

Form 990

Return of Organization Exempt From Income Tax

OMB No 1545-0047

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

2006

Open to Public Inspection

Department of the Treasury Internal Revenue Service

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

A For the 2006 calendar year, or tax year beginning 07-01-2006 and ending 06-30-2007

- 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 Instructions.

C Name of organization: Challenger Center for Space science education education. Number and street (or P O box if mail is not delivered to street address): 1250 North Pitt Street. City or town, state or country, and ZIP + 4: Alexandria, VA 22314

D Employer identification number: 76-0192067. E Telephone number: (703) 683-9740. F Accounting method: [ ] Cash [x] 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 Web site: www.challenger.org

J Organization type (check only one): [x] 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.

H and I are not applicable to section 527 organizations. H(a) Is this a group return for affiliates? [ ] Yes [x] No. H(b) If "Yes" enter number of affiliates. H(c) Are all affiliates included? [ ] Yes [ ] No. H(d) Is this a separate return filed by an organization covered by a group ruling? [ ] Yes [x] No. I Group Exemption Number. 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: 4,501,033

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

Table with columns for Revenue, Expenses, and Net Assets. Rows include Contributions (1-5), Program service revenue (2), Membership dues (3), Interest on savings (4), Dividends (5), Gross rents (6a-6c), Other investment income (7), Gross amount from sales of assets (8a-8d), Special events (9), Gross sales of inventory (10a-10c), Other revenue (11), Total revenue (12), Program services (13), Management and general (14), Fundraising (15), Payments to affiliates (16), Total expenses (17), Excess or (deficit) for the year (18), Net assets or fund balances at beginning of year (19), Other changes in net assets (20), Net assets or fund balances at end of year (21).

**Part III 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
<b>22a</b> Grants paid from donor advised funds (attach Schedule) (cash \$ _____ noncash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	<b>22a</b>			
<b>22b</b> Other grants and allocations (attach schedule) (cash \$ _____ noncash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	<b>22b</b>			
<b>23</b> Specific assistance to individuals (attach schedule)	<b>23</b>			
<b>24</b> Benefits paid to or for members (attach schedule)	<b>24</b>			
<b>25a</b> Compensation of current officers, directors, key employees etc. Listed in Part V-A (attach schedule)	<b>25a</b>	828,609	727,270	56,842
<b>b</b> Compensation of former officers, directors, key employees etc. listed in Part V-B (attach schedule)	<b>25b</b>			
<b>c</b> 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)	<b>25c</b>			
<b>26</b> Salaries and wages of employees not included on lines 25a, b and c	<b>26</b>	909,010	797,837	62,282
<b>27</b> Pension plan contributions not included on lines 25a, b and c	<b>27</b>			
<b>28</b> Employee benefits not included on lines 25a - 27	<b>28</b>	267,973	235,200	18,383
<b>29</b> Payroll taxes	<b>29</b>	141,786	124,445	9,727
<b>30</b> Professional fundraising fees	<b>30</b>			
<b>31</b> Accounting fees	<b>31</b>			
<b>32</b> Legal fees	<b>32</b>			
<b>33</b> Supplies	<b>33</b>	36,351	33,323	2,369
<b>34</b> Telephone	<b>34</b>	57,564	43,585	11,964
<b>35</b> Postage and shipping	<b>35</b>	31,294	25,278	3,090
<b>36</b> Occupancy	<b>36</b>	839,106	584,601	218,463
<b>37</b> Equipment rental and maintenance	<b>37</b>	30,266	21,086	7,880
<b>38</b> Printing and publications	<b>38</b>	24,510	19,745	159
<b>39</b> Travel	<b>39</b>	398,255	369,391	19,730
<b>40</b> Conferences, conventions, and meetings	<b>40</b>			
<b>41</b> Interest	<b>41</b>	16,804	11,707	4,375
<b>42</b> Depreciation, depletion, etc. (attach schedule)	<b>42</b>	93,137	88,096	4,327
<b>43</b> Other expenses not covered above (itemize)				
<b>a</b> See Additional Data Table	<b>43a</b>			
<b>b</b>	<b>43b</b>			
<b>c</b>	<b>43c</b>			
<b>d</b>	<b>43d</b>			
<b>e</b>	<b>43e</b>			
<b>f</b>	<b>43f</b>			
<b>g</b>	<b>43g</b>			
<b>44</b> Total functional expenses. Add lines 22a through 43g (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	<b>44</b>	5,800,750	5,314,654	125,951

**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 \$ 10,937, (ii) the amount allocated to Program services \$ 7,144, (iii) the amount allocated to Management and general \$ \_\_\_\_\_, and (iv) the amount allocated to Fundraising \$ 3,793

**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? <input checked="" type="checkbox"/> to promote space science education 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.)	<b>Program Service Expenses</b> (Required for 501(c)(3) and (4) orgs, and 4947(a)(1) trusts, but optional for others.)
<b>a</b> Public Awareness. Raised the public's awareness of the critical role space science plays in the life of our nation.  (Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	726,720
<b>b</b> Education. Operated facilities and programs necessary to help students develop scientific problem-solving skills and overcome illiteracy in the fields of science and technology.  (Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	4,587,934
<b>c</b> _____ _____ (Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	
<b>d</b> _____ _____ (Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	
<b>e</b> Other program services (attach schedule). (Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	
<b>f Total of Program Service Expenses</b> (should equal line 44, column (B), Program services) . . . . <input checked="" type="checkbox"/>	5,314,654

**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.

		<b>(A)</b>		<b>(B)</b>		
		Beginning of year		End of year		
Assets	<b>45</b> Cash—non-interest-bearing . . . . .		318,212	<b>45</b>	31,915	
	<b>46</b> Savings and temporary cash investments . . . . .			<b>46</b>		
	<b>47a</b> Accounts receivable . . . . .	<b>47a</b>	829,436			
	<b>b</b> Less allowance for doubtful accounts	<b>47b</b>	54,150	215,830	<b>47c</b>	775,286
	<b>48a</b> Pledges receivable . . . . .	<b>48a</b>	157,050			
	<b>b</b> Less allowance for doubtful accounts	<b>48b</b>		484,300	<b>48c</b>	157,050
	<b>49</b> Grants receivable . . . . .		21,805	<b>49</b>	6,148	
	<b>50a</b> Receivables from current and former officers, directors, trustees, and key employees (attach schedule) . . . . .			<b>50a</b>		
	<b>b</b> Receivables from other disqualified persons (as defined under section 4958(c)(3)(B) (attach schedule) . . . . .			<b>50b</b>		
	<b>51a</b> Other notes and loans receivable (attach schedule) . . . . .	<b>51a</b>				
	<b>b</b> Less allowance for doubtful accounts	<b>51b</b>		<b>51c</b>		
	<b>52</b> Inventories for sale or use . . . . .		38,522	<b>52</b>	17,436	
	<b>53</b> Prepaid expenses and deferred charges . . . . .		61,957	<b>53</b>	113,383	
	<b>54a</b> Investments—publicly-traded securities <input type="checkbox"/> Cost <input type="checkbox"/> FMV		28,347	<b>54a</b>		
	<b>b</b> Investments—other securities (attach schedule) <input type="checkbox"/> Cost <input type="checkbox"/> FMV			<b>54b</b>		
<b>55a</b> Investments—land, buildings, and equipment basis . . . . .	<b>55a</b>					
<b>b</b> Less accumulated depreciation (attach schedule) . . . . .	<b>55b</b>		<b>55c</b>			
<b>56</b> Investments—other (attach schedule) . . . . .			<b>56</b>			
<b>57a</b> Land, buildings, and equipment basis	<b>57a</b>	1,630,080				
<b>b</b> Less accumulated depreciation (attach schedule) . . . . .	<b>57b</b>	1,358,422	358,954	<b>57c</b>	271,658	
<b>58</b> Other assets, including program-related investments (describe <input type="checkbox"/> _____ )		15,853,666	<b>58</b>	15,827,472		
<b>59 Total assets</b> (must equal line 74) Add lines 45 through 58 . . . . .		17,381,593	<b>59</b>	17,200,348		
Liabilities	<b>60</b> Accounts payable and accrued expenses . . . . .		764,140	<b>60</b>	1,501,950	
	<b>61</b> Grants payable . . . . .			<b>61</b>		
	<b>62</b> Deferred revenue . . . . .		496,948	<b>62</b>	704,527	
	<b>63</b> Loans from officers, directors, trustees, and key employees (attach schedule) . . . . .		150,000	<b>63</b>	125,000	
	<b>64a</b> Tax-exempt bond liabilities (attach schedule) . . . . .			<b>64a</b>		
	<b>b</b> Mortgages and other notes payable (attach schedule) . . . . .			<b>64b</b>		
	<b>65</b> Other liabilities (describe <input type="checkbox"/> _____ )			<b>65</b>	63,357	
<b>66 Total liabilities</b> Add lines 60 through 65 . . . . .		1,411,088	<b>66</b>	2,394,834		
Net Assets or Fund Balances	<b>Organizations that follow SFAS 117, check here</b> <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74					
	<b>67</b> Unrestricted . . . . .		-953,718	<b>67</b>	-1,729,576	
	<b>68</b> Temporarily restricted . . . . .		1,076,475	<b>68</b>	713,536	
	<b>69</b> Permanently restricted . . . . .		15,847,748	<b>69</b>	15,821,554	
	<b>Organizations that do not follow SFAS 117, check here</b> <input type="checkbox"/> and complete lines 70 through 74					
	<b>70</b> Capital stock, trust principal, or current funds . . . . .			<b>70</b>		
	<b>71</b> Paid-in or capital surplus, or land, building, and equipment fund . . . . .			<b>71</b>		
	<b>72</b> Retained earnings, endowment, accumulated income, or other funds . . . . .			<b>72</b>		
	<b>73 Total net assets or fund balances</b> Add lines 67 through 69 or lines 70 through 72 (Column (A) must equal line 19 and column (B) must equal line 21) . . . . .		15,970,505	<b>73</b>	14,805,514	
	<b>74 Total liabilities and net assets / fund balances</b> Add lines 66 and 73 . . . . .		17,381,593	<b>74</b>	17,200,348	





Part VI Other Information (continued)

Form with multiple sections (82a-91b) containing questions and answers regarding organizational activities, dues, and financial matters. Includes a table for 91b with Yes/No columns.

**Part VI Other Information (continued)**

	<b>Yes</b>	<b>No</b>
<b>c</b> At any time during the calendar year, did the organization maintain an office outside of the United States? <span style="float:right"><b>91c</b></span>	<input type="checkbox"/>	<input type="checkbox"/>

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	
<b>93</b> Program service revenue					
<b>a</b> Learning Centers					2,772,689
<b>b</b> Educational Programs					143,534
<b>c</b> _____					
<b>d</b> _____					
<b>e</b> _____					
<b>f</b> Medicare/Medicaid payments . . . . .					
<b>g</b> Fees and contracts from government agencies					
<b>94</b> Membership dues and assessments . . . . .					
<b>95</b> Interest on savings and temporary cash investments			14	338	
<b>96</b> Dividends and interest from securities . . . . .					
<b>97</b> Net rental income or (loss) from real estate					
<b>a</b> debt-financed property . . . . .					
<b>b</b> non debt-financed property . . . . .			16	-26,874	
<b>98</b> Net rental income or (loss) from personal property					
<b>99</b> Other investment income . . . . .					
<b>100</b> Gain or (loss) from sales of assets other than inventory					
<b>101</b> Net income or (loss) from special events . . . . .					
<b>102</b> Gross profit or (loss) from sales of inventory					
<b>103</b> Other revenue <b>a</b> <u>Other Income</u>			01	12,363	
<b>b</b> _____					
<b>c</b> _____					
<b>d</b> _____					
<b>e</b> _____					
<b>104</b> Subtotal (add columns (B), (D), and (E)) . . . . .				-14,173	2,916,223
<b>105</b> Total (add line 104, columns (B), (D), and (E)) . . . . .					2,902,050

**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)
93a	Learning centers provide a forum that raises the public's attention of the role of space science and other programs
93b	Educational Programs disseminate information through literature (curriculum materials) and workshops

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

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

**Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See the instructions.)**

**(a)** Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?  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).

**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)*

<b>106</b> Did the reporting organization <b>make</b> any transfers <b>to</b> a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity	<b>Yes</b>	<b>No</b>

	(A) Name and address of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
<b>Totals</b>				

<b>107</b> Did the reporting organization <b>receive</b> any transfers <b>from</b> a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity	<b>Yes</b>	<b>No</b>

	(A) Name and address of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
<b>Totals</b>				

<b>108</b> Did the organization have a binding written contract in effect on August 17, 2006 covering the interests, rents, royalties and annuities described in question 107 above?	<b>Yes</b>	<b>No</b>

<b>Please Sign Here</b>	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.	
		2008-05-13 Date
	lynn heron President Type or print name and title	

<b>Paid Preparer's Use Only</b>	Preparer's signature	Date	Check if self-employed <input checked="" type="checkbox"/>	Preparer's SSN or PTIN (See Gen Inst W)
	Firm's name (or yours if self-employed), address, and ZIP + 4 Johnson Lambert & Co llp 700 Spring Forest Road Suite 335 Raleigh, NC 27609			EIN
				Phone no  (919) 719-6400

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

**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.)**

**2006**

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

Department of the  
Treasury  
Internal Revenue  
Service

Name of the organization  
Challenger Center for Space science education  
education

**Employer identification number**

76-0192067

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

(See page 2 of the instructions. List each one. If there are none, enter "None.")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
Muhammad Shazlee 1250 North Pitt Street Alexandria, VA 22314	Tech Manager 40 00	77,500	11,675	0
don coates 1250 North Pitt Street Alexandria, VA 22314	development officer 40 00	63,750	9,603	0
Patrick McQuillan 1250 North Pitt Street Alexandria, VA 22314	Education Manager 40 00	86,750	13,068	0
Martin Schwartz 1250 North Pitt Street Alexandria, VA 22314	Regional DIReCTOR 40 00	73,400	11,057	0
Pamela Peterson 1250 North Pitt Street Alexandria, VA 22314	Regional Director 40 00	66,961	22,087	0
Total number of other employees paid over \$50,000	3			

**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
Design and Production Inc 7110 Rainwater Place Lorton, VA 22079	Fabrication Services	321,661
d&r development group 148 e pleasant hill road carbondale, IL 62903	software development	55,216
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 for 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		

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

**Yes No**

<p><b>1</b> During the year, has the organization attempted to influence national, state, or local legislation, include 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 1 of Part VI-B )</p> <p>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</p>	<b>1</b>		No
<p><b>2</b> 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.) 📄</p>	<b>2a</b>		No
<p><b>a</b> Sale, exchange, or leasing property?</p>	<b>2b</b>	Yes	
<p><b>b</b> Lending of money or other extension of credit?</p>	<b>2c</b>		No
<p><b>c</b> Furnishing of goods, services, or facilities?</p>	<b>2d</b>	Yes	
<p><b>d</b> Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? 📄</p>	<b>2e</b>		No
<p><b>e</b> Transfer of any part of its income or assets?</p> <p><b>3a</b> 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 )</p>	<b>3a</b>		No
<p><b>b</b> Did the organization have a section 403(b) annuity plan for its employees?</p>	<b>3b</b>	Yes	
<p><b>c</b> Did the organization receive or hold an easement for conservation purposes, including easements to preserve open space, the environment , historic land areas or structures? If "Yes" attach a detailed statement</p>	<b>3c</b>		No
<p><b>d</b> Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services?</p>	<b>3d</b>		No
<p><b>4a</b> Did the organization maintain any donor advised funds? If "Yes," complete lines 4b through 4g If "No," complete lines 4f and 4g</p>	<b>4a</b>		No
<p><b>b</b> Did the organization make any taxable distributions under section 4966?</p>	<b>4b</b>		
<p><b>c</b> Did the organization make a distribution to a donor, donor advisor, or related person?</p>	<b>4c</b>		
<p><b>d</b> Enter the total number of donor advised funds owned at the end of the tax year ► _____</p>			
<p><b>e</b> Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year ► _____</p>			
<p><b>f</b> 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 _____</p>			
<p><b>g</b> Enter the aggregate value of assets held in all funds or accounts included on line 4f at the end of the tax year ► 0 _____</p>			

**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	(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	
<b>Total</b>					

- 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
<b>15</b> Gifts, grants, and contributions received (Do not include unusual grants See line 28 )	1,833,827	2,452,503	3,206,402	2,760,704	10,253,436
<b>16</b> Membership fees received					0
<b>17</b> 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	1,881,711	1,250,858	3,049,967	3,351,116	9,533,652
<b>18</b> 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	285,721	134,517	50,519	1,000	471,757
<b>19</b> Net income from unrelated business activities not included in line 18					0
<b>20</b> Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					0
<b>21</b> 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
<b>22</b> Other income Attach a schedule Do not include gain or (loss) from sale of capital assets	5,256	29,705	3,134	11,058	49,153
<b>23</b> Total of lines 15 through 22	4,006,515	3,867,583	6,310,022	6,123,878	20,307,998
<b>24</b> Line 23 minus line 17	2,124,804	2,616,725	3,260,055	2,772,762	10,774,346
<b>25</b> Enter 1% of line 23	40,065	38,676	63,100	61,239	
<b>26 Organizations described on lines 10 or 11:</b>					
<b>a</b> Enter 2% of amount in column (e), line 24					<b>26a</b> 215,487
<b>b</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					<b>26b</b> 1,229,503
<b>c</b> Total support for section 509(a)(1) test Enter line 24, column (e)					<b>26c</b> 10,774,346
<b>d</b> Add Amounts from column (e) for lines	18 471,757	19 0			
	22	26b 1,229,503			<b>26d</b> 1,750,413
<b>e</b> Public support (line 26c minus line 26d total)					<b>26e</b> 9,023,933
<b>f</b> Public support percentage (line 26e (numerator) divided by line 26c (denominator))					<b>26f</b> 8375 39 %
<b>27 Organizations described on line 12:</b>					
<b>a</b> 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	(2005) _____	(2004) _____	(2003) _____	(2002) _____	
<b>b</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) _____	
<b>c</b> Add Amounts from column (e) for lines	15 _____	16 _____			
	17 _____	20 _____	21 _____		
<b>d</b> Add Line 27a total _____ and line 27b total _____					<b>27c</b> _____
<b>e</b> Public support (line 27c total minus line 27d total)					<b>27d</b> _____
<b>f</b> Total support for section 509(a)(2) test Enter amount from line 23, column (e)					<b>27e</b> _____
<b>g</b> Public support percentage (line 27e (numerator) divided by line 27f (denominator))					<b>27f</b> _____
<b>h</b> Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					<b>27g</b> _____
<b>28 Unusual Grants:</b> 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					<b>27h</b> _____

**Part V Private School Questionnaire** (See page 7 of the instructions.)  
**(To be completed ONLY by schools that checked the box on line 6 in Part IV)**

		Yes	No
<b>29</b>	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?		
<b>30</b>	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?		
<b>31</b>	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 )		
<b>32</b>	Does the organization maintain the following		
<b>a</b>	Records indicating the racial composition of the student body, faculty, and administrative staff?		
<b>b</b>	Records documenting that scholarships and other financial assistance are awarded on racially nondiscriminatory basis?		
<b>c</b>	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?		
<b>d</b>	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 )		
<b>33</b>	Does the organization discriminate by race in any way with respect to		
<b>a</b>	Students' rights or privileges?		
<b>b</b>	Admissions policies?		
<b>c</b>	Employment of faculty or administrative staff?		
<b>d</b>	Scholarships or other financial assistance?		
<b>e</b>	Educational policies?		
<b>f</b>	Use of facilities?		
<b>g</b>	Athletic programs?		
<b>h</b>	Other extracurricular activities?		
	If you answered "Yes" to any of the above, please explain (If you need more space, attach a separate statement )		
<b>34a</b>	Does the organization receive any financial aid or assistance from a governmental agency?		
<b>b</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		
<b>35</b>	Does the organization certify that it has complied with the applicable requirements of sections 4 01 through 4 05 of Rev Proc 75-50, 1975-2 C B 587, covering racial nondiscrimination? If "No," attach an explanation		

**Part VI-A Lobbying Expenditures by Electing Public Charities** (See 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**

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

**(a)**  
Affiliated group  
totals**(b)**  
To be completed  
for all electing  
organizations

<b>36</b>	Total lobbying expenditures to influence public opinion (grassroots lobbying)	<b>36</b>		
<b>37</b>	Total lobbying expenditures to influence a legislative body (direct lobbying)	<b>37</b>		
<b>38</b>	Total lobbying expenditures (add lines 36 and 37)	<b>38</b>		
<b>39</b>	Other exempt purpose expenditures	<b>39</b>		
<b>40</b>	Total exempt purpose expenditures (add lines 38 and 39)	<b>40</b>		
<b>41</b>	Lobbying nontaxable amount Enter the amount from the following table— <b>If the amount on line 40 is—</b> <b>The lobbying nontaxable amount is—</b> 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	<b>41</b>		
<b>42</b>	Grassroots nontaxable amount (enter 25% of line 41)	<b>42</b>		
<b>43</b>	Subtract line 42 from line 36 Enter -0- if line 42 is more than line 36	<b>43</b>		
<b>44</b>	Subtract line 41 from line 38 Enter -0- if line 41 is more than line 38	<b>44</b>		

**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 )**Lobbying Expenditures During 4-Year Averaging Period**

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	<b>(a)</b> 2006	<b>(b)</b> 2005	<b>(c)</b> 2004	<b>(d)</b> 2003	<b>(e)</b> Total
<b>45</b> Lobbying nontaxable amount					
<b>46</b> Lobbying ceiling amount (150% of line 45(e))					
<b>47</b> Total lobbying expenditures					
<b>48</b> Grassroots nontaxable amount					
<b>49</b> Grassroots ceiling amount (150% of line 48(e))					
<b>50</b> Grassroots lobbying expenditures					

**Part VI-B Lobbying Activity by Nonelecting Public Charities**

(For reporting only by organizations that did not complete Part VI-A) (See page 13 of the instructions.)

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of

- 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**.)

Yes	No	Amount

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



Form 4562

Depreciation and Amortization (Including Information on Listed Property)

OMB No 1545-0172

2006

Department of the Treasury Internal Revenue Service

See separate instructions. Attach to your tax return.

Attachment Sequence No 67

Table with 3 columns: Name(s) shown on return, Business or activity to which this form relates, Identifying number.

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I.

Table with 5 rows for election details, including maximum amount, total cost, and dollar limitation.

Table with 13 rows for cost and elected cost details, including listed property, total elected cost, and carryover.

Note: Do not use Part II or Part III below for listed property. Instead, use Part V.

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property)

Table with 3 rows for special depreciation allowance and other depreciation.

Part III MACRS Depreciation (Do not include listed property.)

Section A

Table with 2 rows for MACRS deductions and group election.

Table with 7 columns: Classification of property, Month and year placed in service, Basis for depreciation, Recovery period, Convention, Method, Depreciation deduction.

Section C—Assets Placed in Service During 2006 Tax Year Using the Alternative Depreciation System

Table with 3 rows for alternative depreciation system assets (class life).

Part IV Summary (see instructions)

Table with 3 rows for summary totals, including listed property and total depreciation.

**Part V Listed Property** (Include automobiles, certain other vehicles, cellular telephones, certain computers, and property used for entertainment, recreation, or amusement.)

**Note:** For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete **only** 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

**Section A—Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles.)**

**24a** Do you have evidence to support the business/investment use claimed?  Yes  No **24b** If "Yes," is the evidence written?  Yes  No

Table with 9 columns: (a) Type of property, (b) Date placed in service, (c) Business/investment use percentage, (d) Cost or other basis, (e) Basis for depreciation, (f) Recovery period, (g) Method/Convention, (h) Depreciation/deduction, (i) Elected section 179 cost. Includes rows 25-29 for special allowances and business use percentages.

**Section B—Information on Use of Vehicles**

Complete this section for vehicles used by a sole proprietor, partner, or other "more than 5% owner," or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles.

Table with 6 main columns for vehicle types (a-f) and sub-columns for 'Yes' and 'No' responses. Rows 30-36 cover total miles driven and personal use availability.

**Section C—Questions for Employers Who Provide Vehicles for Use by Their Employees**

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons (see instructions).

Table with 2 columns: Question (37-41) and Yes/No response columns. Rows 37-41 cover policy statements and requirements for vehicle use.

**Part VI Amortization**

Table with 6 columns: (a) Description of costs, (b) Date amortization begins, (c) Amortizable amount, (d) Code section, (e) Amortization period or percentage, (f) Amortization for this year. Includes rows 42-44 for amortization calculations.

# Additional Data

**Software ID:**  
**Software Version:**  
**EIN:** 76-0192067  
**Name:** Challenger Center for Space science education  
education

## Form 990, Part II, Line 43 - Other expenses not covered above (itemize):

<i>Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.</i>		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
<b>a</b> Office expenses	<b>43a</b>	34,282	28,984	3,012	2,286
<b>b</b> dues and subscriptions	<b>43b</b>	1,299	905	338	56
<b>c</b> designproduction	<b>43c</b>	484,835	317,330		167,505
<b>d</b> Professional Fees	<b>43d</b>	428,581	412,500	9,663	6,418
<b>e</b> Promotion	<b>43e</b>	10,560	10,385		175
<b>f</b> Other	<b>43f</b>	121,241	107,606	5,138	8,497
<b>g</b> cost of goods sold	<b>43g</b>	1,327,847	1,327,847		
<b>h</b> insurance	<b>43h</b>	36,452	25,396	9,490	1,566
<b>i</b> meals	<b>43i</b>	3,068	2,137	799	132
<b>j</b> rental expenses netted against revenue	<b>43j</b>	-322,080		-322,080	

**Form 990, Part V-A - Current Officers, Directors, Trustees, and Key Employees:**

<b>(A) Name and address</b>	<b>(B) Title and average hours per week devoted to position</b>	<b>(C) Compensation (If not paid, enter -0-.)</b>	<b>(D) Contributions to employee benefit plans &amp; deferred compensation plans</b>	<b>(E) Expense account and other allowances</b>
Dr William Gutsch Jr 1250 North Pitt Street Alexandria, VA 22314	President and CEO 40 00	200,000	50,128	0
Lynn Heron 1250 North Pitt Street Alexandria, VA 22314	Executive VP - Operations 40 00	133,465	40,105	0
Ted Borek Jr 1250 North Pitt Street Alexandria, VA 22314	Vice President-Sales Mktg 40 00	113,400	25,483	0
Alan Landever 1250 North Pitt Street Alexandria, VA 22314	Vice President-Network Spt 40 00	113,700	17,128	0
CHarles Birdie 1250 North Pitt Street alexandria, VA 22314	VP - Development 40 00	117,500	17,700	0
Joseph P Allen phd 1250 North Pitt Street Alexandria, VA 22314	Chairman 2 00	0	0	0
Charles Resnik mD 1250 North Pitt Street Alexandria, VA 22314	Vice Chairman 2 00	0	0	0
william f readdy 1250 North Pitt Street Alexandria, VA 22314	secretary 2 00	0	0	0
Charles Walker 1250 North Pitt Street Alexandria, VA 22314	treasurer 2 00	0	0	0
June Scobee Rodgers phd 1250 North Pitt Street Alexandria, VA 22314	Founding Chairman 2 00	0	0	0

**Form 990, Part V-A - Current Officers, Directors, Trustees, and Key Employees:**

<b>(A) Name and address</b>	<b>(B) Title and average hours per week devoted to position</b>	<b>(C) Compensation (If not paid, enter -0-.)</b>	<b>(D) Contributions to employee benefit plans &amp; deferred compensation plans</b>	<b>(E) Expense account and other allowances</b>
Marcia Jarvis-Tinsley 1250 North Pitt Street Alexandria, VA 22314	Founding Director 2 00	0	0	0
Steven McAuliffe 1250 North Pitt Street Alexandria, VA 22314	Founding Director 2 00	0	0	0
Cheryl McNair 1250 North Pitt Street Alexandria, VA 22314	Founding Director 2 00	0	0	0
Lorna Onizuka 1250 North Pitt Street Alexandria, VA 22314	Founding Director 2 00	0	0	0
Jane Smith Wolcott 1250 North Pitt Street Alexandria, VA 22314	Founding Director 2 00	0	0	0
dan RENBERG 1250 North Pitt Street Alexandria, VA 22314	Board Member 2 00	0	0	0
Edward Fort 1250 North Pitt Street Alexandria, VA 22314	Board Member 2 00	0	0	0
Paul Koehler 1250 North Pitt Street Alexandria, VA 22314	Board Member 2 00	0	0	0
Deborah J de la Reguera 1250 North Pitt Street Alexandria, VA 22314	Board Member 2 00	0	0	0
Lani McCool 1250 North Pitt Street Alexandria, VA 22314	Board Member 2 00	0	0	0

**Form 990, Part V-A - Current Officers, Directors, Trustees, and Key Employees:**

<b>(A) Name and address</b>	<b>(B) Title and average hours per week devoted to position</b>	<b>(C) Compensation (If not paid, enter -0-.)</b>	<b>(D) Contributions to employee benefit plans &amp; deferred compensation plans</b>	<b>(E) Expense account and other allowances</b>
Alan Salisbury 1250 North Pitt Street Alexandria, VA 22314	Board Member 2 00	0	0	0
Winnie Wooley 1250 North Pitt Street Alexandria, VA 22314	Board Member 2 00	0	0	0
wENDY oWEN 1250 North Pitt Street alexandria, VA 22314	board Member 2 00	0	0	0

**Form 990, Part VI, Line 90a - List the states with which a copy of this return is filed:**

List the states with which a copy of this return is filed	AK, AR, CA, CT, CO, GA, IL, KS, KY, MD, MI, MA, MN, MS, MO, NH, NJ, NY, NM, OH, OR, PA, SC, TN, UT, VA, WA, WI
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## TY 2006 Depreciation and Depletion Schedule

**Name:** Challenger Center for Space science education  
education

**EIN:** 76-0192067

**TY 2006 Land etc. Schedule**

**Name:** Challenger Center for Space science education  
education

**EIN:** 76-0192067

<b>Category/Item</b>	<b>Cost/Other Basis</b>	<b>Accumulated Depreciation</b>	<b>Book Value</b>
leasehold improvements	92,126	57,099	35,027
Challenger Learning Center of Greater Washington (CLCGW)	425,305	263,084	162,221
Exhibits	211,033	100,241	110,792
Equipment	646,489	590,043	56,446
Furniture and fixtures	255,127	254,819	308

### TY 2006 Loans from Officers Schedule

**Name:** Challenger Center for Space science education  
education

**EIN:** 76-0192067

<b>Item No.</b>	1
<b>Lender's Name</b>	June Scobee Rodgers
<b>Lender's Title</b>	Director
<b>Original Amount of Loan</b>	100000
<b>Balance Due</b>	75000
<b>Date of Note</b>	2001-03
<b>Maturity Date</b>	2007-03
<b>Repayment Terms</b>	Payment in full
<b>Interest Rate</b>	8.2500
<b>Security Provided by Borrower</b>	none
<b>Purpose of Loan</b>	Operating needs
<b>Description of Lender Consideration</b>	none
<b>Consideration FMV</b>	

<b>Item No.</b>	2
<b>Lender's Name</b>	Laurence J Adams
<b>Lender's Title</b>	Former Director
<b>Original Amount of Loan</b>	50000
<b>Balance Due</b>	50000
<b>Date of Note</b>	2001-05
<b>Maturity Date</b>	2007-05
<b>Repayment Terms</b>	Payment in full
<b>Interest Rate</b>	8.2500
<b>Security Provided by Borrower</b>	None
<b>Purpose of Loan</b>	Operating needs
<b>Description of Lender Consideration</b>	None
<b>Consideration FMV</b>	

## TY 2006 Other Assets Schedule

**Name:** Challenger Center for Space science education  
education

**EIN:** 76-0192067

Description	Beginning of Year Amount	End of Year Amount
Beneficial Interest in Trust Fund	15,847,748	15,821,554
Deposits	5,918	5,918

## TY 2006 Other Changes in Net Assets Schedule

**Name:** Challenger Center for Space science education  
education

**EIN:** 76-0192067

Description	Amount
Change in fair market value of beneficial trust	-26,194
In-kind contributions	483,000

**TY 2006 Other Expenses Included Schedule**

**Name:** Challenger Center for Space science education  
education

**EIN:** 76-0192067

Description	Amount
Change in fair value of beneficial interest in trust fund	26,194
rental expenses netted against revenue	322,080

## TY 2006 Other Liabilities Schedule

**Name:** Challenger Center for Space science education  
education

**EIN:** 76-0192067

Description	Beginning of Year Amount	End of Year Amount
overdrafts		51,357
line of credit		12,000

**TY 2006 Other Revenues Included Schedule**

**Name:** Challenger Center for Space science education  
education

**EIN:** 76-0192067

Description	Amount
deferred gain - GAAP reporting for audited financial statements	208,890

**TY 2006 Other Revenues  
Not Included Schedule**

**Name:** Challenger Center for Space science education  
education

**EIN:** 76-0192067

Description	Amount
rental expenses netted against revenue	-322,080

## TY 2006 Other Income Schedule

**Name:** Challenger Center for Space science education  
education

**EIN:** 76-0192067

Description	2003	2002	2001	2000	Total
Other income	5,256	29,705	3,134	11,058	49,153

## TY 2006 Self Dealing Statement

**Name:** Challenger Center for Space science education  
education

**EIN:** 76-0192067

Line Number	Explanation
2b	See statement 8

Form **8453-EO**

**Exempt Organization Declaration and Signature for Electronic Filing**

OMB No 1545-1879

For calendar year 2006, or tax year beginning JUL 1, 2006, and ending JUN 30 2007

**2006**

Department of the Treasury  
Internal Revenue Service

For use with Forms 990, 990-EZ, 990-PF, 1120-POL, and 8868

▶ See instructions.

Name of exempt organization **CHALLENGER CENTER FOR SPACE SCIENCE**  
**EDUCATION**

Employer identification number  
**76-0192067**

**Part I Type of Return and Return Information** (Whole Dollars Only)

Check the box for the return for which you are using this Form 8453-EO and enter the applicable amount from the return if any. If you check the box on line 1a, 2a, 3a, 4a, or 5a below and the amount on that line for the return for which you are filing this form was blank, then leave line 1b, 2b, 3b, 4b, or 5b, whichever is applicable, blank (that is, do not enter 0-) But, if you entered 0- on the return, then enter 0- on the applicable line below Do not complete more than 1 line in Part I

1a Form 990 check here ▶ <input checked="" type="checkbox"/>	b Total revenue, if any (Form 990, line 12)	1b	<u>4178953</u>
2a Form 990-EZ check here ▶ <input type="checkbox"/>	b Total revenue, if any (Form 990 EZ, line 9)	2b	
3a Form 1120-POL check here ▶ <input type="checkbox"/>	b Total tax (Form 1120-POL, line 22)	3b	
4a Form 990-PF check here ▶ <input type="checkbox"/>	b Tax based on investment income (Form 990 PF, Part VI, line 5)	4b	
5a Form 8868 check here ▶ <input type="checkbox"/>	b Balance due (Form 8868, line 3c)	5b	

**Part II Declaration of Officer**

6  I authorize the U S Treasury and its designated Financial Agent to initiate an ACH electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the organization's federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U S Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment

If a copy of this return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I certify that I executed the electronic disclosure consent contained within this return allowing disclosure by the IRS of this Form 990/990 EZ/990-PF (as specifically identified in Part I above) to the selected state agency(ies).

Under penalties of perjury, I declare that I am an officer of the above named organization and that I have examined a copy of the organization's 2006 electronic return and accompanying schedules and statements and to the best of my knowledge and belief, they are true, correct, and complete I further declare that the amount in Part I above is the amount shown on the copy of the organization's electronic return I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send the organization's return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) an indication of any refund offset, (c) the reason for any delay in processing the return or refund, and (d) the date of any refund

Sign Here ▶ *Stephen Heron* Date 5/13/08 Title PRESIDENT

Signature of officer

**Part III Declaration of Electronic Return Originator (ERO) and Paid Preparer** (see Instructions)

I declare that I have reviewed the above organization's return and that the entries on Form 8453-EO are complete and correct to the best of my knowledge If I am only a collector, I am not responsible for reviewing the return and only declare that this form accurately reflects the data on the return The organization officer will have signed this form before I submit the return I will give the officer a copy of all forms and information to be filed with the IRS, and have followed all other requirements in Publication 4206, Information for Authorized IRS e-file Providers of Exempt Organization Filings If I am also the Paid Preparer, under penalties of perjury I declare that I have examined the above organization's return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete This Paid Preparer declaration is based on all information of which I have any knowledge

ERO's Use Only

ERO's signature *[Signature]* Date 5/13/08 Check if also paid preparer  Check if self-employed  ERO's SSN or PTIN P00342066 / 563708

Firm's name (or yours if self-employed), address, and ZIP code JOHNSON LAMBERT & CO LLP EIN 52-1446779

700 SPRING FOREST ROAD, STE 335 Phone no 919-719-6400

RALEIGH, NC 27609

Under penalties of perjury, I declare that I have examined the above return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete Declaration of preparer is based on all information of which the preparer has any knowledge

Paid Preparer's Use Only

Preparer's signature *[Signature]* Date \_\_\_\_\_ Check if self-employed  Preparer's SSN or PTIN \_\_\_\_\_

Firm's name (or yours if self-employed), address, and ZIP code \_\_\_\_\_ EIN 52-1446779

Phone no \_\_\_\_\_