

Return of Organization Exempt From Income Tax

2005

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

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 2005, and ending

- B Check if applicable: Address change, Name change, Initial return, Final return, Amended return, Application pending

C Name of organization: Dogwood Alliance, Inc. Number and street (or P O box if mail is not delivered to street addr): PO Box 7645 City, town or country: Asheville State: NC ZIP code + 4: 28802

D Employer Identification Number: 56-2139120 E Telephone number: (828) 251-2525 F Accounting method: [X] Other (specify) Modified Cash

Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

- H (a) Is this a group return for affiliates? [X] No
H (b) If 'Yes,' enter number of affiliates.
H (c) Are all affiliates included? [X] Yes
H (d) Is this a separate return filed by an organization covered by a group ruling? [X] No

G Web site: dogwoodalliance.org

J Organization type (check only one) [X] 501(c) 3 (insert no) [] 4947(a)(1) or [] 527

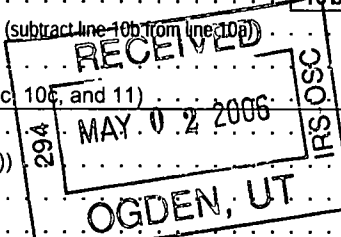
K Check here [] if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS; but if the organization chooses to file a return, be sure to file a complete return. Some states require a complete return.

I Group Exemption Number
M Check [] if the organization is not required to attach Schedule B (Form 990, 990-EZ, or 990-PF)

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12. 422,109.

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

Table with 21 rows and multiple columns for revenue and expenses. Includes sub-rows for public support, program service revenue, membership dues, interest on savings, dividends, gross rents, other investment income, special events, and total revenue/expenses.



SCANNED JUN 13 2006

Part II Statement of Functional Expenses All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others.

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22 Grants and allocations (att sch) (cash \$ _____ non-cash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	22				
23 Specific assistance to individuals (att sch)	23				
24 Benefits paid to or for members (att sch)	24				
25 Compensation of officers, directors, etc	25	40,950.	24,570.	6,142.	10,238.
26 Other salaries and wages	26	183,119.	136,546.	29,510.	17,063.
27 Pension plan contributions	27	3,229.	2,419.	522.	288.
28 Other employee benefits	28	10,526.	7,573.	1,675.	1,278.
29 Payroll taxes	29	21,822.	15,700.	3,473.	2,649.
30 Professional fundraising fees	30				
31 Accounting fees	31	3,115.	0.	3,115.	0.
32 Legal fees	32	239.	0.	239.	0.
33 Supplies	33	4,256.	3,062.	677.	517.
34 Telephone	34	14,130.	10,724.	1,643.	1,763.
35 Postage and shipping	35	977.	264.	156.	557.
36 Occupancy	36	18,376.	13,219.	2,920.	2,237.
37 Equipment rental and maintenance	37				
38 Printing and publications	38	6,658.	6,298.	255.	105.
39 Travel	39	20,994.	16,375.	420.	4,199.
40 Conferences, conventions, and meetings	40	9,476.	6,639.	1,494.	1,343.
41 Interest	41				
42 Depreciation, depletion, etc (attach schedule)	42	5,610.	4,036.	893.	681.
43 Other expenses not covered above (itemize):					
a Advertising and Promotion	43a	589.	0.	589.	0.
b Board Meetings	43b	5,222.	3,757.	831.	634.
c Contract Labor	43c	18,267.	16,702.	165.	1,400.
d Dues & Subscriptions	43d	5,058.	1,498.	331.	3,229.
e Equipment Expense	43e	2,348.	1,689.	374.	285.
f Insurance	43f	3,043.	2,189.	485.	369.
g See Other Expenses Stmt	43g	6,961.	9.	569.	6,383.
44 Total functional expenses. Add lines 22 through 43 (Organizations completing columns (B) - (D), carry these totals to lines 13 - 15)	44	384,965.	273,269.	56,478.	55,218.

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

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>Conservation of America's Southern forests</u> 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)	Program Service Expenses (Required for 501(c)(3) and (4) organizations and 4947(a)(1) trusts, but optional for others)
<p>a <u>Convinced Greenville, SC based Bowater, Inc. to work with Dogwood Alliance to improve its forestry practices and protect endangered forests. Helped Staples and Office Depot increase post consumer recycled content in the paper they sell.</u> (Grants and allocations \$ 0.) If this amount includes foreign grants, check here. ▶ <input type="checkbox"/></p>	273,269.
<p>b <u>Organized protests outside of 20 Office Max stores calling on the company to increase recycled content and work to protect endangered forests. Sent a letter signed by 94 scientists and 54 outdoor recreation companies to the Sustainable Forestry Initiative</u> (Grants and allocations \$) If this amount includes foreign grants, check here. ▶ <input type="checkbox"/></p>	
<p>c <u>asking that it improve the standards required for timber companies to receive its certification.</u> (Grants and allocations \$) If this amount includes foreign grants, check here. ▶ <input type="checkbox"/></p>	
<p>d (Grants and allocations \$) If this amount includes foreign grants, check here. ▶ <input type="checkbox"/></p>	
<p>e Other program services (Grants and allocations \$) If this amount includes foreign grants, check here. ▶ <input type="checkbox"/></p>	
<p>f Total of Program Service Expenses (should equal line 44, column (B), Program services) ▶</p>	273,269.

BAA

Part IV Balance Sheets (See Instructions)

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

		(A) Beginning of year		(B) End of year
ASSETS	45 Cash — non-interest-bearing	27,711.	45	25,943.
	46 Savings and temporary cash investments	174,645.	46	202,399.
	47 a Accounts receivable	47 a 654.		
	b Less: allowance for doubtful accounts	47 b	296.	47 c 654.
	48 a Pledges receivable	48 a		
	b Less: allowance for doubtful accounts	48 b		48 c
	49 Grants receivable		49	
	50 Receivables from officers, directors, trustees, and key employees (attach schedule)		50	
	51 a Other notes & loans receivable (attach sch)	51 a		
	b Less: allowance for doubtful accounts	51 b		51 c
	52 Inventories for sale or use		52	
	53 Prepaid expenses and deferred charges		53	
	54 Investments — securities (attach schedule)	<input type="checkbox"/> Cost <input type="checkbox"/> FMV	54	
	55 a Investments — land, buildings, & equipment: basis	55 a		
	b Less: accumulated depreciation (attach schedule)	55 b		55 c
	56 Investments — other (attach schedule)		56	
	57 a Land, buildings, and equipment: basis	57 a 24,016.		
	b Less: accumulated depreciation (attach schedule) L-57. Stmt	57 b 11,645.	7,857.	57 c 12,371.
	58 Other assets (describe ► See Line 58 Stmt)		1,400.	58 1,400.
59 Total assets (must equal line 74). Add lines 45 through 58		211,909.	59 242,767.	
LIABILITIES	60 Accounts payable and accrued expenses	5,440.	60	3,419.
	61 Grants payable		61	
	62 Deferred revenue		62	
	63 Loans from officers, directors, trustees, and key employees (attach schedule)		63	
	64 a Tax-exempt bond liabilities (attach schedule)		64 a	
	b Mortgages and other notes payable (attach schedule)		64 b	
	65 Other liabilities (describe ►)		65	
66 Total liabilities. Add lines 60 through 65		5,440.	66 3,419.	
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	186,469.	67	219,348.
	68 Temporarily restricted	20,000.	68	20,000.
	69 Permanently restricted		69	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74.			
	70 Capital stock, trust principal, or current funds		70	
	71 Paid-in or capital surplus, or land, building, and equipment fund		71	
	72 Retained earnings, endowment, accumulated income, or other funds		72	
73 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)		206,469.	73 239,348.	
74 Total liabilities and net assets/fund balances. Add lines 66 and 73		211,909.	74 242,767.	

Part IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return (See instructions.)

a	Total revenue, gains, and other support per audited financial statements	a	422,109.
b	Amounts included on line a but not on Part I, line 12:		
	1 Net unrealized gains on investments	b1	
	2 Donated services and use of facilities	b2	
	3 Recoveries of prior year grants	b3	
	4 Other (specify): <u>Rent</u>		
	<u>Expenses</u>	b4	4,265.
	Add lines b1 through b4	b	4,265.
c	Subtract line b from line a	c	417,844.
d	Amounts included on Part I, line 12, but not on line a :		
	1 Investment expenses not included on Part I, line 6b	d1	
	2 Other (specify) _____	d2	
	Add lines d1 and d2	d	
e	Total revenue (Part I, line 12). Add lines c and d	e	417,844.

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

a	Total expenses and losses per audited financial statements	a	389,230.
b	Amounts included on line a but not on Part I, line 17:		
	1 Donated services and use of facilities	b1	
	2 Prior year adjustments reported on Part I, line 20	b2	
	3 Losses reported on Part I, line 20	b3	
	4 Other (specify): <u>Rent</u>		
	<u>Expenses</u>	b4	4,265.
	Add lines b1 through b4	b	4,265.
c	Subtract line b from line a	c	384,965.
d	Amounts included on Part I, line 17, but not on line a :		
	1 Investment expenses not included on Part I, line 6b	d1	
	2 Other (specify) _____	d2	
	Add lines d1 and d2	d	
e	Total expenses (Part I, line 17). Add lines c and d	e	384,965.

Part V-A Current Officers, Directors, Trustees, and Key Employees (List each person who was an officer, director, trustee, or key employee at any time during the year even if they were not compensated) (See the instructions)

(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 and deferred compensation plans	(E) Expense account and other allowances
<u>Virginia Dollar</u> <u>Asheville, NC</u>	Chair As Required	0.	0.	0.
<u>Kim Gilliam</u> <u>Crozet, VA</u>	Board As Required	0.	0.	0.
<u>Jason Halbert</u> <u>Charlottesville, VA</u>	Treasurer As Required	0.	0.	0.
<u>Sarah Hodgdon</u> <u>Asheville, NC</u>	Exec. Dir. 40	40,147.	803.	0.
<u>John Johnson</u> <u>Knoxville, TN</u>	Board As Required	0.	0.	0.
<u>See List of Officers, Etc. Statement</u>				

Part V-A Current Officers, Directors, Trustees, and Key Employees (continued)

75 a Enter the total number of officers, directors, and trustees permitted to vote on organization business as board meetings . ▶ <u>13</u>		
b Are any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, related to each other through family or business relationships? If 'Yes,' attach a statement that identifies the individuals and explains the relationship(s)	75 b	X
c Do any officers, directors, trustees, or key employees listed in form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, receive compensation from any other organizations, whether tax exempt or taxable, that are related to this organization through common supervision or common control?	75 c	X
Note. Related organizations include section 509(a)(3) supporting organizations		
If 'Yes,' attach a statement that identifies the individuals, explains the relationship between this organization and the other organization(s), and describes the compensation arrangements, including amounts paid to each individual by each related organization		
d Does the organization have a written conflict of interest policy?	75 d	X

Part V-B Former Officers, Directors, Trustees, and Key Employees That Received Compensation or Other

Benefits (If any former officer, director, trustee, or key employee received compensation or other benefits (described below) during the year, list that person below and enter the amount of compensation or other benefits in the appropriate column. See the instructions)

(A) Name and address	(B) Loans and Advances	(C) Compensation	(D) Contributions to employee benefit plans and deferred compensation plans	(E) Expense account and other allowances

Part VI Other Information (See the instructions)

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?	78 a	X
b If 'Yes,' has it filed a tax return on Form 990-T for this year?	78 b	
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?	80 a	X
b If 'Yes,' enter the name of the organization ▶ _____ and check whether it is <input type="checkbox"/> exempt or <input type="checkbox"/> nonexempt		
81 a Enter direct and indirect political expenditures. (See line 81 instructions) 81 a _____ 0.		
b Did the organization file Form 1120-POL for this year?	81 b	N/A

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Part VI Other Information (continued)

		Yes	No
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?	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 in Part III) 82 b		
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
83 b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	X	
84 a	Did the organization solicit any contributions or gifts that were not tax deductible?	N/A	
84 b	If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
85 a	501(c)(4), (5), or (6) organizations a Were substantially all dues nondeductible by members?	N/A	
85 b	b Did the organization make only in-house lobbying expenditures of \$2,000 or less?	N/A	
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.			
85 c	Dues, assessments, and similar amounts from members	N/A	
85 d	Section 162(e) lobbying and political expenditures	N/A	
85 e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	N/A	
85 f	Taxable amount of lobbying and political expenditures (line 85d less 85e).	N/A	
85 g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	N/A	
85 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?	N/A	
86	501(c)(7) organizations. Enter: a Initiation fees and capital contributions included on line 12 86 a	N/A	
86 b	b Gross receipts, included on line 12, for public use of club facilities	N/A	
87 a	501(c)(12) organizations Enter: a Gross income from members or shareholders	N/A	
87 b	b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	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		X
89 a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 ▶ 0. , section 4912 ▶ 0. ; section 4955 ▶ 0.		
89 b	b 501(c)(3) and 501(c)(4) organizations 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		X
c	Enter Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 ▶ 0.		
d	Enter Amount of tax on line 89c, above, reimbursed by the organization ▶ 0.		
90 a	List the states with which a copy of this return is filed ▶ <u>None - Not required in NC</u>		
90 b	Number of employees employed in the pay period that includes March 12, 2005 (See instructions)		6
91 a	The books are in care of ▶ <u>Dogwood Alliance</u> Telephone number ▶ <u>(828) 251-2525</u> Located at ▶ <u>PO Box 7645, Asheville, NC</u> ZIP + 4 ▶ <u>28802</u>		
91 b	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)? If 'Yes,' enter the name of the foreign country . ▶ _____		X
See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Statements			
91 c	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 . ▶ _____		X
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 - Check here ▶ <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the tax year ▶ 92		

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 Fee for Service					10,500.
b					
c					
d					
e					
f Medicare/Medicaid payments					
g Fees & contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings & temporary cash invmnts.			14	2,754.	
96 Dividends & interest from securities					
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property			16	2,935.	
98 Net rental income or (loss) from pers prop					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue. a					
b Events and Sales			01	18.	
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))				5,707.	10,500.
105 Total (add line 104, columns (B), (D), and (E))					16,207.

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).
93a	Fees for related services provided

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

(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
	%			
	%			
	%			
	%			

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).

Please Sign Here

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.

Signature of officer: Sarah Hodgdon Date: 4/27/06

Type or print name and title: Sarah Hodgdon

Paid Preparer's Use Only

Preparer's signature: [Signature] Date: 4/26/06 Check if self-employed: Preparer's SSN or PTIN (See General Instruction W)

Firm's name (or yours if self-employed), address, and ZIP + 4: Stephen C. Corliss, CPA, PLLC
242 Charlotte Street, Suite 1
Asheville NC 28801

EIN: [Blank] Phone no: (828) 236-0206

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

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

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

Supplementary Information — (See separate instructions.)

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

OMB No 1545-0047

2005

Name of the organization

Dogwood Alliance, Inc.

Employer identification number

56-2139120

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

(See instructions. List each one. If there are none, enter 'None'.)

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account and other allowances
None				
Total number of other employees paid over \$50,000	None			

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

(See instructions. List each one (whether individuals or firms) If there are none, enter 'None'.)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
None		
Total number of others receiving over \$50,000 for professional services	None	

Part II - B Compensation of the Five Highest Paid Independent Contractors for Other Services

(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter 'None.' See instructions.)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
None		
Total number of other contractors receiving over \$50,000 for other services	None	

Part III Statements About Activities (See instructions.)

Table with 3 columns: Question, Yes, No. Rows include: 1. During the year, has the organization attempted to influence national, state, or local legislation... 2. During the year, has the organization, either directly or indirectly, engaged in any of the following acts... 2a. Sale, exchange, or leasing of property? 2b. Lending of money or other extension of credit? 2c. Furnishing of goods, services, or facilities? 2d. Payment of compensation... 2e. Transfer of any part of its income or assets? 3a. Do you make grants for scholarships... 3b. Do you have a section 403(b) annuity plan... 3c. During the year, did the organization receive a contribution... 4a. Did you maintain any separate account... 4b. Do you provide credit counseling...

Part IV Reason for Non-Private Foundation Status (See instructions.)

The organization is not a private foundation because it is. (Please check only ONE applicable box.)

- 5 [] A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
6 [] A school. Section 170(b)(1)(A)(ii) (Also complete Part V)
7 [] A hospital or a cooperative hospital service organization Section 170(b)(1)(A)(iii).
8 [] A Federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).
9 [] A medical research organization operated in conjunction with a hospital Section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state
10 [] An organization operated for the benefit of a college or university owned or operated by a governmental unit Section 170(b)(1)(A)(iv) (Also complete the Support Schedule in Part IV-A.)
11a [X] 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) Check the box that describes the type of supporting organization: [] Type 1 [] Type 2 [] Type 3

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

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

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

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12.) *Use cash method of accounting.*

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

Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2003	(c) 2002	(d) 2001	(e) Total
15 Gifts, grants, and contributions received (Do not include unusual grants. See line 28)	394,426.	326,994.	472,450.	504,978.	1,698,848.
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc. purpose	3,000.				3,000.
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	1,448.	1,019.	1,175.		3,642.
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	486.				486.
23 Total of lines 15 through 22.	399,360.	328,013.	473,625.	504,978.	1,705,976.
24 Line 23 minus line 17.	396,360.	328,013.	473,625.	504,978.	1,702,976.
25 Enter 1% of line 23.	3,994.	3,280.	4,736.	5,050.	

26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24 ▶	26a	34,060.
b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2001 through 2004 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts. ▶	26b	604,406.
c Total support for section 509(a)(1) test. Enter line 24, column (e) ▶	26c	1,702,976.
d Add: Amounts from column (e) for lines: 18 <u>3,642.</u> 19 <u> </u> 22 <u>486.</u> 26b <u>604,406.</u> ▶	26d	608,534.
e Public support (line 26c minus line 26d total) ▶	26e	1,094,442.
f Public support percentage (line 26e (numerator) divided by line 26c (denominator)). ▶	26f	64.27 %

27 Organizations described on line 12:		
a For amounts included in lines 15, 16, and 17 that were received from a 'disqualified person,' prepare a list for your records to show the name of, and total amounts received in each year from, each 'disqualified person.' Do not file this list with your return. Enter the sum of such amounts for each year: (2004) _____ (2003) _____ (2002) _____ (2001) _____		
b For any amount included in line 17 that was received from each person (other than 'disqualified persons'), prepare a list for your records 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 11b, as well as individuals.) Do not file this list with your return. 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: (2004) _____ (2003) _____ (2002) _____ (2001) _____		
c Add: Amounts from column (e) for lines: 15 _____ 16 _____ 17 _____ 20 _____ 21 _____ ▶	27c	
d Add: Line 27a total and line 27b total ▶	27d	
e Public support (line 27c total minus line 27d total). ▶	27e	
f Total support for section 509(a)(2) test Enter amount from line 23, column (e) ▶	27f	
g Public support percentage (line 27e (numerator) divided by line 27f (denominator)) ▶	27g	%
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator)) ▶	27h	%

28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2001 through 2004, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.

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

N/A

		Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?		
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If 'Yes,' please describe; if 'No,' please explain. (If you need more space, attach a separate statement.) ----- ----- -----		
32	Does the organization maintain the following		
a	Records indicating the racial composition of the student body, faculty, and administrative staff?		
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?		
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?		
d	Copies of all material used by the organization or on its behalf to solicit contributions? If you answered 'No' to any of the above, please explain. (If you need more space, attach a separate statement.) ----- -----		
33	Does the organization discriminate by race in any way with respect to:		
a	Students' rights or privileges?		
b	Admissions policies?		
c	Employment of faculty or administrative staff?		
d	Scholarships or other financial assistance?		
e	Educational policies?		
f	Use of facilities?		
g	Athletic programs?		
h	Other extracurricular activities? If you answered 'Yes' to any of the above, please explain (If you need more space, attach a separate statement) ----- ----- -----		
34 a	Does the organization receive any financial aid or assistance from a governmental agency?		
b	Has the organization's right to such aid ever been revoked or suspended? If you answered 'Yes' to either 34a or b, please explain using an attached statement.		
35	Does the organization certify that it has complied with the applicable requirements of sections 4 01 through 4 05 of Rev Proc 75-50, 1975-2 C B 587, covering racial nondiscrimination? If 'No,' attach an explanation		

Part VI-A Lobbying Expenditures by Electing Public Charities (See instructions)
 (To be completed ONLY by an eligible organization that filed Form 5768)

Check **a** if the organization belongs to an affiliated group Check **b** if you checked 'a' 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	85.
37	Total lobbying expenditures to influence a legislative body (direct lobbying)	37	25.
38	Total lobbying expenditures (add lines 36 and 37)	38	110.
39	Other exempt purpose expenditures	39	384,855.
40	Total exempt purpose expenditures (add lines 38 and 39).	40	384,965.
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	41	76,993.
	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	19,248.
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.)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2005	(b) 2004	(c) 2003	(d) 2002	(e) Total
45 Lobbying nontaxable amount	76,993.	72,519.	68,543.		218,055.
46 Lobbying ceiling amount (150% of line 45(e))					327,083.
47 Total lobbying expenditures	110.	262.	307.		679.
48 Grassroots non-taxable amount	19,248.	18,130.	17,136.		54,514.
49 Grassroots ceiling amount (150% of line 48(e))					81,771.
50 Grassroots lobbying expenditures	85.	56.	260.		401.

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

N/A

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

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 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 columns for categories (i-vi) and Yes/No columns. Rows include: (i) Cash, (ii) Other assets, (i) Sales or exchanges of assets, (ii) Purchases of assets, (iii) Rental of facilities, (iv) Reimbursement arrangements, (v) Loans or loan guarantees, (vi) Performance of services, and c Sharing of facilities, equipment, mailing lists, other assets, or paid employees.

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

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

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, Page 2, Part II, Line 43

Other Expenses Stmt

Other expenses not covered above (itemize):	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
Miscellaneous	1,006.	9.	569.	428.
Membership	5,955.	0.	0.	5,955.
Total	6,961.	9.	569.	6,383.

Form 990, Page 5, Part V-A

List of Officers, Etc. Statement

(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 and deferred compensation	(E) Expense account and other allowances
Josh Marks Atlanta, GA	Board As Required	0.	0.	0.
Aaron Viles New Orleans, LA	Board As Required	0.	0.	0.
Robyn Williams Heeks Austin, TX	Vice Chair As Req.	0.	0.	0.
Susan Russo Asheville, NC	Secretary As Req.	0.	0.	0.
Jeff Hix Atlanta, GA	Board As Req.	0.	0.	0.
Jennifer Krill San Francisco, CA	Board As Req.	0.	0.	0.
Quaku Pletcher Indianapolis, IN	Board As Req.	0.	0.	0.
Steve O'neil Chattanooga, TN	Board As Req.	0.	0.	0.
Ellen Bogen Washington, D.C.	Board As Req.	0.	0.	0.

Form 990, Page 4, Part IV, Lines 57a & 57b
Land, Buildings and Equipment Statement

	(a) Cost/Other Basis	(b) Accumulated Depreciation	(c) Book Value
Computer and Telephone Equipment	24,016.	11,645.	12,371.
Total	<u>24,016.</u>	<u>11,645.</u>	<u>12,371.</u>

Form 990, Page 4, Part IV, Line 58
Other Assets Statement

Line 58 - Other Assets:	Beginning of Year	End of Year
Rental Deposit	1,400.	1,400.
Total	<u>1,400.</u>	<u>1,400.</u>

Dogwood Alliance, Inc.
Equipment and Depreciation Schedule
December 31, 2005

Asset #	Asset	Asset Life	Purchase Date	Cost	Accumulated Depreciation 12/31/04	Depreciation 2005	Accumulated Depreciation 12/31/05	Net Value 12/31/05
<u>Equipment</u>								
16	Sign	7	08/23/2001	212 00	100 00	30 00	130 00	82 00
23	2 Computers	5	11/29/2001	978 00	606 00	196 00	802 00	176 00
25	Telephone System	5	07/11/2001	7,473 00	5,232 00	1,495 00	6,727 00	746 00
26	Computer-Dell	5	01/30/2002	988 00	577 00	198 00	775 00	213 00
28	Danna's Printer-Office Depot	5	11/22/2002	250 00	104 00	50 00	154 00	96 00
29	ICD Projector-Dell	5	12/16/2002	2,469 00	988 00	494 00	1,482 00	987 00
32	Dell Laptop	5	12/24/2004	1,774 00	-	355 00	355 00	1,419 00
33	Dell Inspiron 600 Laptops	5	02/14/2005	1,577 00	-	263 00	263 00	1,314 00
34	Dell Inspiron 600 Laptops	5	02/14/2005	1,577 00	-	263 00	263 00	1,314 00
35	Dell Server	5	03/16/2005	2,565 00	-	385 00	385 00	2,180 00
36	Filemaker Software	3	05/19/2005	1,067 00	-	207 00	207 00	860 00
38	Dell 810 Notebook	5	10/28/2005	1,543 00	-	51 00	51 00	1,492 00
39	Dell 810 Notebook	5	10/28/2005	1,543 00	-	51 00	51 00	1,492 00
Total Equipment				<u>24,016 00</u>	<u>9,679 00</u>	<u>4,038 00</u>	<u>11,645 00</u>	<u>12,371 00</u>