

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)

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

OMB No 1545-0047

2005Open to Public
Inspection**A** For the 2005 calendar year, or tax year beginning **JUL 1, 2005** and ending **JUN 30, 2006****B** Check if
applicable

- ☐ Address
change
- ☐ Name
change
- ☐ Initial
return
- ☐ Final
return
- ☐ Amended
return
- ☐ Application
pending

Please
use IRS
label or
print or
type
See
Specific
Instruc-
tions**C** Name of organization**CHILDREN'S CLINICS FOR
REHABILITATIVE SERVICES**

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

2600 NORTH WYATT DRIVE

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

TUCSON, AZ 85712**D** Employer identification number**86-0667510****E** Telephone number**520-324-5437****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).****G** Website: **WWW.CHILDRENSCLINICS.ORG****J** Organization type (check only one) ☒ 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.****H and I are not applicable to section 527 organizations.****H(a)** Is this a group return for affiliates? ☐ Yes ☒ No**H(b)** If "Yes," enter number of affiliates ▶ **N/A****H(c)** Are all affiliates included? **N/A** ☐ Yes ☐ No
(If "No," attach a list.)**H(d)** Is this a separate return filed by an or-
ganization covered by a group ruling? ☐ Yes ☒ No**I** Group Exemption Number ▶ **N/A****M** Check ☐ if the organization is **not** required to attach
Sch. B (Form 990, 990-EZ, or 990-PF).**L** Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 ▶ **15,448,922.****Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances**

Revenue	1 Contributions, gifts, grants, and similar amounts received:				
	a Direct public support	1a	79,935.		
	b Indirect public support	1b			
	c Government contributions (grants)	1c	50,540.		
	d Total (add lines 1a through 1c) (cash \$ 130,475. noncash \$)	1d	130,475.		
	2 Program service revenue including government fees and contracts (from Part VII, line 93)	2	15,004,900.		
	3 Membership dues and assessments	3			
	4 Interest on savings and temporary cash investments	4	156,967.		
	5 Dividends and interest from securities	5			
	6 a Gross rents SEE STATEMENT 2	6a	4,207.		
	b Less: rental expenses	6b			
	c Net rental income or (loss) (subtract line 6b from line 6a)	6c	4,207.		
7 Other investment income (describe ▶)	7				
Expenses	8 a Gross amount from sales of assets other than inventory	(A) Securities		(B) Other	
	b Less: cost or other basis and sales expenses	8a			
	c Gain or (loss) (attach schedule)	8b			
	d Net gain or (loss) (combine line 8c, columns (A) and (B))	8c			
	8d				
	9 Special events and activities (attach schedule). If any amount is from gaming, check here <input type="checkbox"/>				
	a Gross revenue (not including \$ 0. of contributions reported on line 1a)	9a	152,373.		
	b Less: direct expenses other than fundraising expenses	9b	37,121.		
	c Net income or (loss) from special events (subtract line 9b from line 9a)	9c	115,252.		
	10 a 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			
Net Assets	11 Other revenue (from Part VII, line 103)	11			
	12 Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12	15,411,801.		
	13 Program services (from line 44, column (B))	13	12,136,069.		
	14 Management and general (from line 44, column (C))	14	1,269,160.		
	15 Fundraising (from line 44, column (D))	15	142,427.		
	16 Payments to affiliates (attach schedule)	16			
	17 Total expenses (add lines 16 and 44, column (A))	17	13,547,656.		
	18 Excess or (deficit) for the year (subtract line 17 from line 12)	18	1,864,145.		
	19 Net assets or fund balances at beginning of year (from line 73, column (A))	19	2,901,135.		
20 Other changes in net assets or fund balances (attach explanation)	20	0.			
21 Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21	4,765,280.			

523001
02-03-06

LHA For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

Form 990 (2005)

**CHILDREN'S CLINICS FOR
REHABILITATIVE SERVICES**

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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.

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 (attach schedule) (cash \$ <u>0</u> . noncash \$ <u>0</u> . If this amount includes foreign grants, check here <input type="checkbox"/>	22			
23 Specific assistance to individuals (attach schedule)	23			
24 Benefits paid to or for members (attach schedule)	24			
25 Compensation of officers, directors, etc. **	25	335,731.	128,208.	207,523.
26 Other salaries and wages	26	3,311,200.	2,708,457.	555,611.
27 Pension plan contributions	27	78,937.	64,533.	13,260.
28 Other employee benefits	28	357,074.	283,085.	69,180.
29 Payroll taxes	29	263,155.	205,235.	54,499.
30 Professional fundraising fees	30			
31 Accounting fees	31	20,818.	17,071.	3,747.
32 Legal fees	32			
33 Supplies	33	1,702,726.	1,592,573.	79,136.
34 Telephone	34	63,114.	58,436.	4,515.
35 Postage and shipping	35	30,890.	25,330.	1,334.
36 Occupancy	36	139,820.	129,334.	10,303.
37 Equipment rental and maintenance	37	144,673.	134,062.	10,349.
38 Printing and publications	38	5,197.	4,262.	935.
39 Travel	39	25,280.	20,730.	1,832.
40 Conferences, conventions, and meetings	40	17,377.	14,249.	3,128.
41 Interest	41			
42 Depreciation, depletion, etc (attach schedule)	42	196,900.	161,458.	35,442.
43 Other expenses not covered above (itemize):				
a <u>INSURANCE</u>	43a	79,336.	65,056.	14,280.
b <u>LICENSES AND FEES</u>	43b	48,853.	40,059.	8,794.
c <u>MISCELLANEOUS</u>	43c	41,703.	30,875.	10,828.
d <u>OTHER PROFESSIONAL</u>	43d	679,731.	447,915.	184,464.
e <u>PROFESSIONAL SERVICE</u>	43e			
f <u>TO PATIENTS</u>	43f	6,005,141.	6,005,141.	
g	43g			
44 Total functional expenses. Add lines 22 through 43 (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	44	13,547,656.	12,136,069.	1,269,160.
				142,427.

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 \$ N/A ; (ii) the amount allocated to Program services \$ N/A ;

(iii) the amount allocated to Management and general \$ N/A ; and (iv) the amount allocated to Fundraising \$ N/A

Form 990 (2005)

** SEE STATEMENT 4

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? ►		Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)
PROVIDE HEALTH CARE FOR CHILDREN WITH SPECIAL NEEDS		
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.)		
a SEE STATEMENT 5		
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>		12,136,069.
b		
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>		
c		
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>		
d		
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>		
e Other program services (attach schedule)		
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>		
f Total of Program Service Expenses (should equal line 44, column (B), Program services) ►		12,136,069.

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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		45
	46 Savings and temporary cash investments	3,827,917.	46 4,881,461.
	47 a Accounts receivable	47a 241,643.	
	b Less: allowance for doubtful accounts	47b	47c 241,643.
	48 a Pledges receivable	48a	
	b Less: allowance for doubtful accounts	48b	48c
	49 Grants receivable		49
	50 Receivables from officers, directors, trustees, and key employees		50
	51 a Other notes and loans receivable	51a	
	b Less: allowance for doubtful accounts	51b	51c
	52 Inventories for sale or use		52
	53 Prepaid expenses and deferred charges	60,759.	53 123,720.
	54 Investments - securities	<input type="checkbox"/> Cost <input type="checkbox"/> FMV	54
	55 a Investments - land, buildings, and equipment: basis	55a	
	b Less: accumulated depreciation	55b	55c
56 Investments - other	0.	56 0.	
57 a Land, buildings, and equipment: basis	57a 3,587,822.		
b Less: accumulated depreciation	57b 2,421,168.	57c 1,166,654.	
58 Other assets (describe)		58	
59 Total assets (must equal line 74). Add lines 45 through 58	4,648,991.	59 6,413,478.	
Liabilities	60 Accounts payable and accrued expenses	1,747,856.	60 1,648,198.
	61 Grants payable		61
	62 Deferred revenue		62
	63 Loans from officers, directors, trustees, and key employees		63
	64 a Tax-exempt bond liabilities		64a
	b Mortgages and other notes payable		64b
	65 Other liabilities (describe)		65
66 Total liabilities. Add lines 60 through 65)	1,747,856.	66 1,648,198.	
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	2,901,135.	67 4,765,280.
	68 Temporarily restricted		68
	69 Permanently restricted		69
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74.		
	70 Capital stock, trust principal, or current funds		70
	71 Paid-in or capital surplus, or land, building, and equipment fund		71
	72 Retained earnings, endowment, accumulated income, or other funds		72
73 Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72; column (A) must equal line 19; column (B) must equal line 21)	2,901,135.	73 4,765,280.	
74 Total liabilities and net assets/fund balances. Add lines 66 and 73	4,648,991.	74 6,413,478.	

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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	15984784.
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	535,862.
3	Recoveries of prior year grants	b3	
4	Other (specify):	b4	
	Add lines b1 through b4	b	535,862.
c	Subtract line b from line a	c	15448922.
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): SPECIAL EVENT EXPENSE	d2	-37,121.
	Add lines d1 and d2	d	-37,121.
e	Total revenue (Part I, line 12) Add lines c and d	e	15411801.

Part IV-B Reconciliation of Expenses per Audited Financial Statements With Expenses per Return	
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a	Total expenses and losses per audited financial statements		a	14120639.
b	Amounts included on line a but not on Part I, line 17.			
1	Donated services and use of facilities	b1	535,862.	
2	Prior year adjustments reported on Part I, line 20	b2		
3	Losses reported on Part I, line 20	b3		
4	Other (specify): SPECIAL EVENTS	b4	37,121.	
	Add lines b1 through b4		b	572,983.
c	Subtract line b from line a		c	13547656.
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	0.
e	Total expenses (Part I, line 17) Add lines c and d		e	13547656.

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]

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Part V-A Current Officers, Directors, Trustees, and Key Employees (continued) **Yes No**

75 a Enter the total number of officers, directors, and trustees permitted to vote on organization business at board meetings 13			
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)	75b	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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?	75c	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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?	75d	<input type="checkbox"/>	<input checked="" type="checkbox"/>

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 & deferred compensation plans	(E) Expense account and other allowances
JUDITH C. KEAGY 2600 N. WYATT DRIVE TUCSON, AZ 85712	0.	16,323.	0.	0.

Part VI Other Information (See the instructions) **Yes No**

76 Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity	76	<input type="checkbox"/>	<input checked="" type="checkbox"/>
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	<input type="checkbox"/>	<input checked="" type="checkbox"/>
78 a Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	78a	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b If "Yes," has it filed a tax return on Form 990-T for this year? N/A	78b	<input type="checkbox"/>	<input type="checkbox"/>
79 Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement	79	<input type="checkbox"/>	<input checked="" type="checkbox"/>
80 a Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization?	80a	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b If "Yes," enter the name of the organization N/A	80b	<input type="checkbox"/>	<input type="checkbox"/>
and check whether it is <input type="checkbox"/> exempt or <input type="checkbox"/> nonexempt			
81 a Enter direct or indirect political expenditures (See line 81 instructions) 0.	81a	<input type="checkbox"/>	<input type="checkbox"/>
b Did the organization file Form 1120-POL for this year?	81b	<input type="checkbox"/>	<input checked="" type="checkbox"/>

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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?	82a	X	
b If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II (See instructions in Part III.)	82b		
535,862.			
83 a Did the organization comply with the public inspection requirements for returns and exemption applications?	83a	X	
b Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	83b	X	
84 a Did the organization solicit any contributions or gifts that were not tax deductible?	84a		X
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	84b		
N/A			
85 501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members?	85a		
N/A			
b Did the organization make only in-house lobbying expenditures of \$2,000 or less?	85b		
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			
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) organizations. 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) organizations Enter: a Gross income from members or shareholders	87a		
N/A			
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	87b		
N/A			
88 At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX	88		X
89 a 501(c)(3) organizations. Enter. Amount of tax imposed on the organization during the year under: section 4911 0.; section 4912 0.; section 4955 0.			
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	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.
90 a List the states with which a copy of this return is filed AZ			
b Number of employees employed in the pay period that includes March 12, 2005	90b		96
91 a The books are in care of CHERYL LIPPERT Telephone no. 520-324-3217			
Located at 2600 N. WYATT DR., TUCSON, AZ ZIP + 4 85712			
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 N/A	91b		X
See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.			
c At any time during the calendar year, did the organization maintain an office outside of the United States? If "Yes," enter the name of the foreign country N/A	91c		X
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

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

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclu- sion code	(D) Amount	
93 Program service revenue					
a PATIENT SERVICES					15,004,900.
b					
c					
d					
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments			14	156,967.	
96 Dividends and interest from securities					
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property			16	4,207.	
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			01	115,252.	
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.		276,426.	15,004,900.
105 Total (add line 104, columns (B), (D), and (E))					15,281,326.

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 ARE FOR A RANGE OF SERVICES FOR CHRONICALLY ILL OR DISABLED CHILDREN AND THEIR FAMILIES. THESE SERVICES ACCOMPLISH THE PURPOSE OF PROVIDING CARE TO CHILDREN WITH SPECIAL NEEDS. SEE PART III.

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 ☒ 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 <i>William Long</i>		Date <i>1/24/07</i>	Type or print name and title <i>William Long, TREASURER</i>
Paid Preparer's Use Only	Preparer's signature <i>[Signature]</i>		Date <i>1/19/07</i>	Check if self-employed <input type="checkbox"/>
	Firm's name (or yours if self-employed), address, and ZIP + 4 BEACH, FLEISCHMAN & CO., P.C. P.O. BOX 64130 TUCSON, ARIZONA 85728-4130		EIN Phone no. (520) 321-4600	

Form **990** (2005)

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	CHILDREN'S CLINICS FOR REHABILITATIVE SERVICES	Employer identification number	86 0667510
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Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees

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

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
TERESA WYATT 2600 N. WYATT, TUCSON, AZ 85712	REHAB DIRECTOR 40.00	84,250.	7,109.	0.
CHRISTAL CHORNOMAZ-NELSON 2600 N. WYATT, TUCSON, AZ 85712	NURSE MANAGER 40.00	79,504.	1,586.	0.
GAIL HAMILTON-ZANDER 2600 N. WYATT, TUCSON, AZ 85712	HEALTHCARE DIRECTOR 40.00	77,195.	840.	0.
VERONICA LOPEZ-MOORE 2600 N. WYATT, TUCSON, AZ 85712	PHARMACIST 32.00	72,388.	4,039.	0.
RUSSELL ZAUCHA 2600 N. WYATT, TUCSON, AZ 85712	IS DIRECTOR 40.00	67,571.	5,543.	0.
Total number of other employees paid over \$50,000	7			

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
UNIVERSITY MEDICAL CENTER 1501 N. CAMPBELL AVE., TUCSON, AZ 85724	HOSPITAL AND ANCILLARY SERVICE	1,440,756.
UNIVERSITY PHYSICIANS, INC. 575 E. RIVER RD., TUCSON, AZ 85704	PATIENT SERVICES	1,231,250.
TUCSON MEDICAL CENTER 5301 E. GRANT RD., TUCSON, AZ 85712	HOSPITAL AND ANCILLARY SERVICE	1,173,538.
OLD PUEBLO ANESTHESIA 5100 E. PIMA ST., SUITE E, TUCSON, AZ 85718	PATIENT SERVICES	184,681.
CHILDREN'S ORTHO SPECIALISTS 1605 E. RIVER RD., SUITE 101, TUCSON, AZ 85718	PATIENT SERVICES	154,959.
Total number of others receiving over \$50,000 for professional services	5	

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	0	

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 ► \$ _____ \$ _____ (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.)		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?		X
b Lending of money or other extension of credit?		X
c Furnishing of goods, services, or facilities?	SEE STATEMENT 8	
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? SEE PART V-A, FORM 990	X	
e Transfer of any part of its income or assets?		X
3 a Do you make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how you determine that recipients qualify to receive payments.)		X
b Do you have a section 403(b) annuity plan for your employees?		X
c During the year, did the organization receive a contribution of qualified real property interest under section 170(h)?		X
4 a Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds?		X
b Do you provide credit counseling, debt management, credit repair, or debt negotiation services?		X

Part IV Reason for Non-Private Foundation Status (See pages 3 through 6 of the instructions.)

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

5 ☐ A church, convention of churches, or association of churches. 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 supports organizations described in: (1) lines 5 through 12 above; or (2) sections 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 page 6 of the instructions.)

(a) Name(s) of supported organization(s)	(b) Line number from above

14 ☐ An organization organized and operated to test for public safety. Section 509(a)(4). (See page 6 of the instructions.)

**CHILDREN'S CLINICS FOR
REHABILITATIVE SERVICES**

Schedule A (Form 990 or 990-EZ) 2005

86-0667510 Page 3

Part IV-A **Support Schedule** (Complete only if you checked a box on line 10, 11, or 12.) **Use cash method of accounting.** **N/A**
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.)					
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					
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					
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					
23 Total of lines 15 through 22	0.	0.	0.	0.	0.
24 Line 23 minus line 17					
25 Enter 1% of line 23					

26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24	26a	N/A
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	N/A
c Total support for section 509(a)(1) test: Enter line 24, column (e)	26c	N/A
d Add: Amounts from column (e) for lines: 18 _____ 19 _____ 22 _____ 26b _____	26d	N/A
e Public support (line 26c minus line 26d total)	26e	N/A
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))	26f	N/A %

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	N/A
d Add: Line 27a total _____ and line 27b total _____	27d	N/A
e Public support (line 27c total minus line 27d total)	27e	N/A
f Total support for section 509(a)(2) test: Enter amount on line 23, column (e)	27f	N/A
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))	27g	N/A %
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))	27h	N/A %

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 page 7 of the instructions.)

N/A

(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.)		
<hr/> <hr/> <hr/>		
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.)		
<hr/> <hr/>		
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.)		
<hr/> <hr/>		
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.		
<hr/>		
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		

Schedule A (Form 990 or 990-EZ) 2005

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 9 of the instructions.)

N/A

(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

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

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

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 11 of the instructions.)

Calendar year (or fiscal year beginning in)	Lobbying Expenditures During 4-Year Averaging Period				N/A
	(a) 2005	(b) 2004	(c) 2003	(d) 2002	(e) Total
45	Lobbying nontaxable amount				0.
46	Lobbying ceiling amount (150% of line 45(e))				0.
47	Total lobbying expenditures				0.
48	Grassroots nontaxable amount				0.
49	Grassroots ceiling amount (150% of line 48(e))				0.
50	Grassroots lobbying expenditures				0.

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See page 11 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
		0.

Part VII

Information Regarding Transfers To and Transactions and Relationships With Noncharitable

Exempt Organizations (See page 12 of the instructions.)

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

- a Transfers from the reporting organization to a noncharitable exempt organization of:**

- (i) Cash

- (ii) Other assets

- b Other transactions:**

- (i) Sales or exchanges of assets with a noncharitable exempt organization**

- (ii) Purchases of assets from a noncharitable exempt organization**

- (iii) Rental of facilities, equipment, or other assets**

- (iv) Reimbursement arrangements**

- (v) Loans or loan guarantees**

- (vi) Performance of services or membership or fundraising solicitations**

- 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:

	Yes	No
51a(i)		X
a(ii)		X
b(i)		X
b(ii)		X
b(iii)		X
b(iv)		X
b(v)		X
b(vi)		X
c		X

N/A

[illegible]

- 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:

N/A

[illegible]

FOOTNOTES	STATEMENT	1
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RECONCILIATION OF OFFICERS COMPENSATION

OFFICERS COMPENSATION REPORTED AT PART II LINE 25	335,731.
FORMER EXECUTIVE DIRECTOR'S DEFERRED COMPENSATION	
RELATED TO SEVERANCE PACKAGE INCLUDED IN AMOUNT REPORTED AT	
PART V-B (C)	16,323.
TOTAL OFFICERS COMPENSATION REPORTED AT PARTS V-A AND B (C)	352,054.

FORM 990	RENTAL INCOME	STATEMENT	2
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KIND AND LOCATION OF PROPERTY	ACTIVITY	GROSS
	NUMBER	RENTAL INCOME
RENTAL INCOME - NON DEBT FINANCED PROPERTY	2	4,207.
TOTAL TO FORM 990, PART I, LINE 6A		4,207.

FORM 990	SPECIAL EVENTS AND ACTIVITIES	STATEMENT	3
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DESCRIPTION OF EVENT	GROSS RECEIPTS	CONTRIBUT. INCLUDED	GROSS REVENUE	DIRECT EXPENSES	NET INCOME
BANQUET/GOLF TOURNAMENT/MISCELLANEOUS	152,373.		152,373.	37,121.	115,252.
TO FM 990, PART I, LINE 9	152,373.		152,373.	37,121.	115,252.

FORM 990

OFFICER COMPENSATION ALLOCATION
PART II, LINE 25

STATEMENT 4

NAME OF OFFICER, ETC.	COMPENSATION	EMPLOYEE BEN. PLANS	EXPENSE ACCOUNTS	TOTALS
TAMMY STOLTZ	140,861.	3,728.		144,589.
A. PROGRAM SERVICES	21,129.	559.		21,688.
B. MANAGEMENT AND GENERAL	119,732.	3,169.		122,901.
C. FUNDRAISING				

NAME OF OFFICER, ETC.	COMPENSATION	EMPLOYEE BEN. PLANS	EXPENSE ACCOUNTS	TOTALS
CHERYL LIPPERT	88,713.	10,843.		99,556.
A. PROGRAM SERVICES	13,307.	1,626.		14,933.
B. MANAGEMENT AND GENERAL	75,406.	9,217.		84,623.
C. FUNDRAISING				

NAME OF OFFICER, ETC.	COMPENSATION	EMPLOYEE BEN. PLANS	EXPENSE ACCOUNTS	TOTALS
EDITH JORDAN	84,294.	7,292.		91,586.
A. PROGRAM SERVICES	84,294.	7,292.		91,586.
B. MANAGEMENT AND GENERAL				
C. FUNDRAISING				

TOTAL PROGRAM SERVICES	128,207.
TOTAL MANAGEMENT AND GENERAL	207,524.
TOTAL FUNDRAISING	
TOTAL OFFICER, ETC., COMPENSATION INCLUDED ON PARTS V-A AND V-B	335,731.

FORM 990

STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS

STATEMENT

5

DESCRIPTION OF PROGRAM SERVICE ONE

THE CHILDREN'S CLINICS FOR REHABILITATIVE SERVICES, IN KEEPING WITH ITS TAX-EXEMPT PURPOSES, HAS CONTINUED TO PROVIDE A RANGE OF SPECIALTY MEDICAL, DENTAL, AND THERAPY SERVICES FOR MEDICALLY COMPLEX, CHRONICALLY ILL OR PHYSICALLY DISABLED CHILDREN AND THEIR FAMILIES FROM SOUTHERN ARIZONA. THE MAJORITY OF OUR PATIENTS ARE MEDICALLY UNDERSERVED AND FINANCIALLY UNDERPRIVILEGED. UNIQUE TO OUR PROGRAM IS A PEDIATRIC PRIMARY CARE PROGRAM DESIGNED FOR CHILDREN WITH SPECIAL HEALTH CARE NEEDS, ONE OF THE FEW PROGRAMS NATIONALLY THAT CENTERS SPECIFICALLY ON CHILDREN WITH COMPLEX NEEDS.

THE VOLUME OF VISITS TO OUR MEDICAL/DENTAL SPECIALTY CLINICS, REHAB SERVICES AND ANCILLARY SERVICES DURING FISCAL YEAR 05/06 ARE SHOWN BELOW.

IN ADDITION TO THESE SERVICES, WE PROVIDED SOCIAL SERVICES, SPECIAL EDUCATION, PSYCHOLOGY, CHILD LIFE AND ADVOCACY SERVICES TO OUR PATIENTS. THE SOCIAL WORK VISITS ARE ALSO SHOWN BELOW. WE CONTINUE TO PROVIDE A VARIETY OF SPECIAL PROGRAMS AND OUTREACH SERVICES TO OUR PATIENT POPULATION AND COLLABORATE WITH OTHER COMMUNITY ORGANIZATIONS AND AGENCIES THAT SERVE CHILDREN WITH SPECIAL HEALTH CARE NEEDS. FOR EXAMPLE, WE HAVE CONTINUED TO DEVELOP TRANSITION SERVICES FOR OUR OLDER PATIENTS AS THEY MOVE INTO ADULTHOOD.

CHILDREN'S CLINICS HAS CONTINUED TO IMPLEMENT STAFF EDUCATION PROGRAMS FOR OUR EMPLOYEES. WE HAVE HOSTED IN-SERVICE AND CONTINUING EDUCATION MEETINGS IN OUR FACILITY AND HAVE MADE THE FACILITY AVAILABLE TO OTHER COMMUNITY AND ADVOCACY GROUPS. WE HAVE CONTINUED TO MAINTAIN EDUCATIONAL AFFILIATIONS IN A NUMBER OF CLINICAL AREAS ENABLING MEDICAL AND ALLIED HEALTH STUDENTS TO ROTATE THROUGH OUR FACILITY FOR PORTIONS OF THEIR CLINICAL EDUCATION EXPERIENCE. WE MAINTAIN A PARENT RESOURCE LIBRARY ON SITE, IN COLLABORATION WITH PILOT PARENTS, FOR THE USE OF PARENTS AND OTHERS WHO WANT TO KNOW MORE ABOUT THEIR CHILDREN'S MEDICAL CONDITIONS AND AVAILABLE RESOURCES.

OUR PRIMARY SERVICE AREA INCLUDES ZIP CODES FOR ALL OF PIMA, SANTA CRUZ, COCHISE, GRAHAM, AND GREENLEE COUNTIES, AS WELL AS SOUTHERN AND CENTRAL PIMA COUNTY AND THE SOUTHERN TIP OF

GILA COUNTY (WINKLEMAN/HAYDEN AREA). SOME REFERRAL PATIENTS
COME FROM OUTSIDE THIS PRIMARY SERVICE AREA FOR SELECTED
SPECIALTY SERVICES.

CLINICAL STATISTICAL PROFILE FOR FYE 6/30/06

MEDICAL/DENTAL CLINIC VISITS	10,979
REHAB SERVICE VISITS	6,597
LAB TESTS	7,443
X-RAY PROCEDURES	1,291
PHARMACY PRESCRIPTIONS	11,465
SOCIAL WORK	11,616

	GRANTS	EXPENSES
TO FORM 990, PART III, LINE A		12,136,069.

FORM 990	DEPRECIATION OF ASSETS NOT HELD FOR INVESTMENT	STATEMENT	6
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DESCRIPTION	COST OR OTHER BASIS	ACCUMULATED DEPRECIATION	BOOK VALUE
LEASEHOLD IMPROVEMENTS	284,621.	136,804.	147,817.
EQUIPMENT	2,893,623.	2,284,364.	609,259.
WORK IN PROCESS	409,578.	0.	409,578.
TOTAL TO FORM 990, PART IV, LN 57	3,587,822.	2,421,168.	1,166,654.

FORM 990

PART V-A - LIST OF OFFICERS, DIRECTORS,
TRUSTEES AND KEY EMPLOYEES

STATEMENT

7

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
TAMMY STOLTZ 2600 N. WYATT DRIVE TUCSON, AZ 85712	CHIEF EXECUTIVE OFFICER 40.00	140,861.	3,728.	0.
CHERYL LIPPERT 2600 N. WYATT DRIVE TUCSON, AZ 85712	CHIEF FINANCIAL OFFICER 40.00	88,713.	10,843.	0.
EDITH JORDAN, R.N. 2600 N. WYATT DRIVE TUCSON, AZ 85712	CHIEF OPERATING OFFICER 40.00	84,294.	7,292.	0.
SYDNEY RICE, M.D. 2600 N. WYATT DRIVE TUCSON, AZ 85712	MEDICAL DIRECTOR 2.00	0.	0.	0.
CONRAD CLEMENS, M.D. 2600 N. WYATT DRIVE TUCSON, AZ 85712	CO-MEDICAL DIRECTOR 2.00	0.	0.	0.
JUDY DYE 2600 N. WYATT DRIVE TUCSON, AZ 85712	PRESIDENT 2.00	0.	0.	0.
TRACY NUCKOLLS 2600 N. WYATT DRIVE TUCSON, AZ 85712	VICE PRESIDENT 2.00	0.	0.	0.
RHONDA DEAN 2600 N. WYATT DRIVE TUCSON, AZ 85712	SECRETARY 2.00	0.	0.	0.
PAT EDMONSON 2600 N. WYATT DRIVE TUCSON, AZ 85712	RECORDING SECRETARY 2.00	0.	0.	0.
WILLIAM LONG 2600 N. WYATT DRIVE TUCSON, AZ 85712	TREASURER 2.00	0.	0.	0.
ROGER BIEDE II, D.D.S. 2600 N. WYATT DRIVE TUCSON, AZ 85712	VOTING MEMBER 2.00	0.	0.	0.

CHILDREN'S CLINICS FOR REHABILITATIVE SE

86-0667510

KEVIN BURNS' 2600 N. WYATT DRIVE TUCSON, AZ 85712	VOTING MEMBER 2.00	0.	0.	0.
PALMER EVANS, M.D. 2600 N. WYATT DRIVE TUCSON, AZ 85712	VOTING MEMBER 2.00	0.	0.	0.
FAYEZ GHISHAN, M.D. 2600 N. WYATT DRIVE TUCSON, AZ 85712	VOTING MEMBER 2.00	0.	0.	0.
HARMON HARRISON, M.D. 2600 N. WYATT DRIVE TUCSON, AZ 85712	VOTING MEMBER 2.00	0.	0.	0.
PAMELA HENLEY JOHNSON 2600 N. WYATT DRIVE TUCSON, AZ 85712	VOTING MEMBER 2.00	0.	0.	0.
LAWRENCE HOUSEMAN, M.D. 2600 N. WYATT DRIVE TUCSON, AZ 85712	VOTING MEMBER 2.00	0.	0.	0.
DIANA SHELDON 2600 N. WYATT DRIVE TUCSON, AZ 85712	VOTING MEMBER 2.00	0.	0.	0.
JOHN STEPHENS, M.D. 2600 N. WYATT DRIVE TUCSON, AZ 85712	VOTING MEMBER 2.00	0.	0.	0.
WALTER STEVENS 2600 N. WYATT DRIVE TUCSON, AZ 85712	NON-VOTING MEMBER 2.00	0.	0.	0.
BURT STRUG, M.D. 2600 N. WYATT DRIVE TUCSON, AZ 85712	VOTING MEMBER 2.00	0.	0.	0.
MATT WANDOLOSKI 2600 N. WYATT DRIVE TUCSON, AZ 85712	VOTING MEMBER 2.00	0.	0.	0.
TOTALS INCLUDED ON FORM 990, PART V-A		313,868.	21,863.	0.

SCHEDULE A	EXPLANATION OF TRANSACTIONS PART III, LINE 2C	STATEMENT	8
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IN KEEPING WITH ITS TAX-EXEMPT PURPOSE, CHILDREN'S CLINICS CONTRACTS WITH A VARIETY OF PHYSICIAN PRACTICES IN ORDER TO PROVIDE PROFESSIONAL MEDICAL SERVICES TO THE CHRONICALLY ILL OR DISABLED CHILDREN WHOM IT SERVES. THE FOLLOWING NONCOMPENSATED MEMBERS OF THE BOARD OF DIRECTORS ENGAGED IN ARM'S LENGTH TRANSACTIONS WITH CHILDREN'S CLINICS IN THE NORMAL COURSE OF BUSINESS AND AT THE PREVAILING RATES FOR PROVIDING THESE SERVICES. THESE PHYSICIANS ARE ASSOCIATED WITH THE FOLLOWING PHYSICIAN GROUPS:

PALMER EVANS, M.D. - TUCSON MEDICAL CENTER
FAYEZ GUISHAN, M.D. - UA COLLEGE OF MEDICINE
HARMON HARRISON, M.D. - SQUARE & COMPASS
ROGER BIEDE II, D.D.S. - SQUARE & COMPASS
LAWRENCE HOUSEMAN, M.D. - TUCSON ORTHOPAEDIC INSTITUTE

Application for Extension of Time To File an Exempt Organization Return

OMB No 1545-1709

► File a separate application for each return.

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box ☒
- If you are filing for an **Additional (not automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form)

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Part I Automatic 3-Month Extension of Time - Only submit original (no copies needed)

Form 990-T corporations requesting an automatic 6-month extension - check this box and complete Part I only ☐

All other corporations (including Form 990-C filers) must use Form 7004 to request an extension of time to file income tax returns. Partnerships, REMICs, and trusts must use Form 8736 to request an extension of time to file Form 1065, 1066, or 1041.

Electronic Filing (e-file). Form 8868 can be filed electronically if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for corporate Form 990-T filers). However, you cannot file it electronically if you want the additional (not automatic) 3-month extension, instead you must submit the fully completed signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit www.irs.gov/efile.

Type or print	Name of Exempt Organization CHILDREN'S CLINICS FOR REHABILITATIVE SERVICES	Employer identification number 86-0667510
	Number, street, and room or suite no. If a P.O. box, see instructions. 2600 NORTH WYATT DRIVE	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. TUCSON, AZ 85712	

Check type of return to be filed (file a separate application for each return)

- | | | |
|--|---|------------------------------------|
| <input checked="" type="checkbox"/> Form 990 | <input type="checkbox"/> Form 990-T (corporation) | <input type="checkbox"/> Form 4720 |
| <input type="checkbox"/> Form 990-BL | <input type="checkbox"/> Form 990-T (sec. 401(a) or 408(a) trust) | <input type="checkbox"/> Form 5227 |
| <input type="checkbox"/> Form 990-EZ | <input type="checkbox"/> Form 990-T (trust other than above) | <input type="checkbox"/> Form 6069 |
| <input type="checkbox"/> Form 990-PF | <input type="checkbox"/> Form 1041-A | <input type="checkbox"/> Form 8870 |

- The books are in the care of ► **CHERYL LIPPERT**
Telephone No. ► **520-324-3217** FAX No. ► _____
- If the organization does **not** have an office or place of business in the United States, check this box ☐
- If this is for a **Group Return**, enter the organization's four digit Group Exemption Number (GEN) _____. If this is for the **whole group**, check this box ☐. If it is for part of the group, check this box ☐ and attach a list with the names and EINs of all members the extension will cover.

- I request an automatic 3-month (6-months for a **Form 990-T corporation**) extension of time until **FEBRUARY 15, 2007** to file the exempt organization return for the organization named above. The extension is for the organization's return for.
► ☐ calendar year _____ or
► ☒ tax year beginning **JUL 1, 2005**, and ending **JUN 30, 2006**.
- If this tax year is for less than 12 months, check reason: ☐ Initial return ☐ Final return ☐ Change in accounting period
- 3a** If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions \$ _____
b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit \$ _____
c Balance Due. Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions \$ **N/A**

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions

LHA For Privacy Act and Paperwork Reduction Act Notice, see instructions.

Form **8868** (Rev. 12-2004)