

Return of Organization Exempt From Income Tax

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

2005

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

A For the **2005** calendar year, or tax year beginning **7/1/2005**, 2005, and ending **6/30/2006**, 20

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	Please use IRS label or print or type. See Specific Instructions.	C Name of organization ROTARY INTERNATIONAL	D Employer identification number 36 : 1707667
		Number and street (or P.O. box if mail is not delivered to street address) Room/suite 1560 Sherman Avenue	E Telephone number (847) 866-3000
		City or town, state or country, and ZIP + 4 Evanston, IL 60201-3698	F Accounting method: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) ▶

G Website: ▶ www.rotary.org

J Organization type (check only one) ▶ 501(c) (4) ◀ (insert no.) 4947(a)(1) or 527

K Check here ▶ if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS; but if the organization chooses to file a return, be sure to file a complete return. **Some states require a complete return.**

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 ▶ **366,920,415**

H and **I** are not applicable to section 527 organizations.
H(a) Is this a group return for affiliates? Yes No
H(b) If "Yes," enter number of affiliates ▶
H(c) Are all affiliates included? Yes No (If "No," attach a list. See instructions.)
H(d) Is this a separate return filed by an organization covered by a group ruling? Yes No
I Group Exemption Number ▶ **0573**
M Check ▶ if the organization is **not** required to attach Sch. B (Form 990, 990-EZ, or 990-PF).

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

Revenue	1 Contributions, gifts, grants, and similar amounts received:				
	a Direct public support	1a		0	
	b Indirect public support	1b		0	
	c Government contributions (grants)	1c		0	
	d Total (add lines 1a through 1c) (cash \$ <u>0</u> noncash \$ <u>0</u>)	1d			0
	2 Program service revenue including government fees and contracts (from Part VII, line 93)	2			12,484,226
	3 Membership dues and assessments	3			50,840,652
	4 Interest on savings and temporary cash investments	4			724,399
	5 Dividends and interest from securities	5			2,112,222
	6a Gross rents	6a	4,865,240		
	b Less: rental expenses	6b	3,375,153		
	c Net rental income or (loss) (subtract line 6b from line 6a)	6c			1,490,087
7 Other investment income (describe ▶)	7			0	
8a Gross amount from sales of assets other than inventory	(A) Securities		(B) Other		
	293,097,514	8a	0		
	288,655,244	8b	0		
	4,442,270	8c	0		
d Net gain or (loss) (combine line 8c, columns (A) and (B))	8d			4,442,270	
9 Special events and activities (attach schedule). If any amount is from gaming, check here ▶ <input type="checkbox"/>	a Gross revenue (not including \$ <u>0</u> of contributions reported on line 1a)	9a	0		
	b Less: direct expenses other than fundraising expenses	9b	0		
	c Net income or (loss) from special events (subtract line 9b from line 9a)	9c			0
10a Gross sales of inventory, less returns and allowances Stmt 2	10a	665,008			
	b Less: cost of goods sold	10b	790,090		
	c Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	10c			-125,082
11 Other revenue (from Part VII, line 103)	11			2,131,154	
12 Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12			74,099,928	
Expenses	13 Program services (from line 44, column (B))	13		48,820,342	
	14 Management and general (from line 44, column (C))	14		18,486,948	
	15 Fundraising (from line 44, column (D))	15		0	
	16 Payments to affiliates (attach schedule)	16		0	
	17 Total expenses (add lines 16 and 44, column (A))	17			67,307,290
Net Assets	18 Excess or (deficit) for the year (subtract line 17 from line 12)	18		6,792,638	
	19 Net assets or fund balances at beginning of year (from line 73, column (A))	19		104,042,026	
	20 Other changes in net assets or fund balances (attach explanation) Stmt 3	20		2,071,969	
	21 Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21			112,906,633

Part II Statement of Functional Expenses

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

<i>Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.</i>		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22	Grants and allocations (attach schedule) Stmt 4 (cash \$ <u>584,680</u> noncash \$ <u>0</u>) If this amount includes foreign grants, check here <input type="checkbox"/>	22	584,680	584,680	
23	Specific assistance to individuals (attach schedule)	23	0	0	
24	Benefits paid to or for members (attach schedule)	24	0	0	
25	Compensation of officers, directors, etc.	25	752,258	519,886	232,372
26	Other salaries and wages	26	14,228,594	9,833,706	4,394,888
27	Pension plan contributions	27	1,691,330	926,191	765,139
28	Other employee benefits	28	2,259,745	1,445,209	814,536
29	Payroll taxes	29	2,065,517	1,411,718	653,799
30	Professional fundraising fees	30	0	0	0
31	Accounting fees	31	237,417	123,598	113,819
32	Legal fees	32	362,050	178,110	183,940
33	Supplies	33	235,776	146,843	88,933
34	Telephone	34	436,584	254,535	182,049
35	Postage and shipping	35	908,790	753,528	155,262
36	Occupancy	36	3,641,047	2,385,800	1,255,247
37	Equipment rental and maintenance	37	2,132,208	1,176,182	956,026
38	Printing and publications	38	3,772,254	3,728,796	43,458
39	Travel	39	5,170,285	4,626,965	543,320
40	Conferences, conventions, and meetings	40	5,462,779	5,344,729	118,050
41	Interest	41	0	0	0
42	Depreciation, depletion, etc. (attach schedule)	42	3,649,893	1,300,747	2,349,146
43	Other expenses not covered above (itemize): See Statement 7	43a	19,716,083	14,079,119	5,636,964
	a	43b			
	b	43c			
	c	43d			
	d	43e			
	e	43f			
	f	43g			
	g				
44	Total functional expenses. Add lines 22 through 43. (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	44	67,307,290	48,820,342	18,486,948

Joint Costs. Check if you are following SOP 98-2.

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? Yes No
 If "Yes," enter (i) the aggregate amount of these joint costs \$ _____; (ii) the amount allocated to Program services \$ _____; (iii) the amount allocated to Management and general \$ _____; and (iv) the amount allocated to Fundraising \$ _____

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

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

What is the organization's primary exempt purpose? ► <u>Global humanitarian service organization</u>	Program Service Expenses
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.)	(Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)
a <u>See Statement 8</u> (Grants and allocations \$ _____) If this amount includes foreign grants, check here ► <input type="checkbox"/>	
b (Grants and allocations \$ _____) If this amount includes foreign grants, check here ► <input type="checkbox"/>	
c (Grants and allocations \$ _____) If this amount includes foreign grants, check here ► <input type="checkbox"/>	
d (Grants and allocations \$ _____) If this amount includes foreign grants, check here ► <input type="checkbox"/>	
e Other program services (attach schedule) (Grants and allocations \$ _____) If this amount includes foreign grants, check here ► <input type="checkbox"/>	
f Total of Program Service Expenses (should equal line 44, column (B), Program services). ►	48,820,342

Part IV Balance Sheets (See the instructions.)

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

		(A)		(B)
		Beginning of year		End of year
Assets	45 Cash—non-interest-bearing	4,338,189	45	4,743,634
	46 Savings and temporary cash investments	8,706,964	46	8,952,159
	47a Accounts receivable	5,369,020		
	47b Less: allowance for doubtful accounts	198,171	47c	5,170,849
	48a Pledges receivable	0		
	48b Less: allowance for doubtful accounts	0	48c	0
	49 Grants receivable	0	49	0
	50 Receivables from officers, directors, trustees, and key employees (attach schedule) See Statement 9	105,700	50	181,613
	51a Other notes and loans receivable (attach schedule)	0		
	51b Less: allowance for doubtful accounts	0	51c	0
	52 Inventories for sale or use	0	52	0
	53 Prepaid expenses and deferred charges	2,730,242	53	1,956,330
	54 Investments—securities (attach schedule) Stmt 10 <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV	70,434,309	54	76,658,971
	55a Investments—land, buildings, and equipment: basis	0		
	55b Less: accumulated depreciation (attach schedule)	0	55c	0
56 Investments—other (attach schedule)	0	56	0	
57a Land, buildings, and equipment: basis	74,349,786			
57b Less: accumulated depreciation (attach schedule) Stmt 11	37,134,060	57c	37,215,726	
58 Other assets (describe See Statement 12)	621,484	58	678,478	
59 Total assets (must equal line 74). Add lines 45 through 58.	126,372,650	59	135,557,760	
Liabilities	60 Accounts payable and accrued expenses	20,290,454	60	17,280,276
	61 Grants payable	0	61	0
	62 Deferred revenue	2,040,170	62	5,370,851
	63 Loans from officers, directors, trustees, and key employees (attach schedule)	0	63	0
	64a Tax-exempt bond liabilities (attach schedule)	0	64a	0
	64b Mortgages and other notes payable (attach schedule)	0	64b	0
	65 Other liabilities (describe)	0	65	0
66 Total liabilities. Add lines 60 through 65	22,330,624	66	22,651,127	
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	104,042,026	67	112,906,633
	68 Temporarily restricted	0	68	0
	69 Permanently restricted	0	69	0
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74.			
	70 Capital stock, trust principal, or current funds.		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; column (B) must equal line 21)	104,042,026	73	112,906,633
	74 Total liabilities and net assets/fund balances. Add lines 66 and 73.	126,372,650	74	135,557,760

Part VI Other Information <i>(continued)</i>		Yes	No
82a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?		✓
	b If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.)		
	82b		
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?		
	b Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	✓	
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?		
	b Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	✓	
84a	Did the organization solicit any contributions or gifts that were not tax deductible?		✓
	b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
	84b		
85	501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members?		✓
	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.	✓	
	c Dues, assessments, and similar amounts from members		
	85c		
	d Section 162(e) lobbying and political expenditures		
	85d		
	e Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices		
	85e		
	f Taxable amount of lobbying and political expenditures (line 85d less 85e)		
	85f		
	g Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?		
	85g		
	h If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?		
	85h		
86	501(c)(7) orgs. Enter: a Initiation fees and capital contributions included on line 12		
	86a		
	b Gross receipts, included on line 12, for public use of club facilities		
	86b		
87	501(c)(12) orgs. Enter: a Gross income from members or shareholders		
	87a		
	b Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)		
	87b		
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX	✓	
89a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 ▶ ; section 4912 ▶ ; section 4955 ▶		
	b 501(c)(3) and 501(c)(4) orgs. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction		✓
	89b		
	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 on line 89c, above, reimbursed by the organization		0
90a	List the states with which a copy of this return is filed ▶ <u>None</u>		
	b Number of employees employed in the pay period that includes March 12, 2005 (See instructions.)	90b	622
91a	The books are in care of ▶ <u>Geoffrey C. Woie, Controller</u> Telephone no. ▶ <u>847-866-3000</u> Located at ▶ <u>1560 Sherman Ave., Evanston, IL</u> ZIP + 4 ▶ <u>60201-3698</u>		
	b At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	91b	✓
	If "Yes," enter the name of the foreign country ▶ <u>See Statement 20</u>		
	See the instructions for exceptions and filing requirements for Form TD F 90-22.1 , Report of Foreign Bank and Financial Accounts.		
	c At any time during the calendar year, did the organization maintain an office outside of the United States? If "Yes," enter the name of the foreign country ▶ <u>See Statement 21</u>	91c	✓
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 ▶ <u>92</u>		□

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

Note: Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue:					
a <u>Magazine</u>	541800	603,078			5,934,600
b <u>International Meetings</u>					5,785,504
c <u>Open World Russian Leadership Program</u>					142,654
d <u>Official Directory Advertising</u>	541800	18,390			
e _____					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					50,840,652
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments			14	724,399	
96 Dividends and interest from securities			14	2,112,222	
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property			16	1,490,087	
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	4,442,270	
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					-\$125,082
103 Other revenue: a <u>License Fees & Royalties</u>			15	1,629,096	
b <u>Exchange Gain</u>			14	448,487	
c <u>Travel Service</u>					\$53,571
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))		621,468		10,846,561	\$62,631,899
105 Total (add line 104, columns (B), (D), and (E))					74,099,928

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

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

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
	<u>See Statement 22</u>

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

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
<u>See Statement 23</u>	%			
	%			
	%			
	%			

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

- (a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No
 - (b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No
- Note:** If "Yes" to (b), file Form 8870 and Form 4720 (see instructions).

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Please Sign Here

Signature of officer: Edwin H. Futa, General Secretary Date: _____

Type or print name and title.

Paid Preparer's Use Only

Preparer's signature: _____ Date: _____ Check if self-employed:

Firm's name (or yours if self-employed), address, and ZIP + 4: _____ Preparer's SSN or PTIN (See Gen. Inst. W): _____

EIN: _____ Phone no.: _____

Statement 1

Form: 990

Page: 1

Part: I

Question: 8

ROTARY INTERNATIONAL

36-1707667

Sales of Assets Other than Inventory

Publicly Traded Securities

Description:

Sold To:

Sales Price: \$293,097,514.00

Date Sold:

Expense of Sale: \$0.00

Date acquired:

Cost or value when acquired: \$288,655,244.00

How acquired:

Depreciation since acquisition: \$0.00

Net Sale: **\$4,442,270.00**

Statement 2

Form: 990

Page: 1

Part: I

Question: 10

ROTARY INTERNATIONAL

36-1707667

Sales of Inventory

Description	Gross Sales	COGS	Gross Profit
Publications	\$665,008.00	\$790,090.00	-\$125,082.00
Total:	\$665,008.00	\$790,090.00	-\$125,082.00

Statement 3

Form: 990

Page: 1

Part: I

Question: 20

ROTARY INTERNATIONAL**36-1707667****Other changes in Net Assets or Fund Balances**

Explanation	Amount
Fiscal Year 2006 Net Unrealized Loss on Investments	-\$41,733.00
Minimum Pension Liability Recovery	\$2,012,477.00
Net Income from Subsidiary	\$101,225.00
Total:	\$2,071,969.00

Statement 4

Form: 990

Page: 2

Part: II

Question: 22

ROTARY INTERNATIONAL**36-1707667**

Grants and Allocations

Date:**Type:****Number of individuals:****Grant Amount****Classification****Relationship:****Description of Property:**

Cash

\$584,680.00

Contribution to Permanent Fund

Foundation of RI

Name and Address:

The Rotary Foundation of Rotary Int

1560 Sherman Avenue

Evanston, IL 60201-3698

United States

How Determined**Book Value of Property:****FMV of Property:**

Total Grants:**\$584,680.00**

Statement 5

Form: 990

Page: 2

Part: II

Question: 25

ROTARY INTERNATIONAL**36-1707667****Compensation Detail**

Description	Total:	Pgm Services	Mgt and General	Fundraising
Edwin H Futa				
Compensation	\$165,666.00	\$114,492.00	\$51,174.00	\$0.00
Benefits	\$7,724.00	\$5,338.00	\$2,386.00	\$0.00
Expenses	\$0.00	\$0.00	\$0.00	\$0.00
Total	\$173,390.00	\$119,830.00	\$53,560.00	\$0.00
Peter J DeBerge				
Compensation	\$97,075.00	\$67,089.00	\$29,986.00	\$0.00
Benefits	\$8,479.00	\$5,860.00	\$2,619.00	\$0.00
Expenses	\$0.00	\$0.00	\$0.00	\$0.00
Total	\$105,554.00	\$72,949.00	\$32,605.00	\$0.00
Alan Jarvis				
Compensation	\$71,433.00	\$49,367.00	\$22,066.00	\$0.00
Benefits	\$8,023.00	\$5,545.00	\$2,478.00	\$0.00
Expenses	\$0.00	\$0.00	\$0.00	\$0.00
Total	\$79,456.00	\$54,912.00	\$24,544.00	\$0.00
Kathleen Kessenich				
Compensation	\$85,180.00	\$58,868.00	\$26,312.00	\$0.00
Benefits	\$8,550.00	\$5,909.00	\$2,641.00	\$0.00
Expenses	\$0.00	\$0.00	\$0.00	\$0.00
Total	\$93,730.00	\$64,777.00	\$28,953.00	\$0.00
Theresa Nissen				
Compensation	\$129,061.00	\$89,194.00	\$39,867.00	\$0.00
Benefits	\$8,540.00	\$5,902.00	\$2,638.00	\$0.00
Expenses	\$0.00	\$0.00	\$0.00	\$0.00
Total	\$137,601.00	\$95,096.00	\$42,505.00	\$0.00
Carl-Wilhelm Stenhammar				
Compensation	\$0.00	\$0.00	\$0.00	\$0.00
Benefits	\$0.00	\$0.00	\$0.00	\$0.00
Expenses	\$98,436.00	\$68,029.00	\$30,407.00	\$0.00
Total	\$98,436.00	\$68,029.00	\$30,407.00	\$0.00
William B Boyd				
Compensation	\$0.00	\$0.00	\$0.00	\$0.00
Benefits	\$0.00	\$0.00	\$0.00	\$0.00
Expenses	\$64,091.00	\$44,293.00	\$19,798.00	\$0.00
Total	\$64,091.00	\$44,293.00	\$19,798.00	\$0.00
Total:	\$752,258.00	\$519,886.00	\$232,372.00	\$0.00

Statement 6

Form: 990

Page: 2

Part: II

Question: 42

ROTARY INTERNATIONAL**36-1707667****Depreciation and Depletion**

Asset	Current Deprec.
Build. Improve.	\$944,239.00
Condominiums	\$17,049.00
Furn & Equip	\$2,647,181.00
Dist. Center	\$41,424.00
Total	\$3,649,893.00

Statement 7

Form: 990

Page: 2

Part: II

Question: 43

ROTARY INTERNATIONAL**36-1707667****Attachment listing other expenses for Part II**

Description	Total:	Pgm Services	Mgt and General	Fundraising
Bank Fees	\$334,287.00	\$0.00	\$334,287.00	\$0.00
FY2006 District Governor	\$7,805,829.00	\$7,805,829.00	\$0.00	\$0.00
General	\$2,121,061.00	\$1,537,502.00	\$583,559.00	\$0.00
Insurance	\$1,073,864.00	\$611,146.00	\$462,718.00	\$0.00
Investment Fees	\$254,585.00	\$0.00	\$254,585.00	\$0.00
Prior years tax accrual reversal	-\$747,545.00	\$0.00	-\$747,545.00	\$0.00
Outside Professional Services	\$8,874,002.00	\$4,124,642.00	\$4,749,360.00	\$0.00
Total:	\$19,716,083.00	\$14,079,119.00	\$5,636,964.00	\$0.00

Statement 8

Form: 990

Page: 3

Part: III

Question:

ROTARY INTERNATIONAL**36-1707667****Program Services**

Achievement	Pgm. Svc. Exp.
Volunteer Training & Placement Programs: District Governors - The District Governor is charged with the particular duty of furthering the Object of Rotary International and is responsible for all programs and related operations within a constituted district. (0 0)	\$8,952,844.00
Grants and Allocations: \$0.00 This amount includes foreign grants:	
Voluntarism Promotion Programs, General/Other: International Convention - The purpose of the annual Convention of Rotary International is to stimulate, inspire, and inform all Rotarians at an International level regarding the implementation of Rotary programs and activities during the ensuing year. (0 0)	\$5,279,280.00
Grants and Allocations: \$0.00 This amount includes foreign grants:	
Voluntarism Promotion Programs, General/Other: The Rotarian Magazine - The basic purpose of "The Rotarian", the official magazine of Rotary International, is to serve as a medium to assist in the furtherance of the purpose of Rotary International and the attainment of the Object of Rotary. (0 0)	\$4,414,787.00
Grants and Allocations: \$0.00 This amount includes foreign grants:	
Voluntarism Promotion Programs, General/Other: International Assembly - The purpose of the International Assembly is to provide education, motivation, and inspiration to District Governor-Elects and to afford them and others in attendance an opportunity to discuss and plan how to best implement the programs and activities of Rotary during the ensuing year. (0 0)	\$3,272,856.00
Grants and Allocations: \$0.00 This amount includes foreign grants:	
Human Services Programs, General/Other: The Rotary Foundation of Rotary (0 Dollars)	\$0.00
Grants and Allocations: \$584,680.00 This amount includes foreign grants: No	
Voluntarism Promotion Programs, General/Other: International Offices - Service clubs members worldwide with locations in : Argentina, Australia, Brazil, India, Japan, South Korea and Switzerland. Committees - study current and on-going issues. Communications - produce publications materials for clubs. Membership Services - serve club members and district governors. Programs - promote and develop programs of Rotary International. Public Relations - develop and provide materials to assist clubs in their public relations activities. Rotarys History - On going process of preserving Rotary artifacts for Rotarians of the future. Program Administrative Support is provided for Corporate Services, Financial Services, Info Tech Services, Meetings Services and Office Support Services. (0 0)	\$26,900,575.00
Grants and Allocations: \$0.00 This amount includes foreign grants:	
Total:	\$48,820,342.00

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Question: 50 B

ROTARY INTERNATIONAL

36-1707667

Receivables from Officers

Borrower's Name:	Travel Advances
Borrower's Title:	
Original Amount:	\$181,613.00
Balance Due:	\$181,613.00
Date of Note:	
Maturity Date:	
Repayment Terms:	
Interest Rate:	
Security Provided by Borrower:	
Purpose of Loan:	
Description of Consideration:	
FMV of Consideration:	

Total Due:	\$181,613.00
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Question: 54

ROTARY INTERNATIONAL

36-1707667

Investments - Securities

Security	Valuation Type	Amount
Non-US Corp Stock	FMV	\$12,357,842.00
US Bonds	FMV	\$28,284,464.00
US Corp Stock	FMV	\$35,603,305.00
Non-US Bonds	FMV	\$413,360.00
Total:		\$76,658,971.00

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ROTARY INTERNATIONAL**36-1707667****Schedule of Land, Buildings and Equipment**

Description	Cost	Depreciation	Book Value
Automobiles	\$56,259.00	\$56,259.00	\$0.00
Comp. Software/Hardware	\$13,817,201.00	\$10,291,828.00	\$3,525,373.00
Condominiums	\$513,777.00	\$154,010.00	\$359,767.00
Furniture & Equipment	\$4,079,933.00	\$3,451,831.00	\$628,102.00
Distribution Center	\$828,483.00	\$82,848.00	\$745,635.00
Land	\$2,960,445.00	\$0.00	\$2,960,445.00
One Rotary Ctr Building	\$52,093,688.00	\$23,097,284.00	\$28,996,404.00
Total:	\$74,349,786.00	\$37,134,060.00	\$37,215,726.00

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ROTARY INTERNATIONAL

36-1707667

Other Assets

Asset Description	BOY Amount	EOY Amount
Captive Insurance Company	\$621,484.00	\$678,478.00
Total:	\$621,484.00	\$678,478.00

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Part: IV-A

Question: b(4)

ROTARY INTERNATIONAL

36-1707667

Revenue Audit Line b(4)

Description	Amount
Data Processing Lists	\$10,262.00
Other Income	\$1,041,087.00
Bank Fees	-\$334,287.00
PPH - Assessment and Investment Income	\$774,498.00
Total:	\$1,491,560.00

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Part: IV-A

Question: d(2)

ROTARY INTERNATIONAL**36-1707667****Revenue Audit Line d(2)**

Description	Amount
Reimbursement of PPH costs	-\$114,167.00
ORC Rental Expense (Occupancy Costs)	-\$3,375,153.00
Cost of Sales	-\$790,090.00
Currency exchange gain	\$448,487.00
Total:	-\$3,830,923.00

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Part: IV-B

Question: b(4)

ROTARY INTERNATIONAL

36-1707667

Expense Audit Line b(4)

Description	Amount
PPH General & Administrative Expense	\$257,081.00
PPH Underwriting Expense	\$416,192.00
Cost of sales	\$790,090.00
Currency exchange gains	-\$448,487.00
ORC Rental Expense (Occupancy Costs)	\$3,375,153.00
Total:	\$4,390,029.00

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Part: IV-B

Question: d(2)

ROTARY INTERNATIONAL

36-1707667

Expense Audit Line d(2)

Description	Amount
Other Income	-\$1,041,087.00
Bank Fees	\$334,287.00
Data processing lists	-\$10,262.00
Reimbursement of PPH costs	-\$114,167.00
Total:	-\$831,229.00

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Question:

ROTARY INTERNATIONAL

36-1707667

Officers, Directors, Trustees, and Key Employees

Name and Address	Title	Hrs	Comp.	Benefits	Expenses
Carl-Wilhelm Stenhammar 1560 Sherman Ave Evanston, IL 60201 United States	President	40	\$0.00	\$0.00	\$98,436.00
William B Boyd 1560 Sherman Ave Evanston, IL 60201 United States	President-Elect	40	\$0.00	\$0.00	\$64,091.00
Serge Gouteyron 1560 Sherman Ave Evanston, IL 60201 United States	Vice President	15	\$0.00	\$0.00	\$0.00
Jocelyn I Bolante 1560 Sherman Ave Evanston, IL 60201 United States	Treasurer	15	\$0.00	\$0.00	\$0.00
Anthony F de St Dalmas 1560 Sherman Ave Evanston, IL 60201 United States	Director	15	\$0.00	\$0.00	\$0.00
Frank N Goldberg 1560 Sherman Ave Evanston, IL 60201 United States	Director	15	\$0.00	\$0.00	\$0.00
Jerry L Hall 1560 Sherman Ave Evanston, IL 60201 United States	Director	15	\$0.00	\$0.00	\$0.00
Horst Heiner Hellge 1560 Sherman Ave Evanston, IL 60201 United States	Director	15	\$0.00	\$0.00	\$0.00
Solve Kernell 1560 Sherman Ave Evanston, IL 60201 United States	Director	15	\$0.00	\$0.00	\$0.00
Kwang Tae Kim 1560 Sherman Ave	Director	15	\$0.00	\$0.00	\$0.00

Name and Address	Title	Hrs	Comp.	Benefits	Expenses
Evanston, IL 60201 United States					
David Linett 1560 Sherman Ave Evanston, IL 60201 United States	Director	15	\$0.00	\$0.00	\$0.00
Yoshikazu Minamisono 1560 Sherman Ave Evanston, IL 60201 United States	Director	15	\$0.00	\$0.00	\$0.00
G Kenneth Morgan 1560 Sherman Ave Evanston, IL 60201 United States	Director	15	\$0.00	\$0.00	\$0.00
Noraseth Pathmanand 1560 Sherman Ave Evanston, IL 60201 United States	Director	15	\$0.00	\$0.00	\$0.00
Jose Antonio Salazar C 1560 Sherman Ave Evanston, IL 60201 United States	Director	15	\$0.00	\$0.00	\$0.00
Masanobu Shigeta 1560 Sherman Ave Evanston, IL 60201 United States	Director	15	\$0.00	\$0.00	\$0.00
Carlos E Speroni 1560 Sherman Ave Evanston, IL 60201 United States	Director	15	\$0.00	\$0.00	\$0.00
David J Hossler 1560 Sherman Avenue Evanston, IL 60201-3698 United States	Director	15	\$0.00	\$0.00	\$0.00
Robert A Stuart Jr 1560 Sherman Ave Evanston, IL 60201 United States	Director	15	\$0.00	\$0.00	\$0.00
Edwin H Futa 1560 Sherman Ave Evanston, IL 60201 United States	General Secretary	40	\$165,666.00	\$7,724.00	\$0.00
Peter J DeBerge 1560 Sherman Ave	CFO	40	\$97,075.00	\$8,479.00	\$0.00

Name and Address	Title	Hrs	Comp.	Benefits	Expenses
Evanston, IL 60201 United States					
Alan Jarvis 1560 Sherman Ave Evanston, IL 60201 United States	CIO	40	\$71,433.00	\$8,023.00	\$0.00
Kathleen Kessenich 1560 Sherman Ave Evanston, IL 60201 United States	General Manager	40	\$85,180.00	\$8,550.00	\$0.00
Theresa Nissen 1560 Sherman Ave Evanston, IL 60201 United States	General Manager	40	\$129,061.00	\$8,540.00	\$0.00
TOTALS			\$548,415.00	\$41,316.00	\$162,527.00

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ROTARY INTERNATIONAL**36-1707667****Compensation from Related Organizations**

Employee	Organization	EIN	Comp.	Benefits	Expenses
Alan Jarvis	The Rotary Foundation of	36-3245072	\$71,433.00	\$8,023.00	\$0.00
Comp. Explanation	Compensation paid by The Rotary Foundation of Rotary International				
Relationship	Charitable Organization				
Edwin H. Futa	The Rotary Foundation of	36-3245072	\$74,429.00	\$3,470.00	\$0.00
Comp. Explanation	Compensation paid by The Rotary Foundation of Rotary International				
Relationship	Charitable Organization				
Kathleen Kessenich	The Rotary Foundation of	36-3245072	\$43,881.00	\$4,405.00	\$0.00
Comp. Explanation	Compensation paid by The Rotary Foundation of Rotary International				
Relationship	Charitable Organization				
Peter DeBerge	The Rotary Foundation of	36-3245072	\$62,065.00	\$5,421.00	\$0.00
Comp. Explanation	Compensation paid by The Rotary Foundation of Rotary International				
Relationship	Charitable Organization				
Total:			\$251,808.00	\$21,319.00	\$0.00

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Question: 80 b

ROTARY INTERNATIONAL

36-1707667

Related Organizations

Description	Exempt
PPH Captive Insurance Company	No
The Rotary Foundation of Rotary International	Yes

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Question: 91b

ROTARY INTERNATIONAL

36-1707667

Foreign Accounts

Foreign Account List

Argentina
Australia
Bangladesh
Brazil
Canada
Chile
Colombia
Denmark
Egypt
Germany
India
Japan
Korea, Republic of (South)
Norway
Pakistan
Peru
Philippines
South Africa
Sri Lanka
Sweden
Switzerland
Thailand
United Kingdom (England, N. Ireland, Scotland, and Wales)
Venezuela
Zimbabwe

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ROTARY INTERNATIONAL

36-1707667

Foreign Offices

Foreign Office List

Argentina

Australia

Brazil

India

Japan

Korea, Republic of (South)

Switzerland

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Question:

ROTARY INTERNATIONAL

36-1707667

Relationship of Activities

Line No	Relationship of Activities to the Accomplishment of Exempt Purposes
93 b	The purpose of the International Convention of Rotary International is to stimulate, inspire, and inform all Rotarians at an international level regarding the implementation of Rotary programs and activities during the ensuing year.
93 a	The Rotarian magazine serves as a medium to assist in the furtherance of the mission of Rotary International and the attainment of the Object of Rotary, which is to support its member clubs in fulfilling the Object of Rotary by: Fostering unity among club members; Strengthening and expanding Rotary around the world; Communicating worldwide the work of Rotary; Providing a system of international administration.
93 c	The Open World Program enables emerging leaders from Russia to experience U.S. democracy and free enterprise in action within communities across the United States. Rotary communities have hosted delegations from Russia under the economic development, education reform, environment, health issues, rule of law and women as leaders themes.
103 c	Volume discount rebates from travel service vendors resulting from airfares purchased to conduct ordinary business.
94	Membership dues are received in exchange for membership benefits, which include the receipt of The Rotarian magazine, and access to weekly meetings which provide opportunities for humanitarian service both locally and internationally.
102	Sale of various publications and literature which provide information concerning the programs and activities of Rotary International.

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Question:

ROTARY INTERNATIONAL**36-1707667****Taxable Subsidiaries**

Name and Address	EIN	Pct	Income	Assets
PPH National Insurance Co. 346 Shelbourne Rd Burlington, VT 05401 United States	03-0370108	100.00 %	\$101,225.00	\$3,189,434.00
Nature of Bus. Activities	Insure Vicarious Liability			