

Return of Organization Exempt From Income Tax

1999

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 1999 calendar year, OR tax year period beginning 07/01, 1999, and ending 06/30/2000

B Check if: Change of address, Initial return, Final return, Amended return. C Name of organization: KAMEHAMEHA SCHOOLS. D Employer identification number: 99-0073480. E Telephone number: (808) 523-6200. F Check if exemption application is pending.

G Type of organization: [X] Exempt under section 501(c) (3) (insert number) OR [] section 4947(a)(1) nonexempt charitable trust

Note: Section 501(c)(3) exempt organizations and 4947(a)(1) nonexempt charitable trusts MUST attach a completed Schedule A (Form 990).

H (a) Is this a group return filed for affiliates? [] Yes [X] No. I If either box in H is checked "Yes," enter four-digit group exemption number (GEN). J Accounting method: [] Cash [X] Accrual. (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 (See Specific Instructions on page 15.)

SCANNED JUN 18 2001

Revenue

Table with 21 rows and 4 columns. Rows include: 1 Contributions, gifts, grants, and similar amounts received: STMT 1; 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; 6a Gross rents; 6b Less: rental expenses; 6c Net rental income or (loss); 7 Other investment income FROM SUBSIDIARIES & INVESTMENTS; 8a Gross amount from sales of assets other than inventory STATEMENT 2; 8b Less: cost or other basis and sales expenses; 8c Gain or (loss); 8d Net gain or (loss); 9 Special events and activities; 10a Gross sales of inventory; 10b Less: cost of goods sold; 10c Gross profit or (loss); 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.

Expenses

Net Assets

12

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 Specific instructions on page 19.)

Table with 5 columns: (A) Total, (B) Program services, (C) Management and general, (D) Fundraising. Rows include: 22 Grants and allocations (attach schedule) 20,448,805; 23 Specific assistance to individuals; 24 Benefits paid to or for members; 25 Compensation of officers, directors, etc. 1,886,419; 26 Other salaries and wages 52,215,392; 27 Pension plan contributions; 28 Other employee benefits 15,034,230; 29 Payroll taxes; 30 Professional fundraising fees; 31 Accounting fees; 32 Legal fees; 33 Supplies 7,007,851; 34 Telephone; 35 Postage and shipping; 36 Occupancy 2,059,209; 37 Equipment rental and maintenance; 38 Printing and publications; 39 Travel; 40 Conferences, conventions, and meetings; 41 Interest 1,872,613; 42 Depreciation depletion etc (attach schedule) 11,156,363; 43 Other expenses (itemize): a STMT 6 46,566,011; b; c; d; e; 44 Total functional expenses (add lines 22 through 43) 158,246,893.

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 [X]
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 22.)

Table with 2 columns: Description, Program Service Expenses. Row a: SEE STATEMENT 7 (Grants and allocations \$ 20,448,805.) 104,765,430. Row b: (Grants and allocations \$) Row c: (Grants and allocations \$) Row d: (Grants and allocations \$) Row e: Other program services (attach schedule) (Grants and allocations \$) Row f: Total of Program Service Expenses (should equal line 44, column (B), Program services) 104,765,430.

Part IV Balance Sheets (See Specific Instructions on page 22.)

			(A) Beginning of year		(B) End of year
Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.					
	45	Cash - non-interest-bearing		45	
	46	Savings and temporary cash investments		46	
	47a	Accounts receivable	47a		STATEMENT 24
	b	Less: allowance for doubtful accounts	47b	47c	
	48a	Pledges 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		
	b	Less: accumulated depreciation (attach schedule)	57b	57c	
	58	Other assets (describe ►)		58	
	59	Total assets (add lines 45 through 58) (must equal line 74)	3170564673	59	3662927207
	60	Accounts payable and accrued expenses		60	
	61	Grants payable		61	
	62	Deferred revenue		62	
	63	Loans from officers, directors, trustees, and key employees (attach schedule)		63	STATEMENT 25
	64a	Tax-exempt bond liabilities (attach schedule)		64a	
	b	Mortgages and other notes payable (attach schedule)		64b	
	65	Other liabilities (describe ►)		65	
	66	Total liabilities (add lines 60 through 65)	327,648,863	66	316,082,481
	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74				
	67	Unrestricted	2842915810	67	3346844726
	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 19 and column (B) must equal line 21)	2842915810	73	3346844726
	74	Total liabilities and net assets/fund balances (add lines 66 and 73)	3170564673	74	3662927207

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 (See Specific Instructions, page 24.)

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

a Total revenue, gains, and other support per audited financial statements . . . ▶	a 936,306,526.	a Total expenses and losses per audited financial statements ▶	a 221,498,877.
b Amounts included on line a but not on line 12, Form 990:		b Amounts included on line a but not on line 17, Form 990:	
(1) Net unrealized gains on investments . . . \$ -122831369.		(1) Donated services and use of facilities \$	
(2) Donated services and use of facilities \$		(2) Prior year adjustments reported on line 20, Form 990 \$	
(3) Recoveries of prior year grants \$		(3) Losses reported on line 20, Form 990 \$	
(4) Other (specify)		(4) Other (specify)	
STMT 8 \$ -269,212.		STMT 10 \$ 68,726,855.	
Add amounts on lines (1) through (4) ▶	b -123100581.	Add amounts on lines (1) through (4) . . ▶	b 68,726,855.
c Line a minus line b ▶	c 1059407107.	c Line a minus line b ▶	c 152,772,022.
d Amounts included on line 12, Form 990 but not on line a:		d Amounts included on line 17, Form 990 but not on line a:	
(1) Investment expenses not included on line 6b, Form 990 . . . \$		(1) Investment expenses not included on line 6b, Form 990 . . . \$	
(2) Other (specify)		(2) Other (specify)	
STMT 9 \$-63,521,196.		STMT 11 \$ 5,474,871.	
Add amounts on lines (1) and (2) ▶	d -63,521,196.	Add amounts on lines (1) and (2) . . ▶	d 5,474,871.
e Total revenue per line 12, Form 990 (line c plus line d) ▶	e 995,885,911.	e Total expenses per line 17, Form 990 (line c plus line d) ▶	e 158,246,893.

Part V List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated; see Specific Instructions on page 24.)

(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
SEE STATEMENT 13		1,886,419.	23,088.	15,000.

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? Yes No
 If "Yes," attach schedule - see Specific Instructions on page 25.

Part VI Other Information (See Specific Instructions on page 25.)

	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? . . .	78b	X
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 <u>STMT 14</u> and check whether it is <input checked="" 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	NONE
b Did the organization file Form 1120-POL for this year? . . .	81b	N/A
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	X
h If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount in 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year? . . .	85h	X
86 501(c)(7) orgs. Enter: a Initiation fees and capital contributions included on line 12 . . .	86a	N/A
b Gross receipts, included on line 12, for public use of club facilities . . .	86b	N/A
87 501(c)(12) orgs. Enter: a Gross income from members or shareholders . . .	87a	N/A
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.) . . .	87b	N/A
88 At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX . . .	88	X
89 a 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 4955 <u>NONE</u> . . .		
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	X
c Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 . . .		NONE
d Enter: Amount of tax on line 89c, above, reimbursed by the organization . . .		NONE
90 a List the states with which a copy of this return is filed <u>N/A</u> . . .		
b Number of employees employed in the pay period that includes March 12, 1999 (See inst.) . . .	90b	1297
91 The books are in care of <u>CONTROLLER</u> Telephone no. <u>808-523-6200</u> Located at <u>567 SOUTH KING STREET, HONOLULU, HI</u> ZIP + 4 <u>96813</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 (See Specific Instructions on page 29.)

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 TUITION					3,786,469.
b FOOD SERVICES					2,101,683.
c OTHER REVENUES					1,975,331.
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	900003	695,722.	14	37,336,599.	
96 Dividends and interest from securities			14	41,508,308.	
97 Net rental income or (loss) from real estate:					
a debt-financed property			38	-8,856,772.	
b not debt-financed property			16	82,018,762.	
98 Net rental income or (loss) from personal property					
99 Other investment income	321000	4,489,879.	18	563,486,035.	
100 Gain or (loss) from sales of assets other than inventory			18	183,987,564.	
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue: a _____					
b OTHER REVENUE			01	56,611.	
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))		5,185,601.		899,537,107.	7,863,483.
105 Total (add line 104, columns (B), (D), and (E))					912,586,191.

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 Specific Instructions on page 30.)

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).
93	ALL REPORTED INCOME IS GENERATED FROM ACTIVITIES THAT ARE CUSTOMARILY CARRIED ON BY EDUCATIONAL INSTITUTIONS WITHIN THE DEFINITION OF INTERNAL REVENUE CODE SECTION 170(b)(1)(A)(ii), INCLUDING TUITION, MEAL FEES, BOARDING FEES, STUDENT FEES, BUS PASSES, AND THE LIKE, ALL OF WHICH CONTRIBUTE DIRECTLY TO THE OVERALL EDUCATIONAL PROGRAM.

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See Specific Instructions on page 30.)

(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
SEE STATEMENT 16	%			
	%			
	%			
	%			

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, this return is true and correct. I am a preparer of this return and I am not a partner in the organization.

Date: 5/15/01
 Eric K. Yeaman
 Chief Financial Officer
 Type or print name and title

Date: _____ Check if: _____ Preparer's SSN or PTIN: _____

**SCHEDULE A
(Form 990)**

Organization Exempt Under Section 501(c)(3)

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

Supplementary Information - (See separate instructions.)

OMB No. 1545-0047

1999

Department of the Treasury
Internal Revenue Service

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

Name of the organization

KAMEHAMEHA SCHOOLS

Employer identification number

99-0073480

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See page 1 of the instructions. List each one. If there are none, enter "None.")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
R. PARK 567 SOUTH KING STREET, STE 200 HONOLULU, HI 96813	PRINCIPAL - ADMIN FULL	175,374.	5,182.	5,700.
Y. TAKEMOTO 567 SOUTH KING STREET, STE 200 HONOLULU, HI 96813	PRINCIPAL - BUDGET FULL	167,506.	5,870.	5,700.
R. FREITAS 567 SOUTH KING STREET, STE 200 HONOLULU, HI 96813	VP/DIRECTOR OF OPS FULL	156,753.	4,252.	5,700.
A. AU 567 SOUTH KING STREET, STE 200 HONOLULU, HI 96813	DIRECTOR OF FAD FULL	133,743.	6,003.	3,600.
K. TESHIMA 567 SOUTH KING STREET, STE 200 HONOLULU, HI 96813	DIRECTOR OF RELAD FULL	129,878.	5,672.	3,600.
Total number of other employees paid over \$50,000	▶ 329			

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

(See page 1 of the instructions. List each one (whether individuals or firms). If there are none, enter "None.")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
MILLER & CHEVALIER 655 15TH ST NW, STE 900, WA, DC 20005	LEGAL	3,371,159.
KPMG CONSULTING LLC 400 CAPITOL MALL, STE 800, SAC, CA 95814	CONSULTING	1,317,915.
CADES SCHUTTE FLEMING & WRIGHT 1000 BISHOP ST, STE 1000, HON, HI 96813	LEGAL	1,290,913.
WATANABE ING & KAWASHIMA 999 BISHOP ST, 23RD FLOOR, HON, HI 96813	LEGAL	1,180,374.
MORRISON & FOERSTER LLP P.O. BOX 60000, CA 94160	LEGAL	952,943.
Total number of others receiving over \$50,000 for professional services	▶ 121	

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

Schedule A (Form 990) 1999

Part III Statements About Activities

Table with 3 columns: Question, Yes, No. Contains questions 1 through 4b regarding lobbying activities, grants, and annuity plans. Includes a total expense amount of \$84,431.

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

- The organization is not a private foundation because it is: (Please check only ONE applicable box.)
5 A church, convention of churches, or association of churches.
6 X A school.
7 A hospital or a cooperative hospital service organization.
8 A Federal, state, or local government or governmental unit.
9 A medical research organization operated in conjunction with a hospital.
10 An organization operated for the benefit of a college or university owned or operated by a governmental unit.
11a An organization that normally receives a substantial part of its support from a governmental unit or from the general public.
11b A community trust.
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.
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).

Provide the following information about the supported organizations. (See page 4 of the instructions.)

Table with 2 columns: (a) Name(s) of supported organization(s), (b) Line number from above.

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

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12) Use cash method of accounting. NOT APPLICABLE

Note: You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting

Table with 6 columns: (a) 1998, (b) 1997, (c) 1996, (d) 1995, (e) Total. Rows include: 15 Gifts, grants, and contributions received; 16 Membership fees received; 17 Gross receipts from admissions, merchandise sold or services performed; 18 Gross income from interest, dividends, amounts received from payments on securities loans; 19 Net income from unrelated business activities; 20 Tax revenues levied for the organization's benefit; 21 The value of services or facilities furnished to the organization by a governmental unit without charge; 22 Other income; 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 NOT APPLICABLE. 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 1995 through 1998 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)).

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: (1998) (1997) (1996) (1995) NOT APPLICABLE. 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 (1998) (1997) (1996) (1995). 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)).

28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 1995 through 1998, 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 page 4 of the instructions.)

Part V Private School Questionnaire (See page 4 of the instructions.)
 (To be completed ONLY by schools that checked the box on line 6 in Part IV)

	Yes	No
29 Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?	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? If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.)	X	
SEE STATEMENT 22		
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.)		
34a Does the organization receive any financial aid or assistance from a governmental agency? . . . STMT. 23 . . .	X	
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.		X
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 (See page 6 of the instructions.)
 (To be completed ONLY by an eligible organization that filed Form 5768)

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

Limits on Lobbying Expenditures		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
(The term "expenditures" means amounts paid or incurred.)			
36	Total lobbying expenditures to influence public opinion (grassroots lobbying)	36	
37	Total lobbying expenditures to influence a legislative body (direct lobbying)	37	84,431.
38	Total lobbying expenditures (add lines 36 and 37)	38	84,431.
39	Other exempt purpose expenditures	39	158,162,462.
40	Total exempt purpose expenditures (add lines 38 and 39)	40	158,246,893.
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	41	1,000,000.
42	Grassroots nontaxable amount (enter 25% of line 41)	42	250,000.
43	Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36	43	0.
44	Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38	44	0.

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 of the instructions.)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 1999	(b) 1998	(c) 1997	(d) 1996	(e) Total
45 Lobbying nontaxable amount	1,000,000.	100,000.			1,100,000.
46 Lobbying ceiling amount (150% of line 45(e))					1,650,000.
47 Total lobbying expenditures	84,431.				84,431.
48 Grassroots nontaxable amount	250,000.				250,000.
49 Grassroots ceiling amount (150% of line 48(e))					375,000.
50 Grassroots lobbying expenditures					

Part VI-B Lobbying Activity by Nonelecting Public Charities
 (For reporting only by organizations that did not complete Part VI-A) (See page 8 of the instructions.)

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

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

Part VII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations (See page 8 of the instructions.)

51 Did the reporting organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?

Table with 3 columns: Transaction type, Yes, No. Rows include: Transfers from reporting organization (Cash, Other assets), Other transactions (Sales, Purchases, Rental, Reimbursement, Loans, Performance), and Sharing of facilities.

d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting organization. If the organization received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received:

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

52a Is the organization directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? Yes No

b If "Yes," complete the following schedule:

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

FORM 990, PART I - LIST OF CONTRIBUTORS
=====

(NOT OPEN TO PUBLIC INSPECTION)

NAME AND ADDRESS -----	DATE ---	INDIRECT PUBLIC SUPPORT -----	GOVERNMENT GRANTS -----
		80,556,613.	
			250,720.
			1,103,904.
			971,592.
			138,891.
			278,000.
		80,556,613.	2,743,107.
		=====	=====

TOTAL CONTRIBUTION AMOUNTS

FORM 990, PART I - REVENUE, EXPENSES, AND CHANGES IN NET ASSETS OR FUND
BALANCES, LINE 8C

LAND SALES AND EXCHANGES ARE COMPRISED PRIMARILY OF CONDEMNATION PROCEEDS RECEIVED FROM THE OF OR A PLANNED PROGRAM OF LIQUIDATION COVERED UNDER IRS PRIVATE LETTER RULINGS. COST BASIS INFORMATION IS NOT READILY AVAILABLE, HOWEVER, SUBSTANTIALLY ALL LANDS SOLD WERE HELD SINCE THE INCEPTION OF THE BERNICE PAUHI BISHOP ESTATE IN 1884.

	Gross Proceeds	Cost, Sales Expenses	Net Gain
Securities	\$811,676,677	\$649,214,921	\$162,461,756
Land Sales & Other	44,758,289	23,232,481	21,525,808
	<u>\$856,434,966</u>	<u>\$672,447,402</u>	<u>\$183,987,564</u>

Kamehameha Schools
Form 990 - Part IX
FYE 6/30/2000

<u>Name & EIN No.</u>	<u>% * Ownership</u>	<u>Nature of Business</u>	<u>Total Income (in thousands)</u>	<u>End of Year Assets (in thousands)</u>
sociates, L.P. 3466	97.87%	Real Estate	7,180	43,311
rwin Square Investors L.P.: 4915	89.46%	Real Estate	0	0
uare, L.P. 1574914	89.46%	Real Estate	80	6,047
uare Office Tower I, L.P. 1574916	89.46%	Real Estate	24	627
and Acquisition, L.P. .3601	99.00%	Real Estate	0	2,315
avada Income Properties 4029	91.43%	Real Estate	24,275	117,064
e Group, LTD. 4938	90.48%	Investment	2	6297
ific Investment (US) LTD. ** 1 Corporation	90.00%	Investment	0	9,714
lings Corporation 5777	100.00%	Investments and Property Management	38,660	289,786
9615	100.00%	Investment	70	134
it Coast Portfolio 5093	98.00%	Real Estate	0	3424
idity Discount Portfolio	97.82%	Real Estate	0	0
lartford Coinvestment Qualified, L.P. 2215053	97.82%	Real Estate	24	7,154
lorcross Coinvestment Qualified, L.P. 2215060	97.82%	Real Estate	973	0
lorth Courthouse Coinvestment Qualife 2215067	97.82%	Real Estate	340	3,873
an Jose Coinvestment Qualified, L.P. 2215071	97.82%	Real Estate	125	1,461
unnyvale Coinvestment Qualified, L.P. 2215081	97.82%	Real Estate	0	4,776
eridge Coinvestment Qualified, LP 4052	98.90%	Real Estate	0	810

a - investments with 50% or greater ownership.

vestment was sold on August 02, 1999.



FORM 990, PART I - OTHER INCREASES IN FUND BALANCES

=====

DESCRIPTION

AMOUNT

PRIOR PERIOD AUDIT ADJUSTMENTS:

RENTAL INCOME

17,293,000.

TOTAL

17,293,000.

=====

FORM 990, PART I - OTHER DECREASES IN FUND BALANCES

DESCRIPTION -----	AMOUNT -----
UNREALIZED LOSS ON SECURITIES MARKED TO MARKET	122,831,369.
PRIOR PERIOD AUDIT ADJUSTMENTS:	
REVERSAL OF GAINS ON SALE OF RESIDENTIAL LEASEHOLD PROPERTIES	71,615,932.
REVERSAL OF GAINS RELATED TO NONMONETARY ASSETS RECEIVED IN LAND CONDEMNATION ACTIONS	22,800,000.
LOSSES ON INVESTMENTS UNDER THE EQUITY METHOD OF ACCOUNTING	8,561,165.
REVERSAL OF GAINS ON LAND RECORDED AT 1965 TAX-ASSESSED VALUES	125,194,636.

TOTAL	351,003,102. =====

FORM 990, PART II - STATEMENT OF FUNCTIONAL EXPENSES, LINE 22

FINANCIAL AID SCHOLARSHIPS OF APPROXIMATELY \$20,448,805 WERE PROVIDED TO APPROXIMATELY 13,093 STUDENTS. DETAILS ARE AVAILABLE UPON REQUEST.

SEE FINANCIAL AID SECTION ON PAGES 23 AND 24 FROM THE JUNE 30, 2000 ANNUAL REPORT ATTACHED.

FORM 990, PART II - OTHER EXPENSES
 =====

DESCRIPTION	TOTAL	PROGRAM SERVICES	MANAGEMENT AND GENERAL
PROFESSIONAL AND OTHER SERVICE	20261158.	4,094,166.	16166992.
TRUSTEE COMMISSIONS	973,500.		973,500.
INSURANCE	5,039,088.	1,420,292.	3,618,796.
UTILITIES	2,863,744.	2,066,582.	797,162.
REPAIRS AND ALTERATIONS	4,215,786.	3,316,085.	899,701.
PROV FOR UNCOLLECTIBLE ACCTS	4,331,681.		4,331,681.
FOOD SERVICES	2,084,744.	2,084,744.	
TAXES	2,648,531.		2,648,531.
REAL PROPERTY TAX	1,054.	552.	502.
OTHER	4,146,725.	3,458,410.	688,315.
TOTALS	46566011.	16440831.	30125180.

FORM 990, PART III - ORGANIZATION'S PRIMARY EXEMPT PURPOSE

KAMEHAMEHA SCHOOLS WAS ESTABLISHED UNDER THE AUSPICES OF THE WILL AND CODICILS OF BERNICE PAUAHI BISHOP IN 1887 AND IS NOW ONE OF THE LARGEST PRIVATE SCHOOLS IN THE UNITED STATES SERVING GRADES K-12 AND PRESCHOOL. FOR OVER ONE HUNDRED YEARS, KAMEHAMEHA SCHOOLS HAS CONTINUOUSLY PROVIDED QUALITY EDUCATION TO DESCENDENTS OF HAWAIIAN ANCESTRY.

SEE KE ALI'I PAUAHI'S WILL AND KAMEHAMEHA SCHOOLS MISSION AND VISION ON PAGES 15 AND 19, RESPECTIVELY, FROM KAMEHAMEHA SCHOOLS STRATEGIC PLAN 2000-2015 ATTACHED.

FORM 990, PART III - STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS

KAMEHAMEHA SCHOOLS SERVE APPROXIMATELY 4862 FULL-TIME STUDENTS AND APPROXIMATELY 11,043 PARTICIPANTS THROUGH ITS EDUCATIONAL EXTENSION PROGRAMS (E.G. SUMMER PROGRAMS, GRANTS, K-3 READING PROGRAMS AND KS/DOE PROGRAMS). THE PROGRAMS FOCUS ON PROVIDING EDUCATION TO CHILDREN OF HAWAIIAN DESCENT.

SEE EDUCATION SECTION ON PAGES 10-24 FROM THE JUNE 30, 2000 ANNUAL REPORT ATTACHED FOR FURTHER DETAIL ON PROGRAM SERVICE ACCOMPLISHMENTS.

FORM 990, PART IV-A - OTHER REVENUE ON BOOKS BUT NOT ON RETURN

=====

DESCRIPTION -----	AMOUNT -----
FINANCIAL AID	-5,474,871.
ACTIVITY OF WHOLLY OWNED SUBSIDIARY	5,205,659.

TOTAL	-269,212.
	=====

FORM 990, PART IV-A - OTHER REVENUE ON RETURN BUT NOT ON BOOKS

=====

DESCRIPTION	AMOUNT
-----	-----
GROSS RENT EXPENSES	-63,521,196.
TOTAL	----- -63,521,196. =====

FORM 990, PART IV-B - OTHER EXPENSES ON BOOKS BUT NOT ON RETURN
=====

DESCRIPTION -----	AMOUNT -----
GROSS RENT EXPENSE	63,521,196.
ACTIVITY OF WHOLLY OWNED SUBSIDIARY	5,205,659.

TOTAL	68,726,855.
	=====

FORM 990, PART IV-B - OTHER EXPENSES ON RETURN BUT NOT ON BOOKS
=====

DESCRIPTION -----	AMOUNT -----
FINANCIAL AID	5,474,871.
TOTAL	----- 5,474,871. =====

FORM 990, PART V - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES

NAME AND ADDRESS	TITLE AND TIME DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
R. KIHUNE 567 SOUTH KING STREET, SUITE 200 HONOLULU, HI 96813	TRUSTEE PART/FULL	203,500.	NONE	NONE
R. LIBKUMAN 567 SOUTH KING STREET, SUITE 200 HONOLULU, HI 96813	TRUSTEE PART/FULL	192,500.	NONE	NONE
C. LAU 567 SOUTH KING STREET, SUITE 200 HONOLULU, HI 96813	TRUSTEE PART/FULL	192,500.	NONE	NONE
D. COON 567 SOUTH KING STREET, SUITE 200 HONOLULU, HI 96813	TRUSTEE PART/FULL	192,500.	NONE	NONE
F. KEALA 567 SOUTH KING STREET, SUITE 200 HONOLULU, HI 96813	TRUSTEE PART/FULL	192,500.	NONE	NONE
H. MCCUBBIN 567 SOUTH KING STREET, SUITE 200 HONOLULU, HI 96813	CEO FULL	122,031.	644.	NONE
W. BROOKS 567 SOUTH KING STREET, SUITE 200 HONOLULU, HI 96813	CIO FULL	121,021.	1,617.	NONE
C. WONG 567 SOUTH KING STREET, SUITE 200 HONOLULU, HI 96813	CLO FULL	108,189.	7,269.	NONE

FORM 990, PART V - LIST OF OFFICERS, DIRECTORS, AND TRUSTEES

NAME AND ADDRESS	TITLE AND TIME DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
N. AIPA 567 SOUTH KING STREET, SUITE 200 HONOLULU, HI 96813	CAO FULL	195,451.	7,747.	5,700.
D. KEALOHA 567 SOUTH KING STREET, SUITE 200 HONOLULU, HI 96813	CAO PART/FULL	152,649.	2,165.	3,600.
M. CHUN 567 SOUTH KING STREET, SUITE 200 HONOLULU, HI 96813	PRESIDENT, KS FULL	213,578.	3,646.	5,700.
GRAND TOTALS		1,886,419.	23,088.	15,000.

FORM 990, PART VI - NAMES OF RELATED ORGANIZATIONS
=====

KAMEHAMEHA ACTIVITIES ASSOCIATION
KE ALI'I PAUHI SCHOLARSHIP FUND
CHARLES REED BISHOP TRUST
KAMEHAMEHA ALUMNI ASSOCIATION
KAMEHAMEHA SCHOOLS ASSOCIATION OF TEACHERS & PARENTS

FORM 990, PART VI - OTHER INFORMATION, LINE 89b

IN DECEMBER 2000, THE INTERNAL REVENUE SERVICE ENTERED INTO SEPARATE CLOSING AGREEMENTS WITH EACH OF THE FIVE FORMER TRUSTEES WHICH RESULTED IN THE RESOLUTION OF 4958 TRANSACTIONS. THE AMOUNT OF THE ASSESSMENT WAS UNKNOWN AS OF THE FISCAL YEAR ENDED JUNE 30, 2000.

SCHEDULE A, PART III - EXPLANATION FOR LINE 2A

=====

VARIOUS PROPERTIES ARE LEASED TO WHOLLY OWNED SUBSIDIARIES

SCHEDULE A, PART III - EXPLANATION FOR LINE 2B

=====

LOANS AND EXTENSIONS OF CREDIT ARE PROVIDED TO WHOLLY OWNED SUBSIDIARIES

SCHEDULE A, PART III - EXPLANATION FOR LINE 2C

=====

CAMPUS LODGING IS PROVIDED TO CERTAIN KEY INDIVIDUALS AS A CONDITION OF
EMPLOYMENT

SCHEDULE A, PART III - EXPLANATION FOR LINE 2D
=====

SEE FORM 990, PART V

SCHEDULE A, PART III - EXPLANATION FOR LINE 4

=====

KAMEHAMEHA SCHOOLS PROVIDES NEED AND MERIT BASED FINANCIAL AID SCHOLARSHIPS AND GRANTS TO INCREASE THE OPPORTUNITIES AVAILABLE TO STUDENTS OF HAWAIIAN DESCENT IN THEIR PURSUIT OF EDUCATION. FINANCIAL ASSISTANCE IS PROVIDED IN THE FORM OF:

GENERAL FINANCIAL ASSISTANCE - NEED BASED

SPECIAL PROGRAMS AND COMMUNITY SCHOLARSHIPS - NEED &/OR MERIT BASED

SEE FINANCIAL AID SECTION ON PAGES 23 AND 24 FROM THE JUNE 30, 2000 ANNUAL REPORT ATTACHED.

SCHEDULE A, PART V - EXPLANATION FOR LINE 31

=====

KAMEHAMEHA SCHOOLS BISHOP ESTATE PUBLICIZES ANNOUNCEMENTS RELATING TO
ADMISSIONS APPLICATION AVAILABILITY IN ALL LOCAL NEWSPAPERS AND PERIODIC
HAWAIIAN PUBLICATIONS.

SCHEDULE A, PART V - EXPLANATION FOR LINE 34A

=====

KAMEHAMEHA SCHOOLS RECEIVES VARIOUS GOVERNMENT GRANT FUNDING TO FURTHER THE CHARITABLE, SCIENTIFIC, LITERARY, AND EDUCATIONAL PURPOSES OF THE ORGANIZATION.

PART IV BALANCE SHEET

	2000	1999
Petty Cash	20,991	20,688
Cash	45,605,087	58,858,261
RJE, reclass 90 securities to cash	167,932,029	187,588,223
46 Savings and temporary cash investments	213,558,107	246,467,172
Lease A/R	12,722,518	11,512,162
KSAR Other receivable	81,249,169	640,102
47a Accounts receivable	93,971,687	12,152,264
47b Less: allowance for doubtful accounts	(8,468,531)	(6,608,605)
Land sale receivable	10,496,760	82,693,383
Int & other receivable	447,620	9,710,131
Investment income receivable	7,813,938	6,769,358
Reserve for accrued interest	0	(3,404,281)
Deferred interest income	0	(5,915,694)
51a Other notes and loans receivable	18,758,318	89,852,897
Inventory	976,904	1,036,085
Deferred charges/ other assets	24,647,780	28,070,827
RJE, defer purchase of addtl Mau land.	2,611,812	
53 Prepaid expenses and deferred charges	28,236,496	29,106,912
Money Market Securities	\$285,729,901	\$294,565,252
RJE, reclass 90 day securities to cash	(\$167,932,029)	(\$187,588,223)
Common and Preferred Stock	\$414,187,100	\$318,623,702
Corporate Debt Securities	117,108,408	128,170,035
US Government Obligations	7,225,450	9,292,891
Common Stock - listed	83,639,914	187,256,906
Promissory notes- Subordinated debt	42,140,343	95,542,791
RJE, reclass loans to affiliates	0	(69,278,163)
Partnerships	406,251,649	323,782,604
Reserve	(32,184,684)	(84,672,914)
Deferred compensation plan	15,313,729	16,347,056
54 Investment - securities	\$1,171,479,781	\$1,032,041,935
Interest in affiliate	1,662,589,830	1,094,609,614
RJE: reclass loans to affiliates		69,278,163
56 Investment in Wholly-owned subsidiary	1,662,589,830	1,163,887,777
Land	113,429,427	232,609,830
Buildings & Improvements	434,251,403	434,212,663
Office & Automotive Equipment	49,269,000	46,587,099
Construction in Progress	596,949,830	713,409,591
57a Land, buildings, and equipment: basis	671,446,633	771,469,869
57b Accumulated Depreciation	(188,645,114)	(167,805,548)
59 Total Assets	3,662,927,207	3,170,564,675

PART IV BALANCE SHEET

	2000	1999
Accounts payable	11,190,273	28,505,815
RJE: Defer purchase of Maui land	2,611,812	
RJE: Accrual of legal fees	111,545	
Payroll deduction/clearing	3,706,373	3,382,864
Accrued employee benefits	679,898	336,813
Accum sick leave	1,182,479	
Accrued vacation	2,831,415	
Other liabilities	1,541,526	4,009,854
Contributions	29,704	27,511
GS fund liabilities		1,340,565
Deposits	2,045,383	950,217
60 Accounts payable and accrued expenses	25,930,408	38,553,639
	2000	1999
Future and unearned prepaid rents	10,343,408	10,167,935
Deferred credits		1,021,889
Street assessment payable	3,714,851	
62 Deferred revenue	14,058,259	11,189,824
	2000	1999
Senior promissory notes	118,575,000	118,575,000
Commercial paper payable	95,257,076	96,305,005
Street assessment payable		4,078,479
64b Mortgage and other notes payable	213,832,076	218,958,484
	2000	1999
Accrued postretirement	18,878,943	19,128,943
RJE: accrual of legal fees	(111,545)	
Accrued pension liability	29,529,156	24,811,453
Deferred compensation plan	13,965,184	15,006,520
65 Other liabilities	62,261,738	58,946,916
66 Total Liabilities	316,082,481	327,648,863
67 Unrestricted	3,346,844,726	2,842,915,812
73 Total net assets or fund balances	3,346,844,726	2,842,915,812
74 Total liabilities and net assets/fund balances	3,662,927,207	3,170,564,675

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 on back.

Name: KAMEHAMEHA SCHOOLS; Employer Identification number: 99-0073480; Address: P.O. BOX 3466, HONOLULU, HI 96801

Note: Corporate income tax return filers must use Form 7004 to request an extension of time to file. Partnerships, REMICs, and trust 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 MAY 15, 2001 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 6069, Form 8612, Form 8613, Form 8725, Form 8804, Form 8831

2a For calendar year or other tax year beginning JULY 1, 1999 and ending JUNE 30, 2000; 2b 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; 4 State in detail why you need the extension: ADDITIONAL TIME IS REQUIRED TO GATHER THE NECESSARY INFORMATION TO FILE AN 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. See instructions \$ NONE; 5b 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 \$ NONE; 5c Balance due. Subtract line 5b from line 5a. Include your payment with this form, or deposit with FTD coupon if required. See instructions \$ NONE

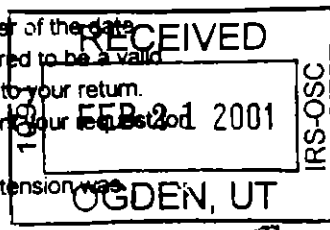
Signature and Verification

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: [Handwritten Signature], Title: AGENT-CPA, KPMG, P.O. Box 4150, Honolulu, Hawaii 96812-4150, Emp. Ident. No.: 13-5565207, Date: 2-13-01

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: IN THE FUTURE EXTENSIONS FOR FORMS 990PF, 990, 990EZ, 990T, 990BL, 4720, 5227, 1041A, 6069, AND 8870 MUST FILE USING FORM 8868.



EXTENSION APPROVED; LINDA WISKOFF, FIELD DIRECTOR, STAMPS/SECTION OF PAPERWORK REDUCTION SYSTEM; FEB 27 2001

If you want a copy of this form to be returned to an address to which the copy should be sent.

Name: KPMG LLP; Address: P.O. BOX 4150, HONOLULU, HAWAII 96812-4150

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

Department of the Treasury Internal Revenue Service

File a separate application for each return.

Name: Kamehameha Schools; Employer identification number: 99-0073480; Address: P.O. Box 3466, Honolulu, HI 96801

Note: Corporate income tax return filers must use Form 7004 to request an extension of time to file. Partnerships, REMICs, and trust 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 February 15, 2001 to file (check only one): Form 706-GS(D), Form 990-T, Form 1120-ND, Form 8612, Form 706-GS(T), Form 990-T (trust other than above), Form 3520-A, Form 8613, Form 990 or 990-EZ, Form 1041 (estate), Form 4720, Form 8725, Form 990-BL, Form 1041-A, Form 5227, Form 8804, Form 990-PF, Form 1042, Form 6069, Form 8831. 2a For calendar year July 1, 1999 and ending June 30, 2000. 2b 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 time is needed to gather the necessary information to file a complete and accurate tax return. 5a Tentative tax: \$ NONE. 5b Refundable credits: \$. 5c Balance due: \$ 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.

KPMG LLP, P.O. Box 4150, Honolulu, Hawaii 96812-4150, Emp Ident. No. 11-14-00

Signature: [Handwritten Signature] Title: AGENT - PA

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.

By: [Signature] Date: [Handwritten 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.

Name: KPMG LLP; Address: P.O. BOX 4150, Honolulu, HI 96812-4150