox"/> nonexempt.	78	X
81a	Enter the amount of political expenditures, direct or indirect, as described in the instructions for line 81.	81a	NONE
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? 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).	81b	N/A
82b		82a	X
82b		82b	17,686
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	83a	X
83b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	83b	N/A
84a	Did the organization solicit any contributions or gifts that were not tax deductible? If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	84a	X
84b		84b	N/A
85a	501(c)(4), (5), or (6) organizations. - Were substantially all dues nondeductible by members? 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.	85a	N/A
85b		85b	N/A
85c	Dues, assessments, and similar amounts from members	85c	NONE
85d	Section 162(e) lobbying and political expenditures	85d	57,403
85e	Aggregate nondeductible amount of section 5033(e)(1)(A) dues notices	85e	NONE
85f	Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f	57,403
85g	Does the organization elect to pay the section 5033(e) tax on the amount in 85f? If section 5033(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?	85g	X
85h		85h	N/A
86a	501(c)(7) organizations. - Enter: a. Initiation fees and capital contributions included on line 12. b. Gross receipts, included on line 12, for public use of club facilities.	86a	N/A
86b		86b	N/A
87a	501(c)(12) organizations. - Enter: a. Gross income from members or shareholders. b. Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	87a	N/A
87b		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 on the organization during the year under section 4911: <u>NONE</u> ; section 4912: <u>NONE</u> ; section 4958: <u>NONE</u> .	89a	X
89b	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
89c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958.		NONE
89d	Enter: Amount of tax in 89c, above, reimbursed by the organization.		NONE
90a	List the states with which a copy of this return is filed: <u>GEORGIA, DISTRICT OF COLUMBIA</u>		
90b	Number of employees employed in the pay period that includes March 12, 1998 (See instructions.).	90b	5
91	The books are in care of: <u>ELIZABETH C. REVEAL</u> Telephone no.: <u>202-887-8040</u> Located at: <u>1301 CONNECTICUT AVENUE, NW</u> ZIP + 4: <u>20036</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 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 ▶ \$ _____	1	X
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 V-B AND attach a statement giving a detailed description of the lobbying activities.		
2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any 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?	2a	X
b Lending of money or other extension of credit?	2b	X
c Furnishing of goods, services, or facilities?	2c	X
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? SEE STATEMENT 7.	2d	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.	2e	X
3 Does the organization make grants for scholarships, fellowships, student loans, etc.?	3	X
4a Do you have a section 403(b) annuity plan for your employees?	4a	X
b 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 on page 2.) STATE 10		

Part IV Reason for Non-Private Foundation Status (See instructions on pages 2 through 4.)

- 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(p)(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 on page 4.)

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

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

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
16 Gifts, grants, and contributions received (Do not include unusual grants. See line 26.)					
15 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					
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

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

c Total support for section 509(a)(1) test: Enter line 24 column (e)

d Add: Amounts from column (e) for lines: 18 _____ 19 _____
 22 _____ 26b _____

e Public support (line 26c minus line 26d total)

f Public support percentage (line 26e (numerator) divided by line 26c (denominator))

26a	
26b	
26c	
26d	
26e	
26f	NONE %

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:

NOT APPLICABLE

(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 _____

d Add: Line 27a total _____ and line 27b total _____

e Public support (line 27c total minus line 27d total)

f Total support for section 509(a)(2) test: Enter amount on line 23, column (e)

g Public support percentage (line 27e (numerator) divided by line 27f (denominator))

h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))

27c	
27d	
27e	
27f	
27g	%
27h	%

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 on page 4.)

		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 on page 6.)
 (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	NONE
37	Total lobbying expenditures to influence a legislative body (direct lobbying)	37	57,403
38	Total lobbying expenditures (add lines 36 and 37)	38	57,403
39	Other exempt purpose expenditures	39	2,899,816
40	Total exempt purpose expenditures (add lines 38 and 39)	40	2,951,219
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 10% 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	297,561
	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	74,390
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 on page 7.)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 1998	(b) 1997	(c) 1996	(d) 1995	(e) Total
45 Lobbying nontaxable amount	297,561				297,561
46 Lobbying ceiling amount (150% of line 45(a))					446,342
47 Total lobbying expenditures	57,403				57,403
48 Grassroots nontaxable amount	74,390				74,390
49 Grassroots ceiling amount (150% of line 48(a))					111,585
50 Grassroots lobbying expenditures	NONE				NONE

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See instructions on page 8.)

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

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

FORM 990, PART I - LIST OF CONTRIBUTORS
(NOT OPEN TO PUBLIC INSPECTION)

NAME AND ADDRESS	DATE	DIRECT PUBLIC SUPPORT
R. E. TURNER	04/27/1998	4,854,081.

TOTAL CONTRIBUTION AMOUNTS
4,854,081.

Deeper World Fund, Inc.
 Part II - Statement of Functional Expenses
 For the Year Ended 12/31/98

	<u>Total</u>	<u>Program</u>	<u>G & A</u>	<u>Functioning</u>
Contributions	5,000	5,000		
Dues and Subscriptions	3,440	3,440		
Entertainment/Meals	4,282	2,612	1,028	642
Equipment Rental	1,602	977	385	240
Insurance	2,656	1,620	638	398
Licenses and Permits	500		500	
Office Supplies	41,057	24,924	10,005	6,128
Other	1,930	1,177	463	290
Personnel	263,867	158,904	61,278	43,685
Postage and Delivery	2,769	1,689	665	415
Printing and Reproduction	1,360	830	326	204
Accounting	30,000		30,000	
Consulting	113,757		113,757	
Legal Fees	33,102	12,181	20,662	859
Various Grants	2,603,565	2,545,200		58,363
Rent	37,387	22,806	8,973	5,608
Repairs	6,272	2,826	1,505	941
Telephone	16,104	9,823	3,865	2,416
Subtotal Travel	47,395	28,911	11,375	7,109
TOTAL EXPENSE	<u><u>3,216,044</u></u>	<u><u>2,825,920</u></u>	<u><u>264,825</u></u>	<u><u>127,299</u></u>

FORM 990, PART IV - OTHER ASSETS

DESCRIPTION	ENDING BOOK VALUE
INTANGIBLE ASSETS	21,400.
OTHER ASSETS	10,381.
TOTALS	31,781.

FORM 990, PART IV - OTHER LIABILITIES

DESCRIPTION	ENDING BOOK VALUE
PAYABLE TO AFFILIATE	455,968.
TOTALS	455,968.

Better World Fund, Inc.
Part I-Line 1d-Contributors of over \$5,000
For the Year Ended 12/31/98

Statement 5

<u>Contributor</u>	<u>Amount</u>
R.F. Turner - Time Warner Stock (65,568 Shares)	4,854,081
Total	<u>4,854,081</u>

Better World Fund
 Part V - List of Officers, Directors, and Trustees
 For the Year Ended 12/31/98

Statement 6

<u>Name</u>	<u>Title</u>	<u>Average Hours per Week</u>	<u>Compensation</u>	<u>Contributions to Employee Benefit Plans</u>
R.E. Turner	Chairman	0.70	NONE	NONE
Timothy E. Wirth	President/Director	26.0	130,000	2,170
Edward C. Harris	Treasurer	0.80	NONE	NONE
Charles A. Bowsher	Vice-President	0.20	4,800	80
Elizabeth C. Reveal	Vice-President	9.60	22,688	379
Jean-Claude Faby	Vice-President	4.00	6,300	105
David Harwood	Vice-President	42.0	57,000	952
Paul Isenman	Vice-President	5.50	NONE	NONE
Rutherford Seydel	Secretary	1.20	NONE	NONE
Ruth Cardoso	Director	0.40	NONE	NONE
Graca Machel	Director	0.30	NONE	NONE
Emma Rothschild	Director	0.40	NONE	NONE
Maurice Strong	Director	0.60	NONE	NONE
Andrew Young	Director	0.20	NONE	NONE
Mohammed Yunus	Director	0.40	NONE	NONE
TOTALS			<u>220,788</u>	<u>3,686</u>

LINE 75-Officer, Director, Trustee, or key employee receiving aggregate compensation of more than \$100,000 from United Nations Foundation, Inc., of which more than \$10,000 was provided by a related organization.

Compensation provided by United Nations Foundation, Inc., EIN: 58-2368165

Timothy E. Wirth	President/Director		<u>195,000</u>	<u>3,256</u>
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SCHEDULE A, PART III - EXPLANATION FOR LINE 2D

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SEE PART V, FORM 990

STATEMENT 7

IMD00G 0271

80222-010-4

MEDIA EDUCATION CAMPAIGN

Development of Daily Summary of UN News Coverage -- \$50,000

This project supported development of a comprehensive proposal by the National Journal Group of a daily news summary of major coverage of the UN and UN causes around the world. BWF support was intended to support development of a long-term proposal for publication of such a publication.

Media Education Campaign: Environmental Media Services (Handbook on the United Nations) -- \$32,500

This project provided support to Environmental Media Services for the purpose of developing a comprehensive handbook on the UN, its activities and background on some of the myths and realities that surround the organization. EMS explored UN activities in about two dozen critical areas -- including budget, staffing, environmental activities, peacekeeping activities and accomplishments.

Enhanced Coverage of UN Programs -- \$100,050

This project provided support for increased foreign coverage by National Public Radio of UN field activities around the world. BWF support was provided to allow NPR to mobilize several teams of reporters to do in-depth reports about UN efforts. Specifically, BWF funding was to support two, week-long series about UN field activities. In addition, the award would support a recognition program on NPR broadcasts of UNF/BWF efforts on behalf of the United Nations and UN causes.

Coverage of UN causes: Public Radio International-- \$250,000

This project supports in-depth coverage of the UN and major UN causes on Public Radio International's flagship program -- The World. BWF support supported increased coverage of the UN and global issues in which the UN is engaged. In addition, the award supported a recognition program on PRI broadcasts of the World regarding UNF/BWF efforts on behalf of the United Nations and UN causes.

Support for Publication of UN Wire -- \$564,000

This project supports weekday publication over three years by the National Journal Group of a comprehensive daily news summary of coverage of the UN and UN causes. The publication summarizes coverage in more than 1500 worldwide publications in such areas as peacekeeping, environment, population/women, economic development, and UN affairs.

UNITED NATIONS ORGANIZATIONAL CAMPAIGN

Making a Case for US Support of the United Nations -- \$257,900

This project was designed to augment the lobbying, organizing and public relations work of the Emergency Coalition for Financial Support of the United Nations - a coalition of individuals and organizations who encourage the US to meet its financial obligations to the UN. BWF support was provided to support certain educational and public affairs efforts by the Emergency Coalition. In addition, this grants supported a limited amount of lobbying activities undertaken under the supervision of the Coalition.

Strategic Communications Planning -- \$70,000

This project was awarded to Edelman Public Relations, a leading public relations firm, to help the Foundation design plan for long-term constituency building and public education on behalf of the UN and UN causes. Edelman worked with Foundation staff to design key components of the public affairs program, with a focus on building a grassroots constituency to support the UN and its activities.

Public Opinion Research -- \$257,250

This project involved an award to Talmey-Drake Research & Strategy Associated for the development, oversight and execution of initial public opinion research activities to identify US public attitudes and priorities related to the United Nations. Specifically, the project supported execution of extensive focus group testing (qualitative analysis) and several public opinion polls (quantitative research). In addition, Talmey-Drake coordinated a substantial review of existing public opinion research about the UN. Talmey-Drake Research did not conduct all of the research activities described above, but helped to select and then manage a variety of bipartisan public opinion research firms to undertake various aspects of the research plan.

Support for UNA-USA Public Education Efforts -- \$280,000

This project provided support for the United Nations Association of the United States of America in its efforts to conduct grassroots efforts aimed at informing the American public of the UN's critical role and accomplishments in international affairs. BWF support was directed at enhancing UNA-USA educational programs and grassroots outreach efforts. In addition, the UNA-USA undertook a small program of public opinion research.

MISCELLANEOUS UN CAUSES and INSTITUTIONAL STRENGTHENING
Conference on Financial Oversight and Accountability in the UN System: UNA-USA--\$39,405

With the support of key General Assembly leaders, UNA-USA convened a conference on internal oversight issues for GA members and outside experts. The weekend retreat, co-funded by the Swiss Government, provided an opportunity for both GA members and others to bridge many north-south differences on internal oversight issues, outside of the formal framework of the GA structure.

General Support for the Earth Council -- \$500,000

This project provided general support to the Earth Council, an organization established to help follow-up on implementation of Agenda 21, a document negotiated and agreed to by the nations of the world at the United Nations Conference on Environment and Development in 1992. BWF support was provided to help the Earth Council fulfill its mission of promoting holistic, integrated pursuit of sustainable development within the framework of ethics and democracy.

Establishment of Organizational Internet Capabilities -- \$58,107

This project supported efforts by Architechtronics to help the UN Foundation and Better World Fund design, develop and establish its initial internet presence (website). Through this project, a wide array of information about the UN and the Foundation's activities on its behalf were compiled, organized and created for posting on the primary website.

Support for the 50th Anniversary of the Declaration on Human Rights--\$25,000

BWF provided a grant to the Office of the UN Secretary-General to support public events publicizing the 50th Anniversary of the UN's Declaration on Human Rights.

State of the World Forum--\$5,000

BWF provided \$5,000 to support a dinner honoring the work of Nelson Mandela, former President of South Africa and husband of BWF Board member Graca Machel.

Design of an Enhanced Public Visitors Experience at the United Nations -- \$100,000

This project supported study of the current public visitors experience at the United Nations, basic research on the history of the UN design, and consideration of state-of-the-art possibilities for enhancing the public visitors experiences. Based on this research, Masey&George produced a comprehensive conceptual plan for what should comprise an improved visitor experience at the UN.

Better World Fund

EIN: 58-2466765

Statement 9

Part III - Statement of Program Service Accomplishments

Grants and Allocations Schedule

For the year ended December 31, 1998

MEDIA EDUCATION CAMPAIGN

UN Daily News Briefing Design and Development: National Journal Group	50,000
Media Education Campaign: Environmental Media Services	32,500
Enhanced Coverage of UN Programs	100,050
Coverage of UN Causes	250,000
UN Wire: A Daily News Briefing	564,000
TOTAL	<u>996,550</u>

UNITED NATIONS ORGANIZATIONAL CAMPAIGN

Making a Case for US Support of the UN: Emergency Coalition	257,900
Strategic Communications Planning: Edelman Public Relations	70,000
Public Opinion Research: Talmey-Drake	257,250
UNA-USA Public Education Efforts	280,000
TOTAL	<u>865,150</u>

MISCELLANEOUS UN CAUSES and INSTITUTIONAL STRENGTHENING

Conference on Financial Oversight and Accountability	39,405
Earth Council General Support	500,000
Establishment of Organizational Internet Capabilities	58,107
Support for 50th Anniversary of Human Rights Declaration	25,000
State of the World Forum	5,000
Design of Enhanced Public Visitor's Experience at the UN	100,000
TOTAL	<u>727,512</u>

GRAND TOTAL

2,589,212

Baker World Fund, Inc.
Schedule A-Part III Question 4b
For the Year Ended 12/31/98

STATEMENT 10

All grants are based on applications submitted.