

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  
**2006**  
**Open to Public Inspection**

**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**  
 THE BABY FOLD

Number and street (or P O box if mail is not delivered to street address) Room/suite  
 108 EAST WILLOW STREET

City or town, state or country, and ZIP + 4  
 NORMAL, IL 61761

**D Employer identification number**  
 37-0673453

**E Telephone number**  
 (309) 452-1170

**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 Web site:** WWWTHEBABYFOLD.ORG

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

**K** Check here  if the organization is not a 509(a)(3) supporting organization and its gross receipts are normally not more than 25,000. A return is not required, but if the organization chooses to file a return, be sure to file a complete return.

**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 \_\_\_\_\_

**H(c)** Are all affiliates included?  Yes  No  
 (If "No," attach a list. See instructions.)

**H(d)** Is this a separate return filed by an organization covered by a group ruling?  Yes  No

**I** Group Exemption Number \_\_\_\_\_

**M** Check  if the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF)

**L** Gross receipts. Add lines 6b, 8b, 9b, and 10b to line 12: 16,737,563

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

Revenue					
<b>1</b>	Contributions, gifts, grants, and similar amounts received				
<b>a</b>	Contributions to donor advised funds	<b>1a</b>			
<b>b</b>	Direct public support (not included on line 1a)	<b>1b</b>	670,836		
<b>c</b>	Indirect public support (not included on line 1a)	<b>1c</b>	136,557		
<b>d</b>	Government contributions (grants) (not included on line 1a)	<b>1d</b>	11,570,665		
<b>e</b>	<b>Total</b> (add lines 1a through 1d) (cash \$ 12,355,152 noncash \$ 22,906 )	<b>1e</b>		12,378,058	
<b>2</b>	Program service revenue including government fees and contracts (from Part VII, line 93)	<b>2</b>		72,190	
<b>3</b>	Membership dues and assessments	<b>3</b>			
<b>4</b>	Interest on savings and temporary cash investments	<b>4</b>		7,821	
<b>5</b>	Dividends and interest from securities	<b>5</b>		123,349	
<b>6a</b>	Gross rents	<b>6a</b>	305,522		
<b>b</b>	Less rental expenses	<b>6b</b>	82,011		
<b>c</b>	Net rental income or (loss) subtract line 6b from line 6a	<b>6c</b>		223,511	
<b>7</b>	Other investment income (describe _____)	<b>7</b>		522,268	
<b>8a</b>	Gross amount from sales of assets other than inventory	(A) Securities	3,026,241	<b>8a</b>	8,262
<b>b</b>	Less cost or other basis and sales expenses		2,746,430	<b>8b</b>	
<b>c</b>	Gain or (loss) (attach schedule)		279,811	<b>8c</b>	8,262
<b>d</b>	Net gain or (loss) Combine line 8c, columns (A) and (B)			<b>8d</b>	288,073
<b>9</b>	Special events and activities (attach schedule) If any amount is from gaming, check here <input type="checkbox"/>				
<b>a</b>	Gross revenue (not including \$ _____ of contributions reported on line 1b)	<b>9a</b>	256,140		
<b>b</b>	Less direct expenses other than fundraising expenses	<b>9b</b>	117,784		
<b>c</b>	Net income or (loss) from special events Subtract line 9b from line 9a	<b>9c</b>		138,356	
<b>10a</b>	Gross sales of inventory, less returns and allowances	<b>10a</b>			
<b>b</b>	Less cost of goods sold	<b>10b</b>			
<b>c</b>	Gross profit or (loss) from sales of inventory (attach schedule) Subtract line 10b from line 10a	<b>10c</b>			
<b>11</b>	Other revenue (from Part VII, line 103)	<b>11</b>		37,712	
<b>12</b>	<b>Total revenue</b> Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11	<b>12</b>		13,791,338	
<b>Expenses</b>					
<b>13</b>	Program services (from line 44, column (B))	<b>13</b>		11,796,691	
<b>14</b>	Management and general (from line 44, column (C))	<b>14</b>		1,492,432	
<b>15</b>	Fundraising (from line 44, column (D))	<b>15</b>		368,005	
<b>16</b>	Payments to affiliates (attach schedule)	<b>16</b>			
<b>17</b>	<b>Total expenses</b> Add lines 16 and 44, column (A)	<b>17</b>		13,657,128	
<b>Net Assets</b>					
<b>18</b>	Excess or (deficit) for the year Subtract line 17 from line 12	<b>18</b>		134,210	
<b>19</b>	Net assets or fund balances at beginning of year (from line 73, column (A))	<b>19</b>		17,020,062	
<b>20</b>	Other changes in net assets or fund balances (attach explanation)	<b>20</b>		-11,193	
<b>21</b>	Net assets or fund balances at end of year Combine lines 18, 19, and 20	<b>21</b>		17,143,079	

**Part II Statement of Functional Expenses**

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

<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>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) <input type="checkbox"/>	<b>23</b>	41,255	41,255	
<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>	165,510	165,510	
<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>	8,427,036	7,549,422	652,000 225,614
<b>27</b>	Pension plan contributions not included on lines 25a, b and c	<b>27</b>	231,116	209,806	13,710 7,600
<b>28</b>	Employee benefits not included on lines 25a - 27	<b>28</b>	1,199,051	1,050,139	119,783 29,129
<b>29</b>	Payroll taxes	<b>29</b>	624,517	551,539	55,844 17,134
<b>30</b>	Professional fundraising fees	<b>30</b>			
<b>31</b>	Accounting fees	<b>31</b>	19,730	580	19,150
<b>32</b>	Legal fees	<b>32</b>	2,832		2,832
<b>33</b>	Supplies	<b>33</b>	363,100	310,069	51,905 1,126
<b>34</b>	Telephone	<b>34</b>	60,877	38,587	20,246 2,044
<b>35</b>	Postage and shipping	<b>35</b>	24,880	376	21,775 2,729
<b>36</b>	Occupancy	<b>36</b>	791,566	691,983	85,455 14,128
<b>37</b>	Equipment rental and maintenance	<b>37</b>	34,063	21,086	3,879 9,098
<b>38</b>	Printing and publications	<b>38</b>	22,554	2,356	3,325 16,873
<b>39</b>	Travel	<b>39</b>	155,379	145,661	8,141 1,577
<b>40</b>	Conferences, conventions, and meetings	<b>40</b>	56,927	34,562	17,258 5,107
<b>41</b>	Interest	<b>41</b>	194,426	163,500	30,926
<b>42</b>	Depreciation, depletion, etc (attach schedule) <input type="checkbox"/>	<b>42</b>	552,684	476,332	63,708 12,644
<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>	<b>Total functional expenses.</b> Add lines 22a through 43g (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	<b>44</b>	13,657,128	11,796,691	1,492,432 368,005

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

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

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

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

<p>What is the organization's primary exempt purpose? <b>▶ PROVIDE CARE, EDUCATION AND TRAINING FOR CHILDREN</b></p> <p>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.)</p>	<p><b>Program Service Expenses</b> (Required for 501(c)(3) and (4) orgs, and 4947(a)(1) trusts, but optional for others.)</p>
<p><b>a</b> See Additional Data Table</p> <p>(Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/></p>	
<p><b>b</b></p> <p>(Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/></p>	
<p><b>c</b></p> <p>(Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/></p>	
<p><b>d</b></p> <p>(Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/></p>	
<p><b>e</b> Other program services (attach schedule)</p> <p>(Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/></p>	
<p><b>f Total of Program Service Expenses</b> (should equal line 44, column (B), Program services) . . . . <input type="checkbox"/></p>	<p>11,796,691</p>

**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)		(B)
				Beginning of year		End of year
Assets	<b>45</b> Cash—non-interest-bearing . . . . .				<b>45</b>	
	<b>46</b> Savings and temporary cash investments . . . . .			718,041	<b>46</b>	980,190
	<b>47a</b> Accounts receivable . . . . .	<b>47a</b>	1,138,633			
	<b>b</b> Less allowance for doubtful accounts	<b>47b</b>		1,295,055	<b>47c</b>	1,138,633
	<b>48a</b> Pledges receivable . . . . .	<b>48a</b>	36,402			
	<b>b</b> Less allowance for doubtful accounts	<b>48b</b>		41,236	<b>48c</b>	36,402
	<b>49</b> Grants receivable . . . . .				<b>49</b>	
	<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 . . . . .			43,784	<b>52</b>	52,311
	<b>53</b> Prepaid expenses and deferred charges . . . . .			134,438	<b>53</b>	154,394
	<b>54a</b> Investments—publicly-traded securities <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV			4,562,185	<b>54a</b>	5,605,025
	<b>b</b> Investments—other securities (attach schedule) <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV			929,795	<b>54b</b>	46,920
	<b>55a</b> Investments—land, buildings, and equipment basis . . . . .	<b>55a</b>	1,739,606			
	<b>b</b> Less accumulated depreciation (attach schedule) . . . . .	<b>55b</b>		1,739,606	<b>55c</b>	1,739,606
	<b>56</b> Investments—other (attach schedule) . . . . .				<b>56</b>	
<b>57a</b> Land, buildings, and equipment basis	<b>57a</b>	15,269,122				
<b>b</b> Less accumulated depreciation (attach schedule) . . . . .	<b>57b</b>	6,468,958	9,115,413	<b>57c</b>	8,800,164	
<b>58</b> Other assets, including program-related investments (describe <input type="checkbox"/> _____ )			3,386,379	<b>58</b>	3,717,023	
<b>59 Total assets</b> (must equal line 74) Add lines 45 through 58 . . . . .			21,965,932	<b>59</b>	22,270,668	
Liabilities	<b>60</b> Accounts payable and accrued expenses . . . . .			933,176	<b>60</b>	1,423,527
	<b>61</b> Grants payable . . . . .				<b>61</b>	
	<b>62</b> Deferred revenue . . . . .			215,920	<b>62</b>	226,910
	<b>63</b> Loans from officers, directors, trustees, and key employees (attach schedule) . . . . .				<b>63</b>	
	<b>64a</b> Tax-exempt bond liabilities (attach schedule) . . . . .			3,625,481	<b>64a</b>	3,338,468
	<b>b</b> Mortgages and other notes payable (attach schedule) . . . . .				<b>64b</b>	
	<b>65</b> Other liabilities (describe <input type="checkbox"/> _____ )			171,293	<b>65</b>	138,684
<b>66 Total liabilities</b> Add lines 60 through 65 . . . . .			4,945,870	<b>66</b>	5,127,589	
Net Assets or Fund Balances	<b>Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74</b>					
	<b>67</b> Unrestricted . . . . .			13,324,040	<b>67</b>	13,063,199
	<b>68</b> Temporarily restricted . . . . .				<b>68</b>	
	<b>69</b> Permanently restricted . . . . .			3,696,022	<b>69</b>	4,079,880
	<b>Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74</b>					
	<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 <b>or</b> lines 70 through 72 (Column (A) <b>must</b> equal line 19 and column (B) <b>must</b> equal line 21) . . . . .			17,020,062	<b>73</b>	17,143,079
	<b>74 Total liabilities and net assets / fund balances</b> Add lines 66 and 73 . . . . .			21,965,932	<b>74</b>	22,270,668

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

<b>a</b>	Total revenue, gains, and other support per audited financial statements . . . . .	<b>a</b>	14,369,550
<b>b</b>	Amounts included on line <b>a</b> but not on Part I, line 12		
<b>1</b>	Net unrealized gains on investments . . . . .	<b>b1</b>	460,428
<b>2</b>	Donated services and use of facilities . . . . .	<b>b2</b>	
<b>3</b>	Recoveries of prior year grants . . . . .	<b>b3</b>	
<b>4</b>	Other (specify) _____	<b>b4</b>	
	Add lines <b>b1</b> through <b>b4</b> . . . . .	<b>b</b>	460,428
<b>c</b>	Subtract line <b>b</b> from line <b>a</b> . . . . .	<b>c</b>	13,909,122
<b>d</b>	Amounts included on Part I, line 12, but not on line <b>a</b> :		
<b>1</b>	Investment expenses not included on Part I, line 6b . . . . .	<b>d1</b>	
<b>2</b>	Other (specify) _____	<b>d2</b>	-117,784
	Add lines <b>d1</b> and <b>d2</b> . . . . .	<b>d</b>	460,428
<b>e</b>	<b>Total revenue</b> (Part I, line 12) Add lines <b>c</b> and <b>d</b> . . . . .	<b>e</b>	13,791,338

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

<b>a</b>	Total expenses and losses per audited financial statements . . . . .	<b>a</b>	13,774,912
<b>b</b>	Amounts included on line <b>a</b> but not on Part I, line 17		
<b>1</b>	Donated services and use of facilities . . . . .	<b>b1</b>	
<b>2</b>	Prior year adjustments reported on Part I, line 20 . . . . .	<b>b2</b>	
<b>3</b>	Losses reported on Part I, line 20 . . . . .	<b>b3</b>	
<b>4</b>	Other (specify) _____	<b>b4</b>	
	Add lines <b>b1</b> through <b>b4</b> . . . . .	<b>b</b>	
<b>c</b>	Subtract line <b>b</b> from line <b>a</b> . . . . .	<b>c</b>	13,774,912
<b>d</b>	Amounts included on Part I, line 17, but not on line <b>a</b> :		
<b>1</b>	Investment expenses not included on Part I, line 6b . . . . .	<b>d1</b>	
<b>2</b>	Other (specify) _____	<b>d2</b>	-117,784
	Add lines <b>d1</b> and <b>d2</b> . . . . .	<b>d</b>	-117,784
<b>e</b>	<b>Total expenses</b> (Part I, line 17) Add lines <b>c</b> and <b>d</b> . . . . .	<b>e</b>	13,657,128

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

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (If not paid, enter -0-.)	(D) Contributions to employee benefit plans & deferred compensation plans	(E) Expense account and other allowances
See Additional Data Table				

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

<p><b>75a</b> Enter the total number of officers, directors, and trustees permitted to vote on organization business at board meetings . . . . . <b>25</b></p>			
<p><b>b</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) . . . . .</p>	<b>75b</b>		No
<p><b>c</b> 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 the organization? See the instructions for the definition of "related organization" . . . . .</p> <p>If "Yes," attach a statement that includes the information described in the instructions</p>	<b>75c</b>		No
<p><b>d</b> Does the organization have a written conflict of interest policy? . . . . .</p>	<b>75d</b>	Yes	

**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 (If not paid enter -0- )	(D) Contributions to employee benefit plans and deferred compensation plans	(E) Expense account and other allowances

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

<p><b>76</b> Did the organization make a change in its activities or methods of conducting activities? If "Yes," attach a detailed statement of each change . . . . .</p>	<b>76</b>		No
<p><b>77</b> Were any changes made in the organizing or governing documents but not reported to the IRS? . . . . .</p> <p>If "Yes," attach a conformed copy of the changes</p>	<b>77</b>		No
<p><b>78a</b> Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return? . . . . .</p>	<b>78a</b>		No
<p><b>b</b> If "Yes," has it filed a tax return on <b>Form 990-T</b> for this year? . . . . .</p>	<b>78b</b>		
<p><b>79</b> Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement . . . . .</p>	<b>79</b>		No
<p><b>80a</b> 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? . . . . .</p>	<b>80a</b>		No
<p><b>b</b> If "Yes," enter the name of the organization ▶ _____ _____ and check whether it is <input type="checkbox"/> exempt or <input type="checkbox"/> nonexempt</p>			
<p><b>81a</b> Enter direct or indirect political expenditures (See line 81 instructions) . . . . . <b>81a</b> _____</p>	<b>81a</b>		
<p><b>b</b> Did the organization file <b>Form 1120-POL</b> for this year? . . . . .</p>	<b>81b</b>		No

Part VI Other Information (continued)

Yes No

82a Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?
82b If "Yes," you may indicate the value of these items here
83a Did the organization comply with the public inspection requirements for returns and exemption applications?
83b Did the organization comply with the disclosure requirements relating to quid pro quo contributions?
84a Did the organization solicit any contributions or gifts that were not tax deductible?
84b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?
85 501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members?
85b Did the organization make only in-house lobbying expenditures of \$2,000 or less?
85c Dues assessments, and similar amounts from members
85d Section 162(e) lobbying and political expenditures
85e Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices
85f Taxable amount of lobbying and political expenditures (line 85d less 85e)
85g Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?
85h 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?
86 501(c)(7) orgs. Enter a Initiation fees and capital contributions included on line 12
86b Gross receipts, included on line 12, for public use of club facilities
87 501(c)(12) orgs. Enter a Gross income from members or shareholders
87b Gross income from other sources
88a At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3?
88b At any time during the year, did the organization directly or indirectly own a controlled entity within the meaning of section 512(b)(13)?
89a 501(c)(3) organizations Enter Amount of tax imposed on the organization during the year under section 4911, section 4912, section 4955
89b 501(c)(3) and 501(c)(4) orgs. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year?
89c Enter Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958
89d Enter Amount of tax on line 89c, above, reimbursed by the organization
89e All organizations. At any time during the tax year was the organization a party to a prohibited tax shelter transaction?
89f All organizations. Did the organization acquire direct or indirect interest in any applicable insurance contract?
89g For supporting organizations and sponsoring organizations maintaining donor advised funds. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?
90a List the states with which a copy of this return is filed
90b Number of employees employed in the pay period that includes March 12, 2006
91a The books are in care of JENNIFER KEEN Telephone no (309) 452-1170
THE BABY FOLD 108 EAST WILLOW STREET
Located at NORMAL, IL ZIP + 4 61761
91b 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)?

Part VI Other Information (continued)

c At any time during the calendar year, did the organization maintain an office outside of the United States? 91c Yes No

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

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.

Table with 5 main columns: (A) Business code, (B) Amount, (C) Exclusion code, (D) Amount, (E) Related or exempt function income. Rows include 93 Program service revenue, 94 Membership dues and assessments, 95 Interest on savings and temporary cash investments, 96 Dividends and interest from securities, 97 Net rental income or (loss) from real estate, 98 Net rental income or (loss) from personal property, 99 Other investment income, 100 Gain or (loss) from sales of assets other than inventory, 101 Net income or (loss) from special events, 102 Gross profit or (loss) from sales of inventory, 103 Other revenue, 104 Subtotal, 105 Total.

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.)

Table with 2 columns: 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.

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

Table with 5 columns: (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? (b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? 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.	
	***** Signature of officer	2008-01-09 Date
	CEO ceo Type or print name and title	

<b>Paid Preparer's Use Only</b>	Preparer's signature ▶ SAMUEL A CIGELNIK	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 ▶ CLIFTON GUNDERSON LLP 301 SW ADAMS STREET BOX 1835 PEORIA, IL 616561835			EIN ▶
				Phone no ▶ (309) 671-4500

**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.)**

OMB No 1545-0047

**2006**

Department of the Treasury  
Internal Revenue Service

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

Name of the organization  
THE BABY FOLD

**Employer identification number**

37-0673453

**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
ROBERT LUSK 108 EAST WILLOW STREET NORMAL, IL 61761	DIR-CLINICAL 37 50	75,770	14,594	0
DIANE SCHULTZ 108 EAST WILLOW STREET NORMAL, IL 61761	DIR-ACADEMIC 37 50	80,962	20,918	0
KAREN MAJOR 108 EAST WILLOW STREET NORMAL, IL 61761	DIR-FAMILY 37 50	75,585	16,913	0
JULIE PAYNE 108 EAST WILLOW STREET NORMAL, IL 61761	DIR- DPR 37 50	76,256	1,974	0
LUIS CORNEJO 108 EAST WILLOW STREET NORMAL, IL 61761	DIR-INFO SER 37 50	75,091	12,647	0
Total number of other employees paid over \$50,000	19			

**Part II-A Compensation of the Five Highest Paid Independent Contractors for Professional Services**  
(See page 2 of the instructions. List each one (whether individuals or firms). If there are none, enter "None.")

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

**Part II-B Compensation of the Five Highest Paid Independent Contractors for Other Services**  
(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter "None". See page 2 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> <p><b>a</b> Sale, exchange, or leasing property?</p>	<b>2a</b>		No
<p><b>b</b> Lending of money or other extension of credit?</p>	<b>2b</b>		No
<p><b>c</b> Furnishing of goods, services, or facilities?</p>	<b>2c</b>		No
<p><b>d</b> Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?</p>	<b>2d</b>	Yes	
<p><b>e</b> Transfer of any part of its income or assets?</p>	<b>2e</b>		No
<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 )	1,999,452	1,172,258	1,246,729	1,563,966	5,982,405
<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	11,087,155	10,498,459	10,147,923	9,214,451	40,947,988
<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	277,383	259,829	297,616	314,564	1,149,392
<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	30,990	6,364	15,608	15,075	68,037
<b>23</b> Total of lines 15 through 22	13,394,980	11,936,910	11,707,876	11,108,056	48,147,822
<b>24</b> Line 23 minus line 17	2,307,825	1,438,451	1,559,953	1,893,605	7,199,834
<b>25</b> Enter 1% of line 23	133,950	119,369	117,079	111,081	
<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> 143,997
<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> 965,395
<b>c</b> Total support for section 509(a)(1) test Enter line 24, column (e)					<b>26c</b> 7,199,834
<b>d</b> Add Amounts from column (e) for lines	18 1,149,392	19 0			
	22	26b 965,395			<b>26d</b> 2,182,824
<b>e</b> Public support (line 26c minus line 26d total)					<b>26e</b> 5,017,010
<b>f</b> Public support percentage (line 26e (numerator) divided by line 26c (denominator))					<b>26f</b> 6968 23 %
<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>29</b>	
<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>30</b>	
<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>31</b>	
<hr/>		
<hr/>		
<hr/>		
<b>32</b> Does the organization maintain the following	<b>32a</b>	
<b>a</b> Records indicating the racial composition of the student body, faculty, and administrative staff?	<b>32a</b>	
<b>b</b> Records documenting that scholarships and other financial assistance are awarded on racially nondiscriminatory basis?	<b>32b</b>	
<b>c</b> Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	<b>32c</b>	
<b>d</b> Copies of all material used by the organization or on its behalf to solicit contributions?	<b>32d</b>	
If you answered "No" to any of the above, please explain (If you need more space, attach a separate statement )		
<hr/>		
<hr/>		
<b>33</b> Does the organization discriminate by race in any way with respect to		
<b>a</b> Students' rights or privileges?	<b>33a</b>	
<b>b</b> Admissions policies?	<b>33b</b>	
<b>c</b> Employment of faculty or administrative staff?	<b>33c</b>	
<b>d</b> Scholarships or other financial assistance?	<b>33d</b>	
<b>e</b> Educational policies?	<b>33e</b>	
<b>f</b> Use of facilities?	<b>33f</b>	
<b>g</b> Athletic programs?	<b>33g</b>	
<b>h</b> Other extracurricular activities?	<b>33h</b>	
If you answered "Yes" to any of the above, please explain (If you need more space, attach a separate statement )		
<hr/>		
<hr/>		
<b>34a</b> Does the organization receive any financial aid or assistance from a governmental agency?	<b>34a</b>	
<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>34b</b>	
<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	<b>35</b>	

**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

**Part VII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations** (See page 13 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
<b>51a(i)</b>		No
<b>a(ii)</b>		No
<b>b(i)</b>		No
<b>b(ii)</b>		No
<b>b(iii)</b>		No
<b>b(iv)</b>		No
<b>b(v)</b>		No
<b>b(vi)</b>		No
<b>c</b>		No

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements

**52a** 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

(a) Name of organization	(b) Type of organization	(c) Description of relationship



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 3 columns: Line number, Description, Amount.

Table with 3 columns: (a) Description of property, (b) Cost (business use only), (c) Elected cost.

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) (See instructions.)

Table with 3 columns: Line number, Description, Amount.

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

Section A

Table with 3 columns: Line number, Description, Amount.

Table with 7 columns: (a) Classification of property, (b) Month and year placed in service, (c) Basis for depreciation, (d) Recovery period, (e) Convention, (f) Method, (g) Depreciation deduction.

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

Table with 6 columns: Line number, Description, Recovery period, Convention, Method, Amount.

Part IV Summary (see instructions)

Table with 3 columns: Line number, Description, Amount.

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.

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: (a) Vehicle 1, (b) Vehicle 2, (c) Vehicle 3, (d) Vehicle 4, (e) Vehicle 5, (f) Vehicle 6. Rows 30-36 covering 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. Questions regarding written policies and employee use of vehicles.

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. Rows 42-44.

## Additional Data

**Software ID:**  
**Software Version:**  
**EIN:** 37-0673453  
**Name:** THE BABY FOLD

### 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> DUES & SUBSCRIPTIONS	<b>43a</b>	32,057	7,343	24,454	260
<b>b</b> FOSTER HOME CARE	<b>43b</b>	365,266	365,266		
<b>c</b> AUTO INSURANCE	<b>43c</b>	13,912	13,425	487	
<b>d</b> BOARD OF TRUSTEES	<b>43d</b>	3,698		3,698	
<b>e</b> MISCELLANEOUS	<b>43e</b>	22,368	7,518	13,000	1,850
<b>f</b> CONSULTING FEES	<b>43f</b>	173,114	115,623	57,470	21
<b>g</b> DATA PROCESSING	<b>43g</b>	63,434	263	57,876	5,295
<b>h</b> annuity payments	<b>43h</b>	15,776			15,776

**Form 990, Part III - Program Service Accomplishments:**

<b>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>	<b>Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)</b>
<b>a</b> RESIDENTIAL TREATMENT CENTER - 10,102 DAYS OF CARE  (Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	3,439,101
<b>b</b> HAMMITT SCHOOL - 20,516 days of school  (Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	3,205,805
<b>c</b> hammitt high school - 6,797 days of school  (Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	1,134,654
<b>d</b> FOSTER PROFESSIONAL CARE - 3,213 days of care  (Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	748,270
<b>e</b> PARTNERS COUNTY OUTREACH  (Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	87,700
<b>f</b> TRAINING AND CONSULTATION  (Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	42,189
<b>g</b> EDUCATION OUTREACH  (Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	56,718
<b>h</b> ADOPTION - 21 children placed  (Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	248,222
<b>i</b> foster traditional/relative care - 43,774 days of care  (Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	1,358,101
<b>j</b> FOSTER SPECIALIZED - 797 days of care  (Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	93,595
<b>k</b> PREGNANCY COUNSELING  (Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	19,983
<b>l</b> KEEPING THE PROMISE  (Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	393,663
<b>m</b> HEALTHY START  (Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	271,556
<b>n</b> PROJECT CHOICES  (Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	62,530
<b>o</b> FAMILY SOLUTIONS  (Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	208,283
<b>p</b> FAMILY SUPPORT INITIATIVE  (Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	152,375
<b>q</b> second chance renters  (Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	53,983
<b>r</b> life skills training  (Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	27,806
<b>s</b> THERAPEUTIC STABILIZATION  (Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	142,896
<b>t</b> ktp respite  (Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	31,241
<b>u</b> HORIZONS COUNSELING  (Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	18,020

**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>
DALE STRASSHEIM 108 EAST WILLOW STREET NORMAL,IL 61761	PRESIDENT 37 50	153,315	12,195	0
REV KRISTA BROCKMAN 108 EAST WILLOW STREET NORMAL,IL 61761	DIRECTOR 1 00	0	0	0
MICHAEL JOHNSON 108 EAST WILLOW STREET NORMAL,IL 61761	CHAIRMAN 1 00	0	0	0
LARRY PHILLIPS 108 EAST WILLOW STREET NORMAL,IL 61761	DIRECTOR 1 00	0	0	0
GIGI FANSLER 108 EAST WILLOW STREET NORMAL,IL 61761	VICE CHAIRMAN 1 00	0	0	0
SUSAN HOBLIT 108 EAST WILLOW STREET NORMAL,IL 61761	DIRECTOR 1 00	0	0	0
SUSAN KERN 108 EAST WILLOW STREET NORMAL,IL 61761	DIRECTOR 1 00	0	0	0
JOHN MARSHALL 108 EAST WILLOW STREET NORMAL,IL 61761	DIRECTOR 1 00	0	0	0
ROBERT MCDADE 108 EAST WILLOW STREET NORMAL,IL 61761	DIRECTOR 1 00	0	0	0
WANDA BRACY 108 EAST WILLOW STREET NORMAL,IL 61761	DIRECTOR 1 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>
HARRIET O'DAFFER 108 EAST WILLOW STREET NORMAL,IL 61761	DIRECTOR 1 00	0	0	0
CAROLYN THOMAS 108 EAST WILLOW STREET NORMAL,IL 61761	DIRECTOR 1 00	0	0	0
DEB WANNEMACHER 108 EAST WILLOW STREET NORMAL,IL 61761	DIRECTOR 1 00	0	0	0
NANCY YARGER 108 EAST WILLOW STREET NORMAL,IL 61761	DIRECTOR 1 00	0	0	0
GREG YOUNT 108 EAST WILLOW STREET NORMAL,IL 61761	treasurer 1 00	0	0	0
DICK WINTERS 108 EAST WILLOW STREET NORMAL,IL 61761	DIRECTOR 1 00	0	0	0
WENDELL HESS 108 EAST WILLOW STREET NORMAL,IL 61761	DIRECTOR 1 00	0	0	0
dale beck 108 EAST WILLOW STREET NORMAL,IL 61761	dIRECTOR 1 00	0	0	0
kevin boesen 108 EAST WILLOW STREET NORMAL,IL 61761	dIRECTOR 1 00	0	0	0
mary beth jeckel 108 EAST WILLOW STREET NORMAL,IL 61761	dIRECTOR 1 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>
justine oliver 108 EAST WILLOW STREET NORMAL,IL 61761	dIRECTOR 1 00	0	0	0
scott rassi 108 EAST WILLOW STREET NORMAL,IL 61761	dIRECTOR 1 00	0	0	0
sally tucker 108 EAST WILLOW STREET NORMAL,IL 61761	SECRETARY 1 00	0	0	0
j keith zimmerman 108 EAST WILLOW STREET NORMAL,IL 61761	dIRECTOR 1 00	0	0	0

Note: To capture the full content of this document, please select landscape mode (11" x 8.5") when printing.

## TY 2006 Gain/Loss from Sale of Other Assets Schedule

**Name:** THE BABY FOLD

**EIN:** 37-0673453

Name	Date Acquired	How Acquired	Date Sold	Purchaser Name	Gross Sales Price	Basis	Sales Expenses	Total ( net )	Accumulated Depreciation
MISC FIXED ASSET DISPOSAL	2000-04	PURCHASED	2006-06		8,262	0	0	8,262	



**TY 2006 Gain/Loss from Sale of Public Securities Schedule****Name:** THE BABY FOLD**EIN:** 37-0673453**Gross Sales Price:** 3,026,241**Basis:** 2,746,430**Sales Expenses:** 0**Total (net):** 279,811

## TY 2006 Individual Assistance Schedule

**Name:** THE BABY FOLD

**EIN:** 37-0673453

Class of Activity	Amount
CLOTHING AND CLIENT ASSISTANCE	41,255

**TY 2006 Investments - Land Schedule****Name:** THE BABY FOLD**EIN:** 37-0673453

<b>Category/Item</b>	<b>Cost/Other Basis</b>	<b>Accumulated Depreciation</b>	<b>Book Value</b>
INVESTMENTS HELD IN TRUST BY OTHERS	1,739,606		1,739,606

## TY 2006 Investments - Securities Schedule

**Name:** THE BABY FOLD

**EIN:** 37-0673453

Description	Book Value	Cost/FMV
CORPORATE STOCKS	3,848,845	F
CORPORATE BONDS	473,502	F
GOVERNMENT SECURITIES	1,282,678	F
MONEY MARKET	46,920	F

**TY 2006 Land etc. Schedule**

**Name:** THE BABY FOLD

**EIN:** 37-0673453

<b>Category/Item</b>	<b>Cost/Other Basis</b>	<b>Accumulated Depreciation</b>	<b>Book Value</b>
LAND AND IMPROVEMENTS	650,975	74,522	576,453
BUILDINGS	12,252,564	4,498,744	7,753,820
OFFICE EQUIPMENT	1,910,714	1,544,914	365,800
AUDIO-VISUAL ETC	67,368	57,689	9,679
TRANSPORTATION EQUIPMENT	387,501	293,089	94,412

## TY 2006 Other Assets Schedule

**Name:** THE BABY FOLD

**EIN:** 37-0673453

Description	Beginning of Year Amount	End of Year Amount
ACCRUED INTEREST RECEIVABLE	17,741	18,130
INVESTMENTS HELD IN TRUST BY OTHERS	3,268,194	3,652,052
CASH VALUE OF LIFE INSURANCE	12,103	12,515
UNAMORTIZED BOND FEES	38,228	34,326

## TY 2006 Other Changes in Net Assets Schedule

**Name:** THE BABY FOLD

**EIN:** 37-0673453

Description	Amount
unrealized GAIN from investments	460,428
ADOPTION OF RECOGNITION PROVISIONS OF FASB STMT 158	-471,621

**TY 2006 Other Expenses  
Not Included Schedule**

**Name:** THE BABY FOLD

**EIN:** 37-0673453

Description	Amount
DIRECT EXPENSES	-117,784



**TY 2006 Other Investment Income Schedule****Name:** THE BABY FOLD**EIN:** 37-0673453

Description	Amount
INVESTMENT INCOME ON FUNDS HELD IN TRUST FOR OTHERS	522,268

## TY 2006 Other Liabilities Schedule

**Name:** THE BABY FOLD

**EIN:** 37-0673453

Description	Beginning of Year Amount	End of Year Amount
OBLIGATIONS UNDER CAPITAL LEASE	171,293	138,684

**TY 2006 Other Revenues  
Not Included Schedule**

**Name:** THE BABY FOLD

**EIN:** 37-0673453

Description	Amount
DIRECT EXPENSES	-117,784

## TY 2006 Special Events Schedule

**Name:** THE BABY FOLD

**EIN:** 37-0673453

Event Name	Gross Receipts	Contributions	Gross Revenue	Direct Expense	Net Income (Loss)
FESTIVAL OF TREES	256,140	0	256,140	117,784	138,356

## TY 2006 Tax-Exempt Bond Liabilities Schedule

**Name:** THE BABY FOLD

**EIN:** 37-0673453

<b>Item No.</b>	1
<b>Name of Issue</b>	
<b>Purpose</b>	FACILITIES CONSTRUCTION AND IMPROVEMENTS
<b>Amount Outstanding</b>	3338468
<b>Unexpended Bond Proceeds</b>	
<b>Third Party Use</b>	
<b>Space Percentage</b>	
<b>Maturity Date</b>	
<b>Repayment Terms</b>	
<b>Interest Rate</b>	
<b>Security</b>	

# TY 2006 Other Income Schedule

**Name:** THE BABY FOLD

**EIN:** 37-0673453

Description	2003	2002	2001	2000	Total
MISCELLANEOUS	30,990	6,364	15,608	15,075	68,037

**TY 2006 Self Dealing Statement**

**Name:** THE BABY FOLD

**EIN:** 37-0673453

Line Number	Explanation
2d	SEE PART V FORM 990