

Form **990**
Department of the Treasury
Internal Revenue Service**Return of Organization Exempt From Income Tax**
Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung
benefit trust or private foundation)

OMB No 1545-0047

2006

Open to Public Inspection

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 , and ending**B** Check if applicable☐ Address change☐ Name change☐ Initial return☐ Final return☐ Amended return☐ Application pendingPlease
use IRS
label or
print or
type.
See
Specific
Instruc-
tions.**C** Name of organization**VA ASSOCIATION OF FREE CLINICS, INC**

Number and street (or P.O. box if mail is not delivered to street address)

10231 TELEGRAPH ROAD, SUITE B

Room/suite

B

City or town, state or country, and ZIP + 4

GLEN ALLEN**VA 23059****D** Employer identification number**54-1802019****E** Telephone number**804-340-3434****F** Accounting method: ☐ Cash☒ Accrual ☐ Other (specify)

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

H and are not applicable to section 527 organizations. I

H(a) Is this a group return for affiliates? ☐ Yes ☒ No**H(b)** If "Yes," enter number of affiliates **▶****H(c)** Are all affiliates included? ☐ Yes ☐ No

(If "No," attach a list. See instructions.)

H(d) Is this a separate return filed by an organization covered by a group ruling? ☐ Yes ☐ No**I** Group Exemption Number **▶****M** Check ☒ if the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF)**G** Website: **WWW.VAFREECLINICS.ORG****J** Organization type(check only one) ☒ 501(c) (**3**) (insert no) ☐ 4947(a)(1) or ☐ 527**K** Check here ☐ if the organization is not a 509(a)(3) supporting organization and its gross receipts are normally not more than \$25,000. A return is not required, but if the organization chooses to file a return, be sure to file a complete return.**L** Gross receipts. Add lines 6b, 8b, 9b, and 10b to line 12 **▶ 2,639,409****Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See the instructions.)****1** Contributions, gifts, grants, and similar amounts received**a** Contributions to donor advised funds**1a****b** Direct public support (not included on line 1a)**1b****c** Indirect public support (not included on line 1a)**1c****d** Government contributions (grants) (not included on line 1a)**1d****e** Total (add lines 1a through 1d) (cash \$ **2,394,741** noncash \$)**1e 2,394,741****2** Program service revenue including government fees and contracts (from Part VII, line 93)**SEE STATEMENT 1****3** Membership dues and assessments**4** Interest on savings and temporary cash investments**5** Dividends and interest from securities**6a** Gross rents**6a****b** Less rental expenses**6b****c** Net rental income or (loss). Subtract line 6b from line 6a**7** Other investment income (describe **▶**)**8a** Gross amount from sales of assets other than inventory**(A) Securities****(B) Other****8a****b** Less cost or other basis and sales expenses**8b****c** Gain or (loss) (attach schedule)**8c****d** Net gain or (loss). Combine line 8c, columns (A) and (B)**8d****9** Special events and activities (attach schedule). If any amount is from gaming, check here ☐**a** Gross revenue (including \$ of contributions reported on line 1b)**9a****b** Less direct expenses other than fundraising expenses**9b****c** Net income or (loss) from special events. Subtract line 9b from line 9a**9c****10a** Gross sales of inventory, less returns and allowances**10a****b** Less cost of goods sold**10b****c** Gross profit or (loss) from sales of inventory (attach schedule). Subtract line 10b from line 10a**10c****11** Other revenue (from Part VII, line 103)**11****12** Total revenue. Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11**12 2,639,409****13** Program services (from line 44, column (B))**13 2,388,038****14** Management and general (from line 44, column (C))**14 84,921****15** Fundraising (from line 44, column (D))**15 42,444****16** Payments to affiliates (attach schedule)**16****17** Total expenses. Add lines 16 and 44, column (A)**17 2,515,403****18** Excess or (deficit) for the year. Subtract line 17 from line 12**18 124,006****19** Net assets or fund balances at beginning of year (from line 73, column (A))**19 192,720****20** Other changes in net assets or fund balances (attach explanation)**20****21** Net assets or fund balances at end of year. Combine lines 18, 19, and 20**21 316,726**

SCANNED JUL 25 2007

Revenue

Expenses

Net Assets

P
20

Form 990 (2006)

VA ASSOCIATION OF FREE CLINICS, INC 54-1802019

Page 2

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 \$ _____ non-cash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>				
22b Other grants and allocations (attach schedule) STMT 2 (cash \$ 2,044,836 non-cash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	2,044,836	2,044,836		
23 Specific assistance to individuals (attach schedule)				
24 Benefits paid to or for members (attach schedule)				
25a Compensation of current officers, directors, key employees, etc. listed in Part V-A (attach schedule) SEE STATEMENT 3	17,500	8,750	5,250	3,500
b Compensation of former officers, directors, key employees, etc. listed in Part V-B (attach schedule) SEE STATEMENT 4	63,349	31,674	19,005	12,670
c 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)				
26 Salaries and wages of employees not included on lines 25a, b, and c	134,087	103,877	21,809	8,401
27 Pension plan contributions not included on lines 25a, b, and c	4,450	2,225	1,335	890
28 Employee benefits not included on lines 25a - 27	17,433	8,716	5,230	3,487
29 Payroll taxes	15,596	7,798	4,679	3,119
30 Professional fundraising fees				
31 Accounting fees	3,401		3,401	
32 Legal fees	420	210	210	
33 Supplies	2,984	1,492	895	597
34 Telephone	3,269	1,634	981	654
35 Postage and shipping	1,646	823	494	329
36 Occupancy	9,600	4,800	2,880	1,920
37 Equipment rental and maintenance				
38 Printing and publications	4,741	2,371	1,422	948
39 Travel	13,695	7,375	3,792	2,528
40 Conferences, conventions, and meetings	79,827	74,845	3,737	1,245
41 Interest				
42 Depreciation, depletion, etc. (attach schedule)				
43 Other expenses not covered above (itemize) a SEE STATEMENT 5	98,569	86,612	9,801	2,156
b				
c				
d				
e				
f				
g				
44 Total functional expenses. Add lines 22a through 43g. (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	2,515,403	2,388,038	84,921	42,444

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?

► CHARITABLE & EDUCATIONAL

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 ASSOCIATION ADMINISTERED FUNDING FROM THE COMMONWEALTH OF VIRGINIA AND MADE GRANTS TO ITS MEMBER CLINICS FOR THE PURPOSE OF PROVIDING ACCESS TO PRESCRIPTION MEDICATIONS FOR THEIR PATIENTS.**

(Grants and allocations \$ **2,044,836**)

If this amount includes foreign grants, check here ► ☐

2,044,836

- b THE ASSOCIATION PLANNED AND CONDUCTED AN ANNUAL CONFERENCE OF VIRGINIA'S FREE CLINICS, AN EXECUTIVE DIRECTORS RETREAT, MEDICAL DIRECTORS COUNCIL MEETINGS, A CLINICAL COORDINATORS WORKDAY, AND GOVERNANCE TRAINING**

(Grants and allocations \$)

If this amount includes foreign grants, check here ► ☐

67,371

c

(Grants and allocations \$)

If this amount includes foreign grants, check here ► ☐

d

(Grants and allocations \$)

If this amount includes foreign grants, check here ► ☐

- e Other program services (attach schedule) SEE STMT 6**

(Grants and allocations \$)

If this amount includes foreign grants, check here ► ☐

275,831

- f Total of Program Service Expenses** (should equal line 44, column (B), Program services)

2,388,038

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	
45	Cash-non-interest-bearing	30,865	45	244,279	
46	Savings and temporary cash investments	105,424	46	26,807	
47a	Accounts receivable	58,420			
b	Less allowance for doubtful accounts	59,559	47c	58,420	
48a	Pledges receivable				
b	Less allowance for doubtful accounts		48c		
49	Grants receivable		49		
50a	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) (att schedule)		50b		
51a	Other notes and loans receivable (attach schedule)				
b	Less allowance for doubtful accounts		51c		
52	Inventories for sale or use		52		
53	Prepaid expenses and deferred charges		53		
54a	Investments—publicly-traded securities SEE STATEMENT 7	1,054	54a		
b	Investments—other securities (attach schedule)		54b		
55a	Investments—land, buildings, and equipment basis				
b	Less accumulated depreciation (attach schedule)		55c		
56	Investments—other (attach schedule)		56		
57a	Land, buildings, and equipment basis				
b	Less accumulated depreciation (attach schedule)		57c		
58	Other assets, including program-related investments (describe)		58		
59	Total assets (must equal line 74) Add lines 45 through 58	196,902	59	329,506	
Liabilities	60	Accounts payable and accrued expenses	4,182	60	12,780
	61	Grants payable		61	
	62	Deferred revenue		62	
	63	Loans from officers, directors, trustees, and key employees (attach schedule)		63	
	64a	Tax-exempt bond liabilities (attach schedule)		64a	
	b	Mortgages and other notes payable (attach schedule)		64b	
	65	Other liabilities (describe)		65	
66	Total liabilities. Add lines 60 through 65	4,182	66	12,780	
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	18,793	67	-20,692
	68	Temporarily restricted	173,927	68	337,418
	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)		192,720	73	316,726
74	Total liabilities and net assets/fund balances. Add lines 66 and 73		196,902	74	329,506

Part IV-A

Reconciliation of Revenue per Audited Financial Statements With Revenue per Return (See the instructions.)

a	Total revenue, gains, and other support per audited financial statements		a	2,914,862
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	275,453	
3	Recoveries of prior year grants	b3		
4	Other (specify)	b4		
	Add lines b1 through b4		b	275,453
c	Subtract line b from line a		c	2,639,409
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	2,639,409

Part IV-B

Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

Part I. Expenses per audited financial statements		Part II. Expenses per return	
a	Total expenses and losses per audited financial statements	a	2,790,856
b	Amounts included on line a but not Part I, line 17	b1	275,453
1	Donated services and use of facilities		
2	Prior year adjustments reported on Part I, line 20		
3	Losses reported on Part I, line 20		
4	Other (specify)		
Add lines b1 through b4		b	275,453
c	Subtract line b from line a	c	2,515,403
d	Amounts included on Part I, line 17, but not on line a :	d1	
1	Investment expenses not included on Part I, line 6b		
2	Other (specify)	d2	
Add lines d1 and d2		d	
e	Total expenses (Part I, line 17) Add lines c and d	e	2,515,403

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)

[illegible]

Yes	No
-----	----

75b

x

75c

X

75d

(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.)

N/A

Yes	No
-----	----

76

77

78a

78b

79

80a

and check whether it is ☐ exempt or ☐ nonexempt

81a

81b

Part VI Other Information (continued)

		Yes	No
82a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?		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)		
	SEE STMT 9 82b		
83a	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 quid pro quo contributions?	X	
84a	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 84b		
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	
d	Section 162(e) lobbying and political expenditures	85d	
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85e	
f	Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f	
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	N/A	85g
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	N/A	85h
86	501(c)(7) orgs Enter a Initiation fees and capital contributions included on line 12	86a	
b	Gross receipts, included on line 12, for public use of club facilities	86b	
87	501(c)(12) orgs Enter a Gross income from members or shareholders	87a	
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	87b	
88a	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
89a	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		
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	0	
d	Enter Amount of tax on line 89c, above, reimbursed by the organization	0	
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
90a	List the states with which a copy of this return is filed VA, AK		
b	Number of employees employed in the pay period that includes March 12, 2006 (See instructions)	90b	
91a	The books are in care of THE ORGANIZATION	Telephone no 804-340-3434	
	Located at GLEN ALLEN, VA	ZIP + 4 23059	
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		

Form 990 (2006)

VA ASSOCIATION OF FREE CLINICS, INC 54-1802019Page **8****Part VI Other Information (continued)**

Yes No

c At any time during the calendar year, did the organization maintain an office outside of the United States?

91c

X

If "Yes," enter the name of the foreign country

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

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 CONFERENCE REVENUES			7	79,955	
b					
c					
d					
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments			3	152,582	
95 Interest on savings and temporary cash investments			25	12,131	
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					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))		0		244,668	0
105 Total (add line 104, columns (B), (D), and (E))				244,668	

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)
N/A	

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
N/A	%			
	%			
	%			
	%			

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 **X** No

(b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?

Yes **X** No

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

Form **990** (2006)

Form 990 (2006)

VA ASSOCIATION OF FREE CLINICS, INC 54-1802019Page **9****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 ID 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

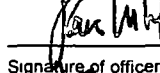
	(A) Name, address, of each controlled entity	(B) Employer ID Number	(C) Description of transfer	(D) Amount of transfer
a				
b				
c				
	Totals			

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

**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

6/21/07

Date

Louis M. Markwith, Executive Director

Type or print name and title

**Paid
Preparer's
Use Only**Preparer's
signatureFirm's name (or yours
if self-employed),
address, and ZIP + 4**RYAN & AMES, CPA****5012 MONUMENT AVENUE, SUITE 100
RICHMOND, VA 23230-3429**

Date

6/13/07

Check if
self-
employed

EIN

Phone
noPreparer's SSN or PTIN
(See Gen Instr X)**P00433349****804-359-8111**Form **990** (2006)

SCHEDULE A
(Form 990 or 990-EZ)**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

OMB No 1545-0047

2006Department of the Treasury
Internal Revenue Service**Supplementary Information-(See separate instructions.)**▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

Name of the organization

VA ASSOCIATION OF FREE CLINICS, INC

Employer identification number

54-1802019**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) Comp	(d) Contrib to empl ben plans & deferred comp	(e) Expense account & other allowances
NONE				
Total number of other employees paid over \$50,000 ▶				

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
NONE		
Total number of others receiving over \$50,000 for professional services ▶		

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 ▶		

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

Schedule A (Form 990 or 990-EZ) 2006

Part III Statements About Activities (See page 2 of the instructions.)

Yes No

- 1** During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ► \$ 45,413 (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B)

1 **X**

Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes" must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities

- 2** During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions)
- a** Sale, exchange, or leasing of property? **2a** **X**
- b** Lending of money or other extension of credit? **2b** **X**
- c** Furnishing of goods, services, or facilities? **2c** **X**
- d** Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? **2d** **X** **SEE PART V, FORM 990**
- e** Transfer of any part of its income or assets? **2e** **X**
- 3a** Did the organization make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how the organization determines that recipients qualify to receive payments) **3a** **X**
- b** Did the organization have a section 403(b) annuity plan for its employees? **3b** **X**
- c** Did the organization receive or hold an easement for conservation purposes, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," attach a detailed statement **3c** **X**
- d** Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services? **3d** **X**
- 4a** Did the organization maintain any donor advised funds? If "Yes," complete lines 4b through 4g. If "No," complete lines 4f and 4g **4a** **X**
- b** Did the organization make any taxable distributions under section 4966? **4b**
- c** Did the organization make a distribution to a donor, donor advisor, or related person? **4c**

d Enter the total number of donor advised funds owned at the end of the tax year ► _____

e Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year ► _____

f Enter the total number of separate funds or accounts owned at the end of the tax year (excluding donor advised funds included on line 4d) where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts ► 0

g Enter the aggregate value of assets held in all funds or accounts included on line 4f at the end of the tax year ► 0

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.)
- 11a ☒ An organization that normally receives a substantial part of its support from a governmental unit or from the general public Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV-A.)
- 11b ☐ A community trust Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV-A.)
- 12 ☐ An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions-subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See section 509(a)(2) (Also complete the **Support Schedule** in Part IV-A.)
- 13 ☐ An organization that is not controlled by any disqualified persons (other than foundation managers) and 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

Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2004	(c) 2003	(d) 2002	(e) Total
15 Gifts, grants, and contributions received (Do not include unusual grants. See line 28.)		1,208,591	985,257	1,265,605	3,459,453
16 Membership fees received		110,567	103,349	96,921	310,837
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					0
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		340	427	2,634	3,401
19 Net income from unrelated business activities not included in line 18					0
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					0
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.					0
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets.					0
23 Total of lines 15 through 22		1,319,498	1,089,033	1,365,160	3,773,691
24 Line 23 minus line 17		1,319,498	1,089,033	1,365,160	3,773,691
25 Enter 1% of line 23		13,195	10,890	13,652	

26 Organizations described on lines 10 or 11:	a Enter 2% of amount in column (e), line 24	26a	75,474
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 2002 through 2005 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts		26b	
c Total support for section 509(a)(1) test. Enter line 24, column (e)		26c	3,773,691
d Add: Amounts from column (e) for lines 18 <u>3,401</u> 19 _____ 22 _____ 26b _____		26d	3,401
e Public support (line 26c minus line 26d total)		26e	3,770,290
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))		26f	99.9099%

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."							N/A
	Do not file this list with your return. Enter the sum of such amounts for each year	(2005)	(2004)	(2003)	(2002)			
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		(2005)	(2004)	(2003)	(2002)			N/A
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 2002 through 2005, 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 page 9 of the 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?	29		
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?	30		
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)	31		
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)			
34a 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)

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		12,433
37 Total lobbying expenditures to influence a legislative body (direct lobbying)	37		32,980
38 Total lobbying expenditures (add lines 36 and 37)	38		45,413
39 Other exempt purpose expenditures	39		2,469,988
40 Total exempt purpose expenditures (add lines 38 and 39)	40		2,515,401
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	275,770
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		68,943
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 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	275,770	246,551	192,581	177,655	892,557
46 Lobbying ceiling amount (150% of line 45(e))					1,338,836
47 Total lobbying expenditures	45,413	34,222	13,411	14,792	107,838
48 Grassroots nontaxable amount	68,943	61,638	48,145	44,414	223,140
49 Grassroots ceiling amount (150% of line 48(e))					334,710
50 Grassroots lobbying expenditures	12,433	10,634	6,302	9,590	38,959

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.) **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

- 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

Yes	No	Amount

Federal Statements**Statement 1 - Form 990, Part I, Line 3 - Membership Dues and Assessments**

<u>Description</u>	<u>Amount</u>
MEMBERSHIP DUES & FEES	\$ 152,582
TOTAL	<u>\$ 152,582</u>

Federal Statements

Statement 2 - Form 990, Part II, Line 22b - Other Grants and Allocations

Name Address	Date of Gift	Description of Property	Relationship to Org	Class of Activity			BV Explantn	FMV Explantn
				Cash Contrib	NonCash Contrib	Book Value		
FY 2007 FUND			\$	577,000	\$			
FY 2006 FUND				714,650				
COPN CHARITY FUND				315,309				
FC ORG CAPACITY BUILDING				42,877				
				395,000				
TOTAL			\$	2,044,836	\$	0	\$	0

Statement 3 - Form 990, Part II, Line 25a - Compensation of Current Officers

Name	Program Services	Management & General	Fundraising
EXPENSES	\$	\$	\$
MARA SERVAITES COMPENSATION	8,750	5,250	3,500
TOTAL	\$ 8,750	\$ 5,250	\$ 3,500

Federal Statements

54-1802019

FYE: 12/31/2006

Statement 4 - Form 990, Part II, Line 25b - Compensation of Former Officers

Name	Program Services	Management & General	Fundraising
EXPENSES	\$	\$	\$
MARK R CRUISE COMPENSATION	31,674	19,005	12,670
TOTAL	<u>\$ 31,674</u>	<u>\$ 19,005</u>	<u>\$ 12,670</u>

Federal Statements**Statement 5 - Form 990, Part II, Line 43 - Other Functional Expenses**

Description	Total Expenses	Program Service	Mgt & General	Fund- Raising
	\$	\$	\$	\$
EXPENSES				
STAFF DEVELOPMENT	2,825	1,412	848	565
WORKERS COMP INSURANCE	1,124	562	337	225
OFFICE EQUIPMENT	6,254	3,127	1,876	1,251
OFFICE EQUIPMENT MAINT	576	288	173	115
DUES FEES & PUBLICATIONS	3,378		3,378	
INSURANCE	3,189		3,189	
RECOGNITION	176	176		
GOVERNMENT RELATIONS	15,000	15,000		
STRATEGIC PLANNING	2,500	2,500		
MARKETING	5,310	5,310		
ORGANIZATIONAL QUALITY ASSESS	42,680	42,680		
GOVERNANCE	15,557	15,557		
TOTAL	<u>\$ 98,569</u>	<u>\$ 86,612</u>	<u>\$ 9,801</u>	<u>\$ 2,156</u>

Federal Statements

Statement 6 - Form 990, Part III, Line e - Other Program Services

Description

OTHER UNALLOCATED EXPENSES

Federal Statements**Statement 7 - Form 990, Part IV, Line 54a - Publicly Traded Securities**

<u>Description</u>	<u>Beginning of Year</u>	<u>End of Year</u>	<u>Basis of Valuation</u>
US AND STATE GOVERNMENT	\$	\$	
CORPORATE STOCK			
EDWARD JONES INVESTMENT ACCOUNT	1,054		
CORPORATE BONDS			
TOTAL	\$ 1,054	\$ 0	

42990 VA Association of Free Clinics, Inc
54-1802019
FYE: 12/31/2006

Federal Statements

6/13/2007 3:40 PM

Statement 8 - Form 990, Part V-A - List of Officers, Directors, Trustees, and Key Employees

Name and Address	Title	Average Hours	Compensation	Benefits	Expenses
WARD W. STEVENS 1425 FALCON RIDGE RD BLACKSBURG VA 24060	PRESIDENT	0	0	0	0
DELL B. SOUTH 997 ANDERSON HILL ROAD RYE BROOK NY 10573	VICE-PRES	0	0	0	0
MARGE ROWE 316 NORTH ROYAL AVE FRONT ROYAL VA 22630	DIRECTOR	0	0	0	0
ELLY SWECKER 150 BROOKSIDE PLACW HARRISONBURG VA 22801	SECRETARY	0	0	0	0
N. THOMAS CONNALLY 3563 NORTH ABINGDON ST ARLINGTON VA 22207	DIRECTOR	0	0	0	0
KAREN DULANEY 435 HUNTER ST FREDERICKSBURG VA 22401	DIRECTOR	0	0	0	0
RUSSELL A. FOWLER 29 N. BRADDOCK ST WINCHESTER VA 22601	DIRECTOR	0	0	0	0
L. TRICE GRAVATTE, IV 1139 SOUTH BLUE RIDGE AVE CULPEPER VA 22701	DIRECTOR	0	0	0	0
V. DIANE KELLY PO BOX 592 ROANOKE VA 24004	DIRECTOR	0	0	0	0

Federal Statements

6/13/2007 3:40 PM

Statement 8 - Form 990, Part V-A - List of Officers, Directors, Trustees, and Key Employees (continued)

Name and Address	Title	Average Hours	Compensation	Benefits	Expenses
MEL LEAMAN PO BOX 1273 MARION VA 24354	DIRECTOR	0	0	0	0
BENN H. LEGUM 1204 WESTMORELAND DR STAUNTON VA 24401	DIRECTOR	0	0	0	0
REV. RICHARD C. MALLORY P.O. BOX 477 MONETA VA 24121	DIRECTOR	0	0	0	0
KAREN REMLEY 884 BISHOPSGATE LANE VIRGINIA BEACH VA 23452	DIRECTOR	0	0	0	0
JAMES A KOHLER, JR 8741 LANDMARK ROAD RICHMOND VA 23228	DIRECTOR	0	0	0	0
COLIN DROZDOWSKI 2221 EDWARD HOLLAND DR RICHMOND VA 23230	DIRECTOR	0	0	0	0
MARA J. SERVAITES 12343 SIR JAMES CT RICHMOND VA 23233	INTERIM EX.	40	17,500	0	0

Federal Statements**Statement 9 - Form 990, Part VI, Line 82b - Donated Services**

<u>Description</u>	<u>Amount</u>
PFIZER'S RESERVATION-LESS TELECONFERENCE SERVICE	\$
PROGRAM PRESENTATION AT CLINICAL COORDINATORS WORKDAY	
PROGRAM PRESENTATIONS AT GOVERNANCE TRAINING	
TOTAL	\$ <u>0</u>