

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  
**2007**  
**Open to Public Inspection**

**A For the 2007 calendar year, or tax year beginning 07-01-2007 and ending 06-30-2008**

- B** Check if applicable:  
 Address change  
 Name change  
 Initial return  
 Final return  
 Amended return  
 Application pending

**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:** WWW.THEBABYFOLD.ORG

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

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

**L** Gross receipts. Add lines 6b, 8b, 9b, and 10b to line 12: 17,491,514

- 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)

**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>	489,682		
<b>c</b>	Indirect public support (not included on line 1a)	<b>1c</b>	138,607		
<b>d</b>	Government contributions (grants) (not included on line 1a)	<b>1d</b>	12,738,876		
<b>e</b>	<b>Total</b> (add lines 1a through 1d) (cash \$ 13,358,816 noncash \$ 8,349 )	<b>1e</b>		13,367,165	
<b>2</b>	Program service revenue including government fees and contracts (from Part VII, line 93)	<b>2</b>		83,891	
<b>3</b>	Membership dues and assessments	<b>3</b>			
<b>4</b>	Interest on savings and temporary cash investments	<b>4</b>		3,423	
<b>5</b>	Dividends and interest from securities	<b>5</b>		119,133	
<b>6a</b>	Gross rents	<b>6a</b>	439,135		
<b>b</b>	Less rental expenses	<b>6b</b>	88,382		
<b>c</b>	Net rental income or (loss) subtract line 6b from line 6a	<b>6c</b>		350,753	
<b>7</b>	Other investment income (describe )	<b>7</b>		85,576	
<b>8a</b>	Gross amount from sales of assets other than inventory	(A) Securities	3,054,180	<b>8a</b>	
<b>b</b>	Less cost or other basis and sales expenses		2,519,792	<b>8b</b>	
<b>c</b>	Gain or (loss) (attach schedule)		534,388	<b>8c</b>	
<b>d</b>	Net gain or (loss) Combine line 8c, columns (A) and (B)			<b>8d</b>	534,388
<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>	274,583		
<b>b</b>	Less direct expenses other than fundraising expenses	<b>9b</b>	110,674		
<b>c</b>	Net income or (loss) from special events Subtract line 9b from line 9a	<b>9c</b>		163,909	
<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>		64,428	
<b>12</b>	<b>Total revenue</b> Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11	<b>12</b>		14,772,666	
<b>Expenses</b>					
<b>13</b>	Program services (from line 44, column (B))	<b>13</b>		12,785,584	
<b>14</b>	Management and general (from line 44, column (C))	<b>14</b>		1,578,374	
<b>15</b>	Fundraising (from line 44, column (D))	<b>15</b>		389,367	
<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>		14,753,325	
<b>Net Assets</b>					
<b>18</b>	Excess or (deficit) for the year Subtract line 17 from line 12	<b>18</b>		19,341	
<b>19</b>	Net assets or fund balances at beginning of year (from line 73, column (A))	<b>19</b>		17,143,079	
<b>20</b>	Other changes in net assets or fund balances (attach explanation)	<b>20</b>		-1,751,994	
<b>21</b>	Net assets or fund balances at end of year Combine lines 18, 19, and 20	<b>21</b>		15,410,426	

**Part II Statement of Functional Expenses**

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

*Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.*

	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
<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>	43,413	43,413	
<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>	146,878	146,878	
<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>	9,098,836	8,161,810	246,933
<b>27</b> Pension plan contributions not included on lines 25a, b and c	<b>27</b>	278,953	249,583	9,639
<b>28</b> Employee benefits not included on lines 25a - 27	<b>28</b>	1,210,926	1,065,272	24,117
<b>29</b> Payroll taxes	<b>29</b>	706,735	617,241	17,688
<b>30</b> Professional fundraising fees	<b>30</b>			
<b>31</b> Accounting fees	<b>31</b>	27,640	1,100	26,540
<b>32</b> Legal fees	<b>32</b>	3,953		3,953
<b>33</b> Supplies	<b>33</b>	387,804	345,573	2,095
<b>34</b> Telephone	<b>34</b>	61,121	43,130	2,238
<b>35</b> Postage and shipping	<b>35</b>	27,376	608	2,520
<b>36</b> Occupancy	<b>36</b>	906,777	778,040	16,673
<b>37</b> Equipment rental and maintenance	<b>37</b>	33,895	23,322	6,998
<b>38</b> Printing and publications	<b>38</b>	27,222	3,077	23,720
<b>39</b> Travel	<b>39</b>	205,655	193,354	770
<b>40</b> Conferences, conventions, and meetings	<b>40</b>	58,579	32,771	7,370
<b>41</b> Interest	<b>41</b>	177,926	150,108	27,818
<b>42</b> Depreciation, depletion, etc. (attach schedule) <input type="checkbox"/>	<b>42</b>	578,847	503,132	10,449
<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>	14,753,325	12,785,584	389,367

**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>_____</p> <p>_____</p> <p>(Grants and allocations \$ _____ ) If this amount includes foreign grants, check here ► <input type="checkbox"/></p>	
<p><b>b</b></p> <p>_____</p> <p>_____</p> <p>(Grants and allocations \$ _____ ) If this amount includes foreign grants, check here ► <input type="checkbox"/></p>	
<p><b>c</b></p> <p>_____</p> <p>_____</p> <p>(Grants and allocations \$ _____ ) If this amount includes foreign grants, check here ► <input type="checkbox"/></p>	
<p><b>d</b></p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</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) . . . . ►</p>	<p>12,785,584</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.

		<b>(A)</b>		<b>(B)</b>	
		Beginning of year		End of year	
<b>Assets</b>	<b>45</b> Cash—non-interest-bearing . . . . .		<b>45</b>		
	<b>46</b> Savings and temporary cash investments . . . . .	980,190	<b>46</b>	1,078,548	
	<b>47a</b> Accounts receivable . . . . .	<b>47a</b> 1,286,455			
	<b>b</b> Less allowance for doubtful accounts . . . . .	<b>47b</b>	1,138,633	<b>47c</b>	1,286,455
	<b>48a</b> Pledges receivable . . . . .	<b>48a</b> 27,334			
	<b>b</b> Less allowance for doubtful accounts . . . . .	<b>48b</b>	36,402	<b>48c</b>	27,334
	<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 . . . . .	52,311	<b>52</b>	65,756	
	<b>53</b> Prepaid expenses and deferred charges . . . . .	154,394	<b>53</b>	120,076	
	<b>54a</b> Investments—publicly-traded securities <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV	5,605,025	<b>54a</b>	4,726,888	
	<b>b</b> Investments—other securities (attach schedule) <input type="checkbox"/> Cost <input type="checkbox"/> FMV	46,920	<b>54b</b>		
<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> 15,098,463				
<b>b</b> Less accumulated depreciation (attach schedule) . . . . .	<b>57b</b> 6,681,341	8,800,164	<b>57c</b> 	8,417,122	
<b>58</b> Other assets, including program-related investments (describe <input type="checkbox"/> _____ )		3,717,023	<b>58</b> 	2,759,570	
<b>59 Total assets</b> (must equal line 74) Add lines 45 through 58 . . . . .	22,270,668	<b>59</b>	20,221,355		
<b>Liabilities</b>	<b>60</b> Accounts payable and accrued expenses . . . . .	1,423,527	<b>60</b>	1,482,338	
	<b>61</b> Grants payable . . . . .		<b>61</b>		
	<b>62</b> Deferred revenue . . . . .	226,910	<b>62</b>	188,635	
	<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) . . . . .	3,338,468	<b>64a</b> 	3,036,731	
	<b>b</b> Mortgages and other notes payable (attach schedule) . . . . .		<b>64b</b>		
	<b>65</b> Other liabilities (describe <input type="checkbox"/> _____ )	138,684	<b>65</b> 	103,225	
<b>66 Total liabilities</b> Add lines 60 through 65 . . . . .	5,127,589	<b>66</b>	4,810,929		
<b>Net Assets or Fund Balances</b>	<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 . . . . .	13,063,199	<b>67</b>	12,270,421	
	<b>68</b> Temporarily restricted . . . . .		<b>68</b>	10,000	
	<b>69</b> Permanently restricted . . . . .	4,079,880	<b>69</b>	3,130,005	
	<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) . . . . .	17,143,079	<b>73</b>	15,410,426		
<b>74 Total liabilities and net assets / fund balances</b> Add lines 66 and 73 . . . . .	22,270,668	<b>74</b>	20,221,355		





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? 82a No

b If "Yes," you may indicate the value of these items here Do not include this amount as revenue in Part I or as an expense in Part II (See instructions in Part III) 82b

83a Did the organization comply with the public inspection requirements for returns and exemption applications? 83a Yes

b Did the organization comply with the disclosure requirements relating to quid pro quo contributions? 83b Yes

84a Did the organization solicit any contributions or gifts that were not tax deductible? 84a No

b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? 84b

85 501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members? 85a

b Did the organization make only in-house lobbying expenditures of \$2,000 or less? 85b If "Yes," was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed the prior year

c Dues assessments, and similar amounts from members 85c

d Section 162(e) lobbying and political expenditures 85d

e Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices 85e

f Taxable amount of lobbying and political expenditures (line 85d less 85e) 85f

g Does the organization elect to pay the section 6033(e) tax on the amount on line 85f? 85g

h If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year? 85h

86 501(c)(7) orgs. Enter a Initiation fees and capital contributions included on line 12 86a

b Gross receipts, included on line 12, for public use of club facilities 86b

87 501(c)(12) orgs. Enter a Gross income from members or shareholders 87a

b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them) 87b

88a At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX 88a No

b At any time during the year, did the organization directly or indirectly own a controlled entity within the meaning of section 512(b)(13)? If yes complete Part XI 88b No

89a 501(c)(3) organizations Enter Amount of tax imposed on the organization during the year under section 4911 0, section 4912 0, section 4955 0

b 501(c)(3) and 501(c)(4) orgs. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction 89b No

c Enter Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 0

d Enter Amount of tax on line 89c, above, reimbursed by the organization

e All organizations. At any time during the tax year was the organization a party to a prohibited tax shelter transaction? 89e No

f All organizations. Did the organization acquire direct or indirect interest in any applicable insurance contract? 89f No

g For supporting organizations and sponsoring organizations maintaining donor advised funds. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year? 89g No

90a List the states with which a copy of this return is filed IL

b Number of employees employed in the pay period that includes March 12, 2007 (See instructions) 90b 282

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

b At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? 91b Yes No

If "Yes," enter the name of the foreign country See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts

**Part VI Other Information (continued)**

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

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

**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> ADOPTION FEES					83,891
<b>b</b>					
<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	3,423	
<b>96</b> Dividends and interest from securities			14	119,133	
<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	350,753	
<b>98</b> Net rental income or (loss) from personal property					
<b>99</b> Other investment income			14	85,576	
<b>100</b> Gain or (loss) from sales of assets other than inventory			18	534,388	
<b>101</b> Net income or (loss) from special events					163,909
<b>102</b> Gross profit or (loss) from sales of inventory					
<b>103</b> Other revenue <b>a</b> MISCELLANEOUS					64,428
<b>b</b>					
<b>c</b>					
<b>d</b>					
<b>e</b>					
<b>104</b> Subtotal (add columns (B), (D), and (E))				1,093,273	312,228
<b>105</b> Total (add line 104, columns (B), (D), and (E))					1,405,501

**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	FEES CHARGED TO INDIVIDUALS FOR VARIOUS SERVICES PROVIDED TO THEM FOR THE PURPOSES OF ADOPTION, COUNSELING, MATERNITY MEDICAL, EDUCATION AND TRAINING CHILDREN AND THEIR FAMILIES
101	INCOME FROM THE FESTIVAL OF TREES EVENT USED FOR PROGRAM SERVICES AND PROVIDES PUBLIC RECOGNITION
103	MISCELLANEOUS INCOME USED FOR PROGRAM SERVICES

**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)*

				Yes	No
<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					
	(A) Name and address of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer	
a					
b					
c					
<b>Totals</b>					

				Yes	No
<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					
	(A) Name and address of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer	
a					
b					
c					
<b>Totals</b>					

		Yes	No
<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?			

**Please Sign Here**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature of officer: \*\*\*\*\* Date: 2008-12-03

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 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.)

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

OMB No 1545-0047

2007

Department of the Treasury Internal Revenue Service

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

Table with 5 columns: (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. Includes rows for ROBERT LUSK, DIANE SCHULTZ, KAREN MAJOR, JULIE PAYNE, and JENNIFER KEEN.

Part II-A Compensation of the Five Highest Paid Independent Contractors for Professional Services

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

Table with 3 columns: (a) Name and address of each independent contractor paid more than \$50,000, (b) Type of service, (c) Compensation. Includes a total row 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 individual or firms. If there are none, enter "None". See page 2 for instructions.)

Table with 3 columns: (a) Name and address of each independent contractor paid more than \$50,000, (b) Type of service, (c) Compensation. Includes a total row 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) 2006	(b) 2005	(c) 2004	(d) 2003	(e) Total
<b>15</b> Gifts, grants, and contributions received (Do not include unusual grants See line 28 )	884,417	1,999,452	1,172,258	1,246,729	5,302,856
<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	11,727,087	11,087,155	10,498,459	10,147,923	43,460,624
<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	362,451	277,383	259,829	297,616	1,197,279
<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	37,712	30,990	6,364	15,608	90,674
<b>23</b> Total of lines 15 through 22	13,011,667	13,394,980	11,936,910	11,707,876	50,051,433
<b>24</b> Line 23 minus line 17	1,284,580	2,307,825	1,438,451	1,559,953	6,590,809
<b>25</b> Enter 1% of line 23	130,117	133,950	119,369	117,079	
<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> 131,816
<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 <b>Do not file this list with your return.</b> Enter the total of all these excess amounts					<b>26b</b> 887,066
<b>c</b> Total support for section 509(a)(1) test Enter line 24, column (e)					<b>26c</b> 6,590,809
<b>d</b> Add Amounts from column (e) for lines 18 1,197,279 19 0					<b>26d</b> 2,175,019
22 26 b 887,066					
<b>e</b> Public support (line 26c minus line 26d total)					<b>26e</b> 4,415,790
<b>f</b> Public support percentage (line 26e (numerator) divided by line 26c (denominator))					<b>26f</b> 6699 92 %
<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 " <b>Do not file this list with your return.</b> Enter the sum of such amounts for each year (2006) (2005) (2004) (2003)					<b>27c</b>
<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 <b>larger</b> 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 ) <b>Do not file this list with your return.</b> 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 (2006) (2005) (2004) (2003)					
<b>c</b> Add Amounts from column (e) for lines 15 16					<b>27e</b>
17 20					
<b>d</b> Add Line 27a total and line 27b total					<b>27f</b>
<b>e</b> Public support (line 27c total minus line 27d total)					
<b>f</b> Total support for section 509(a)(2) test Enter amount from line 23, column (e)					<b>27g</b>
<b>g</b> Public support percentage (line 27e (numerator) divided by line 27f (denominator))					
<b>h</b> Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					<b>27h</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 <b>Do not file this list with your return.</b> Do not include these grants in line 15					

**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 9 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 11 of the instructions )

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

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2007	(b) 2006	(c) 2005	(d) 2004	(e) 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 11 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





# 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>	35,123	5,166	29,672	285
<b>b</b> FOSTER HOME CARE	<b>43b</b>	391,557	391,557		
<b>c</b> AUTO INSURANCE	<b>43c</b>	14,777	13,234	1,543	
<b>d</b> BOARD OF TRUSTEES	<b>43d</b>	497		497	
<b>e</b> MISCELLANEOUS	<b>43e</b>	43,981	13,439	28,059	2,483
<b>f</b> CONSULTING FEES	<b>43f</b>	179,257	125,551	52,809	897
<b>g</b> DATA PROCESSING	<b>43g</b>	77,050	4,703	66,002	6,345
<b>h</b> annuity payments	<b>43h</b>	8,147			8,147
<b>i</b> STUDENT STIPEND	<b>43i</b>	20,400	20,400		

**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 - 9,772 DAYS OF CARE (Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	3,464,385
<b>b</b> HAMMITT SCHOOL - 18,094 days of school (Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	3,047,856
<b>c</b> hammitt high school - 11,286 days of school (Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	2,002,683
<b>d</b> FOSTER PROFESSIONAL CARE - 4,183 days of care (Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	842,580
<b>e</b> PARTNERS COUNTY OUTREACH (Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	90,158
<b>f</b> TRAINING AND CONSULTATION (Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	15,276
<b>g</b> EDUCATION OUTREACH (Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	53,744
<b>h</b> ADOPTION - 23 children placed (Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	220,854
<b>i</b> foster traditional/relative care - 47,967 days of care (Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	1,464,434
<b>j</b> FOSTER SPECIALIZED - 827 days of care (Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	72,401
<b>k</b> KEEPING THE PROMISE (Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	433,018
<b>l</b> HEALTHY START (Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	266,755
<b>m</b> PROJECT CHOICES (Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	55,916
<b>n</b> FAMILY SUPPORT INITIATIVE (Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	164,491
<b>o</b> second chance renters (Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	45,069
<b>p</b> life skills training (Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	28,548
<b>q</b> THERAPEUTIC STABILIZATION (Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	184,623
<b>r</b> ktp respite (Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	45,674
<b>s</b> HORIZONS COUNSELING (Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	84,500
<b>t</b> INTACT FAMILY SERVICES (Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	148,386
<b>u</b> LEARNING INSITUTE (Grants and allocations \$ ) If this amount includes foreign grants, check here <input type="checkbox"/>	54,233

**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 CEO 37 50	134,311	12,567	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	DIRECTOR 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	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	TREASURER 1 00	0	0	0
ROBERT MCDADE 108 EAST WILLOW STREET NORMAL,IL 61761	VICE CHAIR 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
NANCY YARGER 108 EAST WILLOW STREET NORMAL,IL 61761	DIRECTOR 1 00	0	0	0
GREG YOUNT 108 EAST WILLOW STREET NORMAL,IL 61761	DIRECTOR 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
sally tucker 108 EAST WILLOW STREET NORMAL,IL 61761	SECRETARY 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>
J Keith Zimmerman 108 EAST WILLOW STREET NORMAL,IL 61761	DIRECTOR 1 00	0	0	0
BRAD BARKER 108 EAST WILLOW STREET NORMAL,IL 61761	DIRECTOR 1 00	0	0	0
JULIE DOBSKI 108 EAST WILLOW STREET NORMAL,IL 61761	DIRECTOR 1 00	0	0	0
MARTHA INGOLD 108 EAST WILLOW STREET NORMAL,IL 61761	DIRECTOR 1 00	0	0	0
KARL BRONDELL 108 EAST WILLOW STREET NORMAL,IL 61761	DIRECTOR 1 00	0	0	0

Form **4562-FY**  
 Department of the Treasury  
 Internal Revenue Service

**Depreciation and Amortization**  
**(Including Information on Listed Property)**

OMB No 1545-  
**2007**  
 Attachment  
 Sequence No **67**

▶ See separate instructions. ▶ Attach to your tax return.

Name(s) shown on return THE BABY FOLD	Business or activity to which this form relates Form 990 Page 2	Identifying number 37-0673453
--	--	----------------------------------

**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.*

1 Maximum amount See the instructions for a higher limit for certain businesses . . . . .	<b>1</b>	125,000
2 Total cost of section 179 property placed in service (see instructions) . . . . .	<b>2</b>	
3 Threshold cost of section 179 property before reduction in limitation . . . . .	<b>3</b>	500,000
4 Reduction in limitation Subtract line 3 from line 2. If zero or less, enter -0- . . . . .	<b>4</b>	
5 Dollar limitation for tax year Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions . . . . .	<b>5</b>	

(a) Description of property	(b) Cost (business use only)	(c) Elected cost
<b>6</b>		
7 Listed property Enter the amount from line 29 . . . . .	<b>7</b>	
8 Total elected cost of section 179 property Add amounts in column (c), lines 6 and 7 . . . . .	<b>8</b>	
9 Tentative deduction Enter the <b>smaller</b> of line 5 or line 8 . . . . .	<b>9</b>	
10 Carryover of disallowed deduction from line 13 of your 2006 Form 4562FY . . . . .	<b>10</b>	
11 Business income limitation Enter the smaller of business income (not less than zero) or line 5 (see instructions) . . . . .	<b>11</b>	
12 Section 179 expense deduction Add lines 9 and 10, but do not enter more than line 11 . . . . .	<b>12</b>	
13 Carryover of disallowed deduction to 2008 Add lines 9 and 10, less line 12 .▶	<b>13</b>	

*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.)

14 Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	<b>14</b>	
15 Property subject to section 168(f)(1) election . . . . .	<b>15</b>	
16 Other depreciation (including ACRS) . . . . .	<b>16</b>	574,103

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

**Section A**

17 MACRS deductions for assets placed in service in tax years beginning before 2007 . . . . .	<b>17</b>	
18 If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here . . . . .	<input type="checkbox"/>	

**Section B—Assets Placed in Service During 2007 Tax Year Using the General Depreciation System**

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only—see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
<b>19a</b> 3-year property						
<b>b</b> 5-year property						
<b>c</b> 7-year property						
<b>d</b> 10-year property						
<b>e</b> 15-year property						
<b>f</b> 20-year property						
<b>g</b> 25-year property			25 yrs		S/L	
<b>h</b> Residential rental property			27 5 yrs	MM	S/L	
			27 5 yrs	MM	S/L	
<b>i</b> Nonresidential real property			39 yrs	MM	S/L	
				MM	S/L	

**Section C—Assets Placed in Service During 2007 Tax Year Using the Alternative Depreciation System**

<b>20a</b> Class life					S/L	
<b>b</b> 12-year			12 yrs		S/L	
<b>c</b> 40-year			40 yrs	MM	S/L	

**Part IV Summary** (see instructions)

21 Listed property Enter amount from line 28 . . . . .	<b>21</b>	
22 <b>Total.</b> Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations—see instr . . . . .	<b>22</b>	578,847
23 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs . . . . .	<b>23</b>	

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 depreciation 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 for Section B with 6 columns: (a) Vehicle 1, (b) Vehicle 2, (c) Vehicle 3, (d) Vehicle 4, (e) Vehicle 5, (f) Vehicle 6. 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 for Section C with 2 columns: Yes, No. Rows 37-41 cover policy statements and requirements for vehicle use by employees.

Part VI Amortization

Table for Section VI 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 of costs.

**TY 2007 Gain/Loss from Sale of Public Securities Schedule****Name:** THE BABY FOLD**EIN:** 37-0673453**Gross Sales Price:** 3,054,180**Basis:** 2,519,792**Sales Expenses:** 0**Total (net):** 534,388



## TY 2007 Individual Assistance Schedule

**Name:** THE BABY FOLD

**EIN:** 37-0673453

Class of Activity	Amount
CLOTHING AND CLIENT ASSISTANCE	43,413

**TY 2007 Investments - Land Schedule**

**Name:** THE BABY FOLD

**EIN:** 37-0673453

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

**TY 2007 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	83,954	567,021
BUILDINGS	12,293,175	4,902,482	7,390,693
OFFICE EQUIPMENT	1,663,108	1,303,695	359,413
AUDIO-VISUAL ETC	72,451	60,359	12,092
TRANSPORTATION EQUIPMENT	418,754	330,851	87,903

## TY 2007 Other Assets Schedule

**Name:** THE BABY FOLD

**EIN:** 37-0673453

Description	Beginning of Year Amount	End of Year Amount
ACCRUED INTEREST RECEIVABLE	18,130	13,606
INVESTMENTS HELD IN TRUST BY OTHERS	3,652,052	2,702,177
CASH VALUE OF LIFE INSURANCE	12,515	13,363
UNAMORTIZED BOND FEES	34,326	30,424

**TY 2007 Other Changes in Net Assets Schedule****Name:** THE BABY FOLD**EIN:** 37-0673453

Description	Amount
unrealized loss from investments	-825,045
ADOPTION OF RECOGNITION PROVISIONS OF FASB STMT 158	22,926
UNREALIZED LOSS FROM INVESTMENT IN HELD IN TRUST	-191,393
RESTATEMENT OF INVESTMENTS HELD IN TRUST BY OTHERS	-758,482

**TY 2007 Other Expenses  
Not Included Schedule**

**Name:** THE BABY FOLD

**EIN:** 37-0673453

Description	Amount
DIRECT EXPENSES	-110,674

**TY 2007 Other Investment Income Schedule**

**Name:** THE BABY FOLD

**EIN:** 37-0673453

Description	Amount
INVESTMENT INCOME ON FUNDS HELD IN TRUST	85,576

## TY 2007 Other Liabilities Schedule

**Name:** THE BABY FOLD

**EIN:** 37-0673453

Description	Beginning of Year Amount	End of Year Amount
OBLIGATIONS UNDER CAPITAL LEASE	138,684	103,225



**TY 2007 Other Revenues  
Not Included Schedule**

**Name:** THE BABY FOLD

**EIN:** 37-0673453

Description	Amount
DIRECT EXPENSES	-110,674

## TY 2007 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	274,583	0	274,583	110,674	163,909

## TY 2007 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>	3036731
<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 2007 Other Income Schedule

**Name:** THE BABY FOLD

**EIN:** 37-0673453

Description	2006	2005	2004	2003	Total
MISCELLANEOUS	37,712	30,990	6,364	15,608	90,674

**TY 2007 Self Dealing Statement**

**Name:** THE BABY FOLD

**EIN:** 37-0673453

Line Number	Explanation
2d	SEE PART V FORM 990