

Return of Organization Exempt From Income Tax

2006

Open to Public Inspection

Department of the Treasury Internal Revenue Service

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

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

A For the 2006 calendar year, or tax year beginning 2006, and ending

Form 990 header section containing organization name (ADOPTIONS TOGETHER INC), address (10230 NEW HAMPSHIRE AVENUE), EIN (52-1703994), and website (WWW.ADOPTIONSTOGETHER.ORG).

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

Main table with 21 rows detailing revenue (Total revenue: 3,279,022), expenses (Total expenses: 3,309,663), and net assets (Net assets at end of year: 207,074).

SCANNED JUL 25 2007

RECEIVED JUN 25 2007 OGDEN UT

917 4

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Part II Statement of Functional Expenses

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

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
22a	Grants paid from donor advised funds (attach schedule) (cash \$ _____ noncash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>				
22b	Other grants and allocations (attach schedule) (cash \$ _____ noncash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>				
23	Specific assistance to individuals (attach schedule)	NONE	NONE		
24	Benefits paid to or for members (attach schedule)	NONE	NONE		
25a	Compensation of current officers, directors, key employees, etc listed in Part V-A (attach schedule)	205,406.	104,026.	66,530.	34,850.
25b	Compensation of former officers, directors, key employees, etc listed in Part V-B (attach schedule)	NONE	NONE	NONE	NONE
25c	Compensation and other distributions, not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) (attach schedule)	NONE	NONE	NONE	NONE
26	Salaries and wages of employees not included on lines 25a, b, and c	1,179,004.	931,291.	152,097.	95,616.
27	Pension plan contributions not included on lines 25a, b, and c	11,705.	NONE	11,705.	NONE
28	Employee benefits not included on lines 25a - 27	110,299.	61,868.	44,084.	4,347.
29	Payroll taxes	116,347.	62,495.	49,555.	4,297.
30	Professional fundraising fees	NONE	NONE	NONE	NONE
31	Accounting fees	NONE	NONE	NONE	NONE
32	Legal fees	NONE	NONE	NONE	NONE
33	Supplies	40,529.	32,907.	6,000.	1,622.
34	Telephone	53,891.	39,399.	12,209.	2,283.
35	Postage and shipping	44,778.	38,554.	4,882.	1,342.
36	Occupancy	234,318.	178,265.	45,292.	10,761.
37	Equipment rental and maintenance	10,688.	8,167.	2,037.	484.
38	Printing and publications	NONE	NONE	NONE	NONE
39	Travel	15,881.	10,764.	5,092.	25.
40	Conferences, conventions, and meetings	NONE	NONE	NONE	NONE
41	Interest	7,479.	NONE	7,479.	NONE
42	Depreciation, depletion, etc (attach schedule)	39,029.	28,568.	8,453.	2,008.
43	Other expenses not covered above (itemize)				
43a	a STMT_3	1,240,309.	1,049,622.	174,608.	16,079.
43b	b				
43c	c				
43d	d				
43e	e				
43f	f				
43g	g				
44	Total functional expenses. Add lines 22a through 43g (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	3,309,663.	2,545,926.	590,023.	173,714.

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

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

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

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

What is the organization's primary exempt purpose? SEE STATEMENT 4 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) orgs. and 4947(a)(1) trusts, but optional for others.)
a THE DOMESTIC INFANT ADOPTION PROGRAM PROVIDED ADOPTION COUNSELING TO 304 WOMEN AND MEN WHO WERE CONSIDERING WHETHER TO PLACE A CHILD FOR ADOPTION AND PLACED 47 INFANTS FOR ADOPTION. THE AGENCY PROVIDED 1085 DAYS OF INTERIM CARE TO INFANTS WHILE THEIR PARENTS CONSIDERED MAKING AN ADOPTION PLAN. (Grants and allocations \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	646,066.
b THE INTERNATIONAL ADOPTION PROGRAM PLACED 75 CHILDREN FOR ADOPTION WITH AMERICAN CITIZENS FROM ORPHANAGES IN CHINA, RUSSIA AND GUATEMALA. (Grants and allocations \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	527,238.
c THE CENTER FOR ADOPTIVE FAMILIES PROVIDED COUNSELING AND SUPPORT FOR FAMILIES AND CHILDREN AND COMMUNITY AND PROFESSIONAL EDUCATION ON ADOPTION AND CHILD WELFARE ISSUES. (Grants and allocations \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	275,943.
d THE ASSESSMENT SERVICES PROGRAM PROVIDED HOME STUDIES AND POST PLACEMENT SUPERVISION FOR FOSTER PARENTS AND PRE-ADOPTIVE FAMILIES WHO HAVE RECEIVED A PLACEMENT OF A CHILD AND ARE WAITING COMPLETION OF THE ADOPTION. (Grants and allocations \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	931,575.
e Other program services (attach schedule) SEE STATEMENT 5 (Grants and allocations \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	165,104.
f Total of Program Service Expenses (should equal line 44, column (B), Program services)	2,545,926.

Form 990 (2006)

Part IV Balance Sheets (See the instructions)

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

		(A) Beginning of year		(B) End of year
Assets	45 Cash - non-interest-bearing	409,797.	45	575,071.
	46 Savings and temporary cash investments		46	
	47 a Accounts receivable	47a 334,524.		
	b Less allowance for doubtful accounts	47b 45,000.	336,709.	47c 289,524.
	48 a Pledges receivable	48a 173,177.		
	b Less allowance for doubtful accounts	48b	225,318.	48c 173,177.
	49 Grants receivable		NONE	49 145,785.
	50 a Receivables from current and former officers, directors, trustees, and key employees (attach schedule)			50a
	b Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) (attach schedule)			50b
	51 a 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	STMT. 6	42,284.	53 44,891.
	54 a Investments - publicly-traded securities	STMT 7 <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV	12,158.	54a 13,732.
	b Investments - other securities (attach schedule)	<input type="checkbox"/> Cost <input type="checkbox"/> FMV		54b
	55 a Investments - land, buildings, and equipment basis	55a		
	b Less accumulated depreciation (attach schedule)	55b		55c
	56 Investments - other (attach schedule)			56
	57 a Land, buildings, and equipment basis	57a 373,896.		
b Less accumulated depreciation (attach schedule)	57b 218,722.	74,794.	57c 155,174.	
58 Other assets, including program-related investments (describe <input type="checkbox"/> STMT 8)		10,373.	58 19,803.	
59 Total assets (must equal line 74) Add lines 45 through 58		1,111,433.	59 1,417,157.	
Liabilities	60 Accounts payable and accrued expenses	275,474.	60	352,666.
	61 Grants payable		61	
	62 Deferred revenue	STMT. 9	563,485.	62 750,645.
	63 Loans from officers, directors, trustees, and key employees (attach schedule)			63
	64 a Tax-exempt bond liabilities (attach schedule)			64a
	b Mortgages and other notes payable (attach schedule)			64b
	65 Other liabilities (describe <input type="checkbox"/> STMT 10)		36,333.	65 106,772.
66 Total liabilities. Add lines 60 through 65		875,292.	66 1,210,083.	
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		67	30,441.
	68 Temporarily restricted		68	176,633.
	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)		236,141.	73 207,074.	
74 Total liabilities and net assets/fund balances. Add lines 66 and 73		1,111,433.	74 1,417,157.	

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)		
82b	NONE		
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
b	Did the organization comply with the disclosure requirements relating to <i>quid pro quo</i> contributions?	X	
84 a	Did the organization solicit any contributions or gifts that were not tax deductible?		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		N/A
85	501(c)(4), (5), or (6) organizations a Were substantially all dues nondeductible by members?		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		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 on line 85f?	85g	N/A
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85h	N/A
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 b	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	88a	X
b	At any time during the year, did the organization, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Part XI	88b	X
89 a	501(c)(3) organizations Enter Amount of tax imposed on the organization during the year under section 4911 <u>N/A</u> , section 4912 <u>N/A</u> , section 4955 <u>N/A</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		N/A
d	Enter Amount of tax on line 89c, above, reimbursed by the organization		N/A
e	All organizations At any time during the tax year, was the organization a party to a prohibited tax shelter transaction?	89e	X
f	All organizations Did the organization acquire a direct or indirect interest in any applicable insurance contract?	89f	X
g	For supporting organizations and sponsoring organizations maintaining donor advised funds Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	89g	X
90 a	List the states with which a copy of this return is filed <u>DC, MD, VA,</u>		
b	Number of employees employed in the pay period that includes March 12, 2006 (See instructions)	90b	34
91 a	The books are in care of <u>KATHRYN CLIFF</u> Telephone no <u>301-439-2900</u> Located at <u>10230 NEW HAMPSHIRE AVENUE SILVER SPRING, MD</u> ZIP + 4 <u>20903</u>		
b	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If "Yes," enter the name of the foreign country	91b	X
	See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts		

Part VI Other Information (continued)

c At any time during the calendar year, did the organization maintain an office outside of the United States? 91c Yes No
 If "Yes," enter the name of the foreign country ▶ RUSSIA

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 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 DOMESTIC ADOPTIONS					867,270.
b INTERNTL ADOPTIONS					583,619.
c CNT ADOPTIVE FAMIL					248,371.
d ASSESSMENT PROGRAM					960,619.
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			14	403.	
96 Dividends and interest from securities					
97 Net rental income or (loss) from real estate					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue					
a					
b MISC. EXEMPT INC.					9,643.
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))				403.	2,669,522.
105 Total (add line 104, columns (B), (D), and (E))					2,669,925.

Note: Line 105 plus line 1e, 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)
▼	STMT 14

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

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

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? N/A Yes No

(b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? N/A Yes No

Note: If "Yes" to (b), file Form 8870 and Form 4720 (see instructions)

Part XI Information Regarding Transfers To and From Controlled Entities. Complete only if the organization is a controlling organization as defined in section 512(b)(13)

106 Did the reporting organization make any transfers to a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity

Yes	No
	X

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a				
b				
c				
Totals				

107 Did the reporting organization receive any transfers from a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity

Yes	No
	X

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a				
b				
c				
Totals				

108 Did the organization have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in question 107 above?

Yes	No
	X

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: Juan Goldwater Date: June 20, 2007

Type or print name and title: JANICE GOLDWATER, EXECUTIVE DIRECTOR

Paid Preparer's Use Only

Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	Preparer's SSN or PTIN (See Gen Inst X)
Firm's name (or yours if self-employed), address, and ZIP + 4	EIN	Phone no	
<u>REZNICK GROUP, P.C.</u> <u>500 EAST PRATT STREET, SUITE 200</u> <u>BALTIMORE, MD 21202-3100</u>	<u>P00252478</u>	<u>410-783-4900</u>	

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

2006

Name of the organization

ADOPTIONS TOGETHER INC

Employer identification number

52-1703994

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See page 2 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
SEE STATEMENT 15				
Total number of other employees paid over \$50,000 . . . ▶	1			

Part II-A Compensation of the Five Highest Paid Independent Contractors for Professional Services
(See page 2 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
SEE STATEMENT 16		
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 page 2 of the 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 page 2 of the instructions)

Table with columns for question number, description, Yes, and No. Includes questions 1 through 4c regarding lobbying activities, grants, and donor advised funds.

Part IV Reason for Non-Private Foundation Status (See pages 4 through 7 of the instructions)

I certify that 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)
- 11 a 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)
- 11 b 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 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 otherwise meets the requirements of section 509(a)(3) Check the box that describes the type of supporting organization
 Type I Type II Type III - Functionally Integrated Type III - Other

Provide the following information about the supported organizations. (See page 7 of the instructions)

(a) Name(s) of supported organization(s)	(b) Employer identification number (EIN)	(c) Type of organization (described in lines 5 through 12 above or IRC section)	(d) Is the supported organization listed in the supporting organization's governing documents?		(e) Amount of support
			Yes	No	
Total					▶

- 14 An organization organized and operated to test for public safety Section 509(a)(4) (See page 7 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.

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

Table with columns for years (a) 2005, (b) 2004, (c) 2003, (d) 2002, and (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 on lines 10 or 11; 27 Organizations described on line 12; 28 Unusual Grants.

Part V Private School Questionnaire (See page 9 of the instructions) NOT APPLICABLE
(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?		
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?	32a	
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	32b	
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32c	
d	Copies of all material used by the organization or on its behalf to solicit contributions?	32d	
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?	33a	
b	Admissions policies?	33b	
c	Employment of faculty or administrative staff?	33c	
d	Scholarships or other financial assistance?	33d	
e	Educational policies?	33e	
f	Use of facilities?	33f	
g	Athletic programs?	33g	
h	Other extracurricular activities?	33h	
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?	34a	
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	34b	
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	35	

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 10 of the instructions)

(To be completed **ONLY** by an eligible organization that filed Form 5768) **NOT APPLICABLE**

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

(The term "expenditures" means amounts paid or incurred)

		(a) Affiliated group totals	(b) To be completed for all electing organizations
36 Total lobbying expenditures to influence public opinion (grassroots lobbying)	36		
37 Total lobbying expenditures to influence a legislative body (direct lobbying)	37		
38 Total lobbying expenditures (add lines 36 and 37)	38		
39 Other exempt purpose expenditures	39		
40 Total exempt purpose expenditures (add lines 38 and 39)	40		
41 Lobbying nontaxable amount Enter the amount from the following table -			
If the amount on line 40 is - The lobbying nontaxable amount is -			
Not over \$500,000	20% of the amount on line 40	}	41
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000		
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000		
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000		
Over \$17,000,000	\$1,000,000		
42 Grassroots nontaxable amount (enter 25% of line 41)	42		
43 Subtract line 42 from line 36 Enter -0- if line 42 is more than line 36	43		
44 Subtract line 41 from line 38 Enter -0- if line 41 is more than line 38	44		

Caution: If there is an amount on either line 43 or line 44, you must file Form 4720

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below
See the instructions for lines 45 through 50 on page 13 of the instructions)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2006	(b) 2005	(c) 2004	(d) 2003	(e) Total
45 Lobbying nontaxable amount					
46 Lobbying ceiling amount (150% of line 45(e))					
47 Total lobbying expenditures					
48 Grassroots nontaxable amount					
49 Grassroots ceiling amount (150% of line 48(e))					
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 13 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		X	
b Paid staff or management (Include compensation in expenses reported on lines c through h)		X	
c Media advertisements		X	
d Mailings to members, legislators, or the public		X	
e Publications, or published or broadcast statements		X	
f Grants to other organizations for lobbying purposes		X	
g Direct contact with legislators, their staffs, government officials, or a legislative body	X		17,175.
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means		X	
i Total lobbying expenditures (Add lines c through h)			17,175.

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities STMT 19

FORM 990, PART I - INTEREST ON SAVINGS AND TEMPORARY CASH INVESTMENTS

=====

DESCRIPTION	AMOUNT
-----	-----
INTEREST	403.
TOTAL	----- 403. =====

FORM 990, PART I - OTHER INCREASES IN FUND BALANCES

=====

DESCRIPTION	AMOUNT
-----	-----
UNREALIZED GAIN	1,574.
TOTAL	----- 1,574. =====

FORM 990, PART II - OTHER EXPENSES

DESCRIPTION	TOTAL	PROGRAM SERVICES	MANAGEMENT AND GENERAL	FUNDRAISING
EQUIPMENT PURCHASES	2,819.	1,017.	1,802.	NONE
DATA MANAGEMENT	15,530.	NONE	15,530.	NONE
DATA BASE DEVELOPMENT	6,150.	NONE	6,150.	NONE
CASUAL LABOR	20,359.	4,750.	15,609.	NONE
PROFESSIONAL/CONSULTING FEES	98,866.	30,599.	68,267.	NONE
INSURANCE EXPENSE	30,798.	22,543.	6,670.	1,585.
DUES AND SUBSCRIPTION	8,358.	475.	7,403.	480.
UTILITIES	8,295.	6,343.	1,577.	375.
LICENSES AND PERMITS	5,249.	2,907.	1,942.	400.
TAXES	2,333.	NONE	2,333.	NONE
REPAIRS AND MAINTENANCE	30,173.	22,101.	6,318.	1,754.
SOCIAL WORKERS	599,370.	599,370.	NONE	NONE
RAPID RESPONSE TEAM	449.	449.	NONE	NONE
HEART GALLERY	33,164.	33,164.	NONE	NONE
INU PROGRAM	62,903.	62,903.	NONE	NONE
DOMESTIC ADOPTIONS	48,711.	48,636.	75.	NONE
INTERNATIONAL ADOPTIONS	80,620.	80,605.	15.	NONE
CENTER FOR ADOPTIVE FAMILIES	15,193.	15,193.	NONE	NONE
ORPHANAGES	40,372.	40,372.	NONE	NONE
MISCELLANEOUS EXPENSES	2,886.	1,505.	1,381.	NONE
ADMINISTRATIVE	44,590.	18,316.	24,477.	1,797.
MARKETING AND PROMOTION	78,967.	58,374.	14,975.	5,618.
FUNDRAISING	4,154.	NONE	84.	4,070.
TOTALS	1,240,309.	1,049,622.	174,608.	16,079.

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

=====

TO PROVIDE PRE-ADOPTIVE COUNSELING, HOME STUDIES, POST PLACEMENT SERVICES AND OTHER SUPPORT THROUGH THE ADOPTION PROCESS. SUPPORT FOR BIRTH MOTHERS, INFANTS, CHILDREN AND THEIR FAMILIES THROUGH THE ADOPTION PROCESS AND AFTERWARDS.

FORM 990, PART III - OTHER PROGRAM SERVICES (LINE E)
=====

DESCRIPTION

GRANTS AND
ALLOCATIONS

EXPENSES

IF NOT US
INTERNATIONAL ORPHANAGE RELIEF

125,332.
39,772.

TOTALS

165,104.
=====

FORM 990, PART IV - PREPAID EXPENSES AND DEFERRED CHARGES

=====

DESCRIPTION -----	BEGINNING BOOK VALUE -----	ENDING BOOK VALUE -----
PREPAID EXPENSE	42,284.	44,891.
	-----	-----
TOTALS	42,284.	44,891.
	=====	=====

FORM 990, PART IV - INVESTMENTS - PUBLICLY TRADED SECURITIES

DESCRIPTION	BEGINNING BOOK VALUE	ENDING BOOK VALUE
-----	-----	-----
MONEY MARKET	18.	8.
COMMON STOCK	12,140.	13,724.
TOTALS	----- 12,158. =====	----- 13,732. =====

FORM 990, PART IV - OTHER ASSETS
=====

DESCRIPTION -----	BEGINNING BOOK VALUE -----	ENDING BOOK VALUE -----
DEPOSIT	10,373.	19,803.
	-----	-----
TOTALS	10,373.	19,803.
	=====	=====

FORM 990, PART IV - DEFERRED REVENUE

=====

DESCRIPTION -----	BEGINNING BOOK VALUE -----	ENDING BOOK VALUE -----
DEFERRED RISK REVENUE	199,986.	223,286.
DEFERRED OTHER REVENUE	363,499.	527,359.
	-----	-----
TOTALS	563,485.	750,645.
	=====	=====

FORM 990, PART IV - OTHER LIABILITIES

DESCRIPTION -----	BEGINNING BOOK VALUE -----	ENDING BOOK VALUE -----
CAPITAL LEASE PAYABLE	25,615.	101,686.
OTHER LIABILITIES	10,718.	5,086.
TOTALS	----- 36,333. =====	----- 106,772. =====

FORM 990, PART V-A - CURRENT OFFICERS, DIRECTORS, AND TRUSTEES
 =====

NAME AND ADDRESS	TITLE AND TIME DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
MELVIN PETTY 10230 NEW HAMPSHIRE AVENUE SILVER SPRING, MD 20903	DIRECTOR 0.50	NONE	NONE	NONE
JUDY POLK 10230 NEW HAMPSHIRE AVENUE SILVER SPRING, MD 20903	SECRETARY 2.00	NONE	NONE	NONE
FRANCES REAVES, ESO. 10230 NEW HAMPSHIRE AVENUE SILVER SPRING, MD 20903	TREASURER 0.50	NONE	NONE	NONE
DEBBIE SCHICK 10230 NEW HAMPSHIRE AVENUE SILVER SPRING, MD 20903	DIRECTOR 0.50	NONE	NONE	NONE
JOE SCHREIBER 10230 NEW HAMPSHIRE AVENUE SILVER SPRING, MD 20903	DIRECTOR 0.50	NONE	NONE	NONE
SUSAN STALICK 10230 NEW HAMPSHIRE AVENUE SILVER SPRING, MD 20903	DIRECTOR 1.00	NONE	NONE	NONE
JOSEPH SUMMERILL, IV 10230 NEW HAMPSHIRE AVENUE SILVER SPRING, MD 20903	DIRECTOR 0.04	NONE	NONE	NONE
JEFF TRAVERS 10230 NEW HAMPSHIRE AVENUE SILVER SPRING, MD 20903	BOARD CHAIR 2.00	NONE	NONE	NONE

FORM 990, PART V-A - CURRENT OFFICERS, DIRECTORS, AND TRUSTEES
 =====

NAME AND ADDRESS	TITLE AND TIME DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCT AND OTHER ALLOWANCES
-----	-----	-----	-----	-----
MARC BLUMENSTEIN 10230 NEW HAMPSHIRE AVENUE SILVER SPRING, MD 20903	DIRECTOR 0.30	NONE	NONE	NONE
ANTHONY BROWN 10230 NEW HAMPSHIRE AVENUE SILVER SPRING, MD 20903	DIRECTOR 0.01	NONE	NONE	NONE
JANICE GOLDWATER 10230 NEW HAMPSHIRE AVENUE SILVER SPRING, MD 20903	EXECUTIVE DIRECTOR 40.00	106,618	4,200	NONE
EUGENIA HULL 10230 NEW HAMPSHIRE AVENUE SILVER SPRING, MD 20903	DIRECTOR 0.01	NONE	NONE	NONE
DAWN MUSGRAVE 10230 NEW HAMPSHIRE AVENUE SIVLER SPRING, MD 20903	ASSOCIATE DIRECTOR 40.00	98,788.	4,200.	NONE
DEBORAH JENNINGS 10230 NEW HAMPSHIRE AVENUE SILVER, MD 20903	DIRECTOR 0.50	NONE	NONE	NONE
DAVID PARK 10230 NEW HAMPSHIRE AVENUE SILVER SPRING, MD 20903	DIRECTOR 0.50	NONE	NONE	NONE
JANE PHILIPS 10203 NEW HAMPSHIRE AVENUE SILVER SPRING, MD 20903	VICE CHAIR 0.30	NONE	NONE	NONE

FORM 990, PART V-A - CURRENT OFFICERS, DIRECTORS, AND TRUSTEES
=====

NAME AND ADDRESS -----	TITLE AND TIME DEVOTED TO POSITION -----	COMPENSATION -----	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS -----	EXPENSE ACCT AND OTHER ALLOWANCES -----
	GRAND TOTALS	205,406 =====	8,400 =====	NONE =====

FORM 990, PART VIII - ACCOMPLISHMENT OF EXEMPT PURPOSES

LINE NO. ---	EXPLANATION OF HOW EACH ACTIVITY FOR WHICH INCOME IS REPORTED IN COLUMN (E) OF PART VII CONTRIBUTED IMPORTANTLY TO THE ACCOMPLISHMENT OF EXEMPT PURPOSES -----
93A	FEES FROM PROVIDING ADOPTION SERVICES WHICH SUPPORT AND PREPARE PROSPECTIVE ADOPTIVE PARENTS AND BIRTH PARENTS.
93B	THE ADOPTION SERVICES ARRANGES FOR FAMILIES LIVING IN THE UNITED STATES TO ADOPT CHILDREN FROM ORPHANAGES IN EASTERN EUROPE, LATIN AMERICA AND ASIA. THE INTERNATIONAL ORPHANAGE RELIEF PROGRAM SUPPORTS CHILDREN IN FOREIGN ORPHANAGES, PRIMARILY EASTERN EUROPE AND ASIA.
93C	THE CENTER FOR ADOPTIVE FAMILIES PROVIDES COMPREHENSIVE PRE- AND POST ADOPTION EDUCATION AND COUNSELING.
93D	THE ASSESSMENT PROGRAM PROVIDES HOME STUDIES AND POST-PLACEMENT SUPERVISION FOR FOSTER PARENTS, PRE-ADOPTIVE PARENTS AND FAMILIES WHO HAVE RECEIVED PLACEMENT OF A CHILD AND ARE AWAITING COMPLETION OF THE ADOPTION.
103B	OTHER MISCELLANEOUS INCOME FROM PROVIDING ADOPTIVE SERVICES.

SCHEDULE A, PART I - COMPENSATION OF THE FIVE HIGHEST PAID EMPLOYEES

NAME AND ADDRESS	TITLE AND TIME DEVOTED TO POSITION	COMPENSATION	CONTRIBUTIONS TO EMPLOYEE BENEFIT PLANS	EXPENSE ACCOUNT
SUSAN OGDEN SAIDMAN 10230 NEW HAMPSHIRE AVENUE SILVER SPRING, MD 20903	DOMESTIC DIRECTOR 40.00	67,974.	4,140.	NONE
IRENE JORDAN 10230 NEW HAMPSHIRE AVENUE SILVER SPRING, MD 20903	INTL' DIRECTOR 40.00	54,534.	4,140.	NONE
SANDRA RAPPEPORT 10230 NEW HAMPSHIRE AVENUE SILVER SPRING, MD 20903	INTL' DIRECTOR 40.00	58,983.	3,670.	NONE
SCOTT PERKINS 10230 NEW HAMPSHIRE AVENUE SILVER SPRING, MD 20903	DEVELOPMENT DIRECTOR 40.00	55,390.	3,670.	NONE
ERICA MOLTZ 10230 NEW HAMPSHIRE AVENUE SILVER SPRINGS, MD 20903	ASSESSMENT DIRECTOR 40.00	54,914.	300.	NONE
TOTAL COMPENSATION		291,795.	15,920.	NONE

SCH. A, PART II-A COMPENSATION OF THE 5 HIGHEST PAID FOR PROF. SERV.

=====

ANNE POLASKO	SOCIAL WORK	85,700.
121 JEFFERSON STREET		
WEBSTER GROVE, MO 63119		
GUATEMALA PROGRAM SOCIAL WORKER/LIASON		

CHERYL WHITE	SOCIAL WORK	65,175.
8922 HOBART STREET		
SPRINGDALE, MD 20794		
CONTRACT SOCIAL WORKER		

TOTAL COMPENSATION		----- 150,875. =====
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SCHEDULE A, PART III - EXPLANATION FOR LINE 2C

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OFFICE SPACE IN WASHINGTON DC IS LEASED FROM AN AFFILIATE OF THE SPOUSE OF THE ORGANIZATION'S EXECUTIVE DIRECTOR. THE RENT PAID IS BASED ON COMPARABLE RENT FOR SIMILAR SPACE IN THE AREA.

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

SEE FORM 990 PART V

SCHEDULE A, PART VI-B - LOBBYING ACTIVITY EXPLANATION

=====

LOBBYING TO PROVIDE RESOURCES FROM GOVERNMENTAL AGENCIES FOR ADOPTION
FOSTER CARE NEEDS.

FEDERAL FOOTNOTES

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FIXED ASSET SCHEDULE:

DESCRIPTION	BASIS AT 12/31/2006	BEG. NBV	ENDING NBV
FURNITURE & EQUIP	<u>229,857</u>	<u>48,065</u>	<u>47,689</u>
CAPITAL LEASE	113,838	16,333	102,707
LEASEHOLD IMP.	30,201	10,396	4,778
	<u>373,896</u>	<u>74,794</u>	<u>155,174</u>