

Form **990**

**Return of Organization Exempt From Income Tax**

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

OMB No 1545-0047

**2002**

Open to Public Inspection

Department of the Treasury  
Internal Revenue Service

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

**A** For the 2002 calendar year, or tax year period beginning and ending

**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  
**Frank Adoption Center, North Carolina**  
 Number and street (or P O box if mail is not delivered to street address) Room/suite  
**2840 Plaza Place 325**  
 City or town, state or country, and ZIP + 4  
**Raleigh, NC 27609**

**D** Employer identification number  
**58-2153959**

**E** Telephone number  
**919-510-9135**

**F** Accounting method  Cash  Accrual  
 Other (specify) \_\_\_\_\_

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

H and 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? (If "No," attach a list.) N/A  Yes  No

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

**G** Web site **www.frankadopt.org**

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

**K** Check here  if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS, but if the organization received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return

**I** Enter 4-digit GEN \_\_\_\_\_

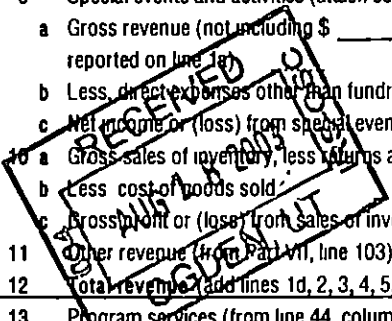
**L** Gross receipts. Add lines 6b, 8b, 9b, and 10b to line 12 **2099901.93**

**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**

Revenue	1	Contributions, gifts, grants, and similar amounts received				
	a	Direct public support	1a	13500.00		
	b	Indirect public support	1b			
	c	Government contributions (grants)	1c			
	d	Total (add lines 1a through 1c) (cash \$ 13500.00 noncash \$ )	1d		13500.00	
	2	Program service revenue including government fees and contracts (from Part VII, line 93)	2		2085589.17	
	3	Membership dues and assessments	3			
	4	Interest on savings and temporary cash investments	4		433.40	
	5	Dividends and interest from securities	5			
	6a	Gross rents	6a			
	b	Less rental expenses	6b			
	c	Net rental income or (loss) (subtract line 6b from line 6a)	6c			
7	Other investment income (describe _____)	7				
Revenue	8a	Gross amount from sale of assets other than inventory	(A) Securities	(B) Other		
	b	Less cost or other basis and sales expenses	8a	379.36		
	c	Gain or (loss) (attach schedule)	8b	6592.62		
	d	Net gain or (loss) (combine line 8c, columns (A) and (B))	8c	-6213.26		
Revenue	9	Special events and activities (attach schedule)		Stmt 1	8d	-6213.26
	a	Gross revenue (not including \$ _____ of contributions reported on line 1a)	9a			
	b	Less direct expenses other than fundraising expenses	9b			
Revenue	c	Net income or (loss) from special events (subtract line 9b from line 9a)	9c			
	10a	Gross sales of inventory, less returns and allowances	10a			
	b	Less cost of goods sold	10b			
Revenue	c	Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	10c			
	11	Other revenue (from Part VII, line 103)	11			
	12	Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12		2093309.31	
Expenses	13	Program services (from line 44, column (B))	13		466799.42	
	14	Management and general (from line 44, column (C))	14		249804.81	
	15	Fundraising (from line 44, column (D))	15		8880.42	
	16	Payments to affiliates (attach schedule)	16	See Statement 2	1430897.47	
	17	Total expenses (add lines 16 and 44, column (A))	17		2156382.12	
Net Assets	18	Excess or (deficit) for the year (subtract line 17 from line 12)	18		-63072.81	
	19	Net assets or fund balances at beginning of year (from line 73, column (A))	19		25251.00	
	20	Other changes in net assets or fund balances (attach explanation)	20		0.00	
	21	Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21		-37821.81	

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**Part II Statement of Functional Expenses**

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

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22	Grants and allocations (attach schedule)				
	cash \$ _____ noncash \$ _____				
23	Specific assistance to individuals (attach schedule)				
24	Benefits paid to or for members (attach schedule)				
25	Compensation of officers, directors, etc.	59615.50	41730.82	17884.68	0.00
26	Other salaries and wages	189368.50	120108.78	69259.72	
27	Pension plan contributions				
28	Other employee benefits	24594.72	14084.17	10510.55	
29	Payroll taxes	20958.53	13623.04	7335.49	
30	Professional fundraising fees				
31	Accounting fees	6909.00		6909.00	
32	Legal fees	7875.51	5906.63	1968.88	
33	Supplies	7815.99		7815.99	
34	Telephone	32109.24	25687.39	6421.85	
35	Postage and shipping	22275.26	13365.15	6682.58	2227.53
36	Occupancy	75274.72	58333.42	16941.30	
37	Equipment rental and maintenance	6419.01	4172.36	2246.65	
38	Printing and publications	5623.84		4499.07	1124.77
39	Travel	8048.03	7576.29	471.74	
40	Conferences, conventions, and meetings	67440.44	44175.90	18773.68	4490.86
41	Interest				
42	Depreciation, depletion, etc (attach schedule)	3300.36	2145.24	1155.12	
43	Other expenses not covered above (itemize)				
a	_____				
b	_____				
c	_____				
d	_____				
e	See Statement 3	187856.00	115890.23	70928.51	1037.26
44	Total functional expenses (add lines 22 through 43). Organizations completing columns (B)-(D) carry these totals to lines 13-15	725484.65	466799.42	249804.81	8880.42

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**

What is the organization's primary exempt purpose?  \_\_\_\_\_

**Adoption Agency**

All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)

**Program Service Expenses**  
(Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts but optional for others)

a	The organization arranges for the placement and adoption of orphaned children from foreign countries. During the year 2002, the agency placed 174 children with new families.	(Grants and allocations \$ _____)	466799.42
b	_____	(Grants and allocations \$ _____)	
c	_____	(Grants and allocations \$ _____)	
d	_____	(Grants and allocations \$ _____)	
e	Other program services (attach schedule)	(Grants and allocations \$ _____)	
f	Total of Program Service Expenses (should equal line 44, column (B), Program services)		466799.42

**Part IV Balance Sheets**

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only

		(A) Beginning of year		(B) End of year
Assets	45 Cash - non-interest-bearing	337382.00	45	166019.48
	46 Savings and temporary cash investments		46	70713.87
	47 a Accounts receivable	47a 5464.51		
	b Less allowance for doubtful accounts	47b	10972.00	47c 5464.51
	48 a Pledges receivable	48a		
	b Less allowance for doubtful accounts	48b		48c
	49 Grants receivable			49
	50 Receivables from officers, directors, trustees, and key employees			50
	51 a Other notes and loans receivable	51a		
	b Less allowance for doubtful accounts	51b		51c
	52 Inventories for sale or use			52
	53 Prepaid expenses and deferred charges		1988.00	53 8685.83
	54 Investments - securities	<input type="checkbox"/> Cost <input type="checkbox"/> FMV		54
	55 a Investments - land, buildings, and equipment: basis	55a		
	b Less accumulated depreciation	55b		55c
56 Investments - other			56	
57 a Land, buildings, and equipment: basis	57a 21648.73			
b Less accumulated depreciation Stmt 4	57b 12518.36	11128.00	57c 9130.37	
58 Other assets (describe <input type="checkbox"/> Security Deposits )		3595.00	58 3594.79	
59 Total assets (add lines 45 through 58) (must equal line 74)		365065.00	59 263608.85	
Liabilities	60 Accounts payable and accrued expenses	15950.00	60	19701.94
	61 Grants payable		61	
	62 Deferred revenue	247435.00	62	205300.00
	63 Loans from officers, directors, trustees, and key employees		63	
	64 a Tax-exempt bond liabilities		64a	
	b Mortgages and other notes payable		64b	
65 Other liabilities (describe <input type="checkbox"/> Due to Frank Foundation )		76428.00	65 76428.72	
66 Total liabilities (add lines 60 through 65)		339814.00	66 301430.66	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74			
	67 Unrestricted	25251.00	67	-37821.81
	68 Temporarily restricted		68	
	69 Permanently restricted		69	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74			
	70 Capital stock, trust principal, or current funds		70	
	71 Paid-in or capital surplus, or land, building, and equipment fund		71	
	72 Retained earnings, endowment, accumulated income, or other funds		72	
	73 Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72, column (A) must equal line 19, column (B) must equal line 21)	25251.00	73	-37821.81
	74 Total liabilities and net assets / fund balances (add lines 66 and 73)	365065.00	74	263608.85

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.

Part IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return

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

a	Total revenue, gains, and other support per audited financial statements	a	2099522.57
b	Amounts included on line a but not on line 12, Form 990		
(1)	Net unrealized gains on investments \$ _____		
(2)	Donated services and use of facilities \$ _____		
(3)	Recoveries of prior year grants \$ _____		
(4)	Other (specify) \$ _____		
	Add amounts on lines (1) through (4)	b	0.00
c	Line a minus line b	c	2099522.57
d	Amounts included on line 12, Form 990 but not on line a		
(1)	Investment expenses not included on line 6b, Form 990 \$ _____		
(2)	Other (specify) \$ _____		
	stmt 6 \$ -6213.26		
	Add amounts on lines (1) and (2)	d	-6213.26
e	Total revenue per line 12, Form 990 (line c plus line d)	e	2093309.31

a	Total expenses and losses per audited financial statements	a	2162594.29
b	Amounts included on line a but not on line 17, Form 990		
(1)	Donated services and use of facilities \$ _____		
(2)	Prior year adjustments reported on line 20, Form 990 \$ -1.09		
(3)	Losses reported on line 20, Form 990 \$ _____		
(4)	Other (specify) \$ _____		
	stmt 5 \$ 6213.26		
	Add amounts on lines (1) through (4)	b	6212.17
c	Line a minus line b	c	2156382.12
d	Amounts included on line 17, Form 990 but not on line a		
(1)	Investment expenses not included on line 6b, Form 990 \$ _____		
(2)	Other (specify) \$ _____		
	Add amounts on lines (1) and (2)	d	0.00
e	Total expenses per line 17, Form 990 (line c plus line d)	e	2156382.12

Part V List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated)

(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	(E) Expense account and other allowances
See Statement 7		59615.50	1382.36	0.00

75 Did any officer, director, trustee, or key employee receive aggregate compensation of more than \$100,000 from your organization and all related organizations, of which more than \$10,000 was provided by the related organizations? If "Yes," attach schedule Yes No

Part VI Other Information		Yes	No
76	Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity		x
77	Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes		x
78 a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?		x
b	If "Yes," has it filed a tax return on Form 990-T for this year? N/A		
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement		x
80 a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization?	x	
b	If "Yes," enter the name of the organization <b>Frank Foundation Child Assistance International</b> and check whether it is <input checked="" type="checkbox"/> exempt or <input type="checkbox"/> nonexempt.		
81 a	Enter direct or indirect political expenditures See line 81 instructions <b>81a</b> 0.00		
b	Did the organization file Form 1120-POL for this year?		x
82 a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?		x
b	If "Yes," you may indicate the value of these items here Do not include this amount as revenue in Part I or as an expense in Part II (See instructions in Part III) <b>82b</b> N/A		
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	x	
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions? N/A		
84 a	Did the organization solicit any contributions or gifts that were not tax deductible?		x
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? N/A		
85	501(c)(4), (5), or (6) organizations a Were substantially all dues nondeductible by members? N/A		
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? N/A		
	If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year		
c	Dues, assessments, and similar amounts from members <b>85c</b> N/A		
d	Section 162(e) lobbying and political expenditures <b>85d</b> N/A		
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices <b>85e</b> N/A		
f	Taxable amount of lobbying and political expenditures (line 85d less 85e) <b>85f</b> N/A		
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f? N/A		
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year? N/A		
86	501(c)(7) organizations Enter a Initiation fees and capital contributions included on line 12 <b>86a</b> N/A		
b	Gross receipts, included on line 12, for public use of club facilities <b>86b</b> N/A		
87	501(c)(12) organizations Enter a Gross income from members or shareholders <b>87a</b> N/A		
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them) <b>87b</b> N/A		
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX		x
89 a	501(c)(3) organizations Enter Amount of tax imposed on the organization during the year under section 4911 <b>0.00</b> , section 4912 <b>0.00</b> , section 4955 <b>0.00</b>		
b	501(c)(3) and 501(c)(4) organizations Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction		x
c	Enter Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 <b>0.00</b>		
d	Enter Amount of tax on line 89c, above, reimbursed by the organization <b>0.00</b>		
90 a	List the states with which a copy of this return is filed <b>North Carolina</b>		
b	Number of employees employed in the pay period that includes March 12, 2002 <b>90b</b> 7		
91	The books are in care of <b>Walter L. Johnson, Frank Adoption Center</b> Telephone no <b>919-510-9135</b>		
	Located at <b>2840 Plaza Place, Suite 325, Raleigh, NC</b> ZIP + 4 <b>27609</b>		
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041- Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the tax year <b>92</b> N/A		

**Part VII Analysis of Income-Producing Activities** (See page 31 of 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) Exclu- sion code	(D) Amount	
93 Program service revenue					
a See Statement 8					2085589.17
b					
c					
d					
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments					433.40
96 Dividends and interest from securities					
97 Net rental income or (loss) from real estate					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory			01	-6213.26	
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue					
a					
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))		0.00		-6213.26	2086022.57
105 Total (add line 104, columns (B), (D), and (E))					2079809.31

Note Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I

**Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes** (See page 32 of 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)
▼	

**Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities** (See page 32 of the instructions)

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

**Part X Information Regarding Transfers Associated**

- (a) Did the organization, during the year, receive any funds, directly or indirectly,
  - (b) Did the organization, during the year, pay premiums, directly or indirectly, on
- Note If "Yes" to (b), file Form 8870 and Form 4720 (see instructions)

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

Signature of officer: *[Signature]* Date: 8/1

Paid Preparer's Use Only

Preparer's signature: *Charles I Bunn, Jr.*  
 Firm's name (or yours if self-employed), address, and ZIP + 4: Charles I Bunn Jr CPE CPA PA  
 PO Box 488 - 208 Bridge St  
 Smithfield, NC 27577-0488

SCHEDULE A  
(Form 990 or 990-EZ)

Department of the Treasury  
Internal Revenue Service

Organization Exempt Under Section 501(c)(3)

(Except Private Foundation) and Section 501(e), 501(f), 501(k),  
501(n), or Section 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

2002

Name of the organization Frank Adoption Center, North Carolina Employer identification number 58 2153959

**Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees**  
(See page 1 of the instructions List each one If there are none, enter "None")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
None -----				
-----				
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Total number of other employees paid over \$50,000 ▶	0			

**Part II 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 -----		
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-----		
-----		
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Total number of others receiving over \$50,000 for professional services ▶	0	

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

	Yes	No
1 During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities $\blacktriangleright$ \$ _____ \$ _____ (Must equal amounts on line 38, Part VI-A, or line 1 of Part VI-B) 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		x
2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions)		
a Sale, exchange, or leasing of property?		x
b Lending of money or other extension of credit?		x
c Furnishing of goods, services, or facilities?		x
d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?		x
e Transfer of any part of its income or assets?		x
3 Does the organization make grants for scholarships, fellowships, student loans, etc? (See Note below)		x
4 Do you have a section 403(b) annuity plan for your employees?		x
<b>Note</b> Attach a statement to explain how the organization determines that individuals or organizations receiving grants or loans from it in furtherance of its charitable programs "qualify" to receive payments		

**Part IV Reason for Non-Private Foundation Status** (See pages 3 through 5 of the instructions)

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

- 5  A church, convention of churches, or association of churches Section 170(b)(1)(A)(i)
- 6  A school Section 170(b)(1)(A)(ii) (Also complete Part V)
- 7  A hospital or a cooperative hospital service organization Section 170(b)(1)(A)(iii)
- 8  A Federal, state, or local government or governmental unit Section 170(b)(1)(A)(v)
- 9  A medical research organization operated in conjunction with a hospital Section 170(b)(1)(A)(iv) Enter the hospital's name, city, and state  $\blacktriangleright$  \_\_\_\_\_
- 10  An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(w) (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)(vii) (Also complete the Support Schedule in Part IV-A.)
- 11b  A community trust Section 170(b)(1)(A)(viii) (Also complete the Support Schedule in Part IV-A.)
- 12  An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See section 509(a)(2) (Also complete the Support Schedule in Part IV-A.)
- 13  An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in (1) lines 5 through 12 above, or (2) section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2) (See section 509(a)(3) )

Provide the following information about the supported organizations (See page 5 of the instructions)

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

- 14  An organization organized and operated to test for public safety Section 509(a)(4) (See page 5 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) 2001	(b) 2000	(c) 1999	(d) 1998	(e) Total
15 Gifts, grants, and contributions received (Do not include unusual grants. See line 28.)	21826.00	25140.00	14427.00	16488.00	77881.00
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose	1839457.00	1967568.00	2955662.00	2733861.00	9496548.00
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	668.00	13063.00	10658.00	10355.00	34744.00
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge.					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets.					
23 Total of lines 15 through 22	1861951.00	2005771.00	2980747.00	2760704.00	9609173.00
24 Line 23 minus line 17	22494.00	38203.00	25085.00	26843.00	112625.00
25 Enter 1% of line 23	18619.51	20057.71	29807.47	27607.04	
26 Organizations described on lines 10 or 11	<p>a Enter 2% of amount in column (e), line 24</p> <p>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 1998 through 2001 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the sum of all these excess amounts.</p> <p>c Total support for section 509(a)(1) test. Enter line 24, column (e).</p> <p>d Add Amounts from column (e) for lines 18 _____ 19 _____ 22 _____ 26b _____</p> <p>e Public support (line 26c minus line 26d total)</p> <p>f Public support percentage (line 26e (numerator) divided by line 26c (denominator))</p>				<p>26a N/A</p> <p>26b N/A</p> <p>26c N/A</p> <p>26d N/A</p> <p>26e N/A</p> <p>26f N/A %</p>
27 Organizations described on line 12	<p>a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." Do not file this list with your return. Enter the sum of such amounts for each year.</p> <p>(2001) 0.00 (2000) 0.00 (1999) 0.00 (1998) 0.00</p> <p>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 11, 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.</p> <p>(2001) 0.00 (2000) 0.00 (1999) 0.00 (1998) 0.00</p> <p>c Add Amounts from column (e) for lines 15 _____ 17 _____ 16 _____ 20 _____ 21 _____</p> <p>d Add Line 27a total _____ 0.00 and line 27b total _____ 0.00</p> <p>e Public support (line 27c total minus line 27d total)</p> <p>f Total support for section 509(a)(2) test: Enter amount on line 23, column (e) 27f 9609173.00</p> <p>g Public support percentage (line 27e (numerator) divided by line 27f (denominator))</p> <p>h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))</p>				<p>27c 9574429.00</p> <p>27d 0.00</p> <p>27e 9574429.00</p> <p>27g 99.6384%</p> <p>27h 361.6%</p>

28 Unusual Grants For an organization described in line 10, 11, or 12 that received any unusual grants during 1998 through 2001, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.

**Part V Private School Questionnaire** (See page 7 of the instructions )

N/A

**(To be completed ONLY by schools that checked the box on line 6 in Part IV)**

		Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?		
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe, if "No," please explain (If you need more space, attach a separate statement )		
<hr/> <hr/> <hr/>			
32	Does the organization maintain the following		
a	Records indicating the racial composition of the student body, faculty, and administrative staff?	32a	
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	32b	
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32c	
d	Copies of all material used by the organization or on its behalf to solicit contributions? If you answered "No" to any of the above, please explain (If you need more space, attach a separate statement.)	32d	
<hr/> <hr/>			
33	Does the organization discriminate by race in any way with respect to		
a	Students' rights or privileges?	33a	
b	Admissions policies?	33b	
c	Employment of faculty or administrative staff?	33c	
d	Scholarships or other financial assistance?	33d	
e	Educational policies?	33e	
f	Use of facilities?	33f	
g	Athletic programs?	33g	
h	Other extracurricular activities? If you answered "Yes" to any of the above, please explain (If you need more space, attach a separate statement.)	33h	
<hr/> <hr/>			
34 a	Does the organization receive any financial aid or assistance from a governmental agency?	34a	
b	Has the organization's right to such aid ever been revoked or suspended? If you answered "Yes" to either 34a or b, please explain using an attached statement.	34b	
35	Does the organization certify that it has complied with the applicable requirements of sections 4 01 through 4 05 of Rev Proc 75-50, 1975-2 C B 587, covering racial nondiscrimination? If "No," attach an explanation	35	

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

N/A

(To be completed ONLY by an eligible organization that filed Form 5768)

Check  **a** if the organization belongs to an affiliated group Check  **b** if you checked "a" and "limited control" provisions apply

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

Caution If there is an amount on either line 43 or line 44, you must file Form 4720

**4-Year Averaging Period Under Section 501(h)**

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 45 through 50 on page 11 of the instructions.)

Calendar year (or fiscal year beginning in)	Lobbying Expenditures During 4-Year Averaging Period				N/A
	(a) 2002	(b) 2001	(c) 2000	(d) 1999	(e) Total
45 Lobbying nontaxable amount					0.00
46 Lobbying ceiling amount (150% of line 45(e))					0.00
47 Total lobbying expenditures					0.00
48 Grassroots nontaxable amount					0.00
49 Grassroots ceiling amount (150% of line 48(e))					0.00
50 Grassroots lobbying expenditures					0.00

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

(For reporting only by organizations that did not complete Part VI-A) (See page 11 of the instructions)

N/A

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

- a Volunteers
- b Paid staff or management (Include compensation in expenses reported on lines c through h)
- c Media advertisements
- d Mailings to members, legislators, or the public
- e Publications, or published or broadcast statements
- f Grants to other organizations for lobbying purposes
- g Direct contact with legislators, their staffs, government officials, or a legislative body
- h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means
- i Total lobbying expenditures (Add lines c through h)

Yes	No	Amount
		0.00

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 12 of the instructions)

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

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

- (i) Cash
(ii) Other assets
b Other transactions
(i) Sales or exchanges of assets with a noncharitable exempt organization
(ii) Purchases of assets from a noncharitable exempt organization
(iii) Rental of facilities, equipment, or other assets
(iv) Reimbursement arrangements
(v) Loans or loan guarantees
(vi) Performance of services or membership or fundraising solicitations

c Sharing of facilities, equipment, mailing lists, other assets, or paid employees

d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting organization. If the organization received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.

Table with 2 columns: Yes, No. Rows 51a(i) through c, with 'x' marks in the 'No' column.

N/A

Table with 4 columns: (a) Line no, (b) Amount involved, (c) Name of noncharitable exempt organization, (d) Description of transfers, transactions, and sharing arrangements. The table is currently empty.

52 a Is the organization directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527?

Yes No (x) Yes (x) No

b If "Yes," complete the following schedule

N/A

Table with 3 columns: (a) Name of organization, (b) Type of organization, (c) Description of relationship. The table is currently empty.

2002 DEPRECIATION AND AMORTIZATION REPORT

Form 990 Page 2

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Asset No	Description	Date Acquired	Method	Life	Line No	Unadjusted Cost Or Basis	Bus % Excl	Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Amount Of Depreciation
1	(D)Office Furniture	120194	200DB	7.00	17	202.00			202.00	202.00		0.00
2	(D)Love Seat	011095	SL	7.00	17	529.00			529.00	509.60		9.70
3	(D)Computer Cart	011495	200DB	5.00	17	138.00			138.00	134.95		0.00
4	(D)Panel Desk	081695	200DB	7.00	17	212.00			212.00	200.40		5.80
5	(D)Two Chairs	081695	200DB	7.00	17	74.00			74.00	70.00		4.00
6	(D)Two Phones	081695	200DB	7.00	17	148.00			148.00	140.00		4.00
7	(D)Task Chair	091595	200DB	5.00	17	106.00			106.00	83.11		0.00
8	File Cabinet	091595	200DB	7.00	17	132.00			132.00	124.80		7.20
9	Office Furniture	062598	200DB	7.00	17	8144.00			8144.00	5600.06		726.84
10	(D)Phone	071598	200DB	7.00	17	14821.00			14821.00	10191.41		661.37
11	Office Furniture	072698	SL	7.00	17	1649.00			1649.00	674.72		235.57
12	Office Furniture	061699	SL	7.00	17	1021.00			1021.00	364.65		145.86
25	File-Lateral 4 dr 42 inches	012902	SL	7.00	19C	617.69		185.31	432.38			216.20
	* 990 Page 2 Total -					27793.69		185.31	27608.38	18295.70	0.00	2016.54
13	(D)IBM PS/1	011095	200DB	5.00	17	847.00			847.00	827.79		0.00
14	(D)Monitor	011095	200DB	5.00	17	317.00			317.00	309.25		0.00
15	(D)4 Megs of Memory	011195	200DB	5.00	17	207.00			207.00	201.92		0.00
16	Hewlitt Packard 4L	011995	200DB	5.00	17	687.00			687.00	669.57		0.00

2002 DEPRECIATION AND AMORTIZATION REPORT

Form 990 Page 2

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Asset No	Description	Date Acquired	Method	Life	Line No	Unadjusted Cost Or Basis	Bus % Excl	Reduction In Basis	Basis For Depreciation	Accumulated Depreciation	Current Sec 179	Amount Of Depreciation
17	(D) Panasonic Fax	011995	200DB	5.00	17	848.00			848.00	825.84		0.00
18	(D) Computers	042697	200DB	5.00	17	8055.00			8055.00	6495.84		779.58
19	(D) Computers	073197	200DB	5.00	17	2433.00			2433.00	1894.70		269.15
20	(D) Computer	082997	200DB	5.00	17	2798.00			2798.00	2152.82		322.59
21	(D) Computers	101695	200DB	5.00	17	6675.00			6675.00	5521.56		0.00
22	Scanner	121699	SL	7.00	17	378.00			378.00	135.00		54.00
23	Computer and Printer	102500	SL	5.00	17	1742.00			1742.00	522.60		348.40
24	Computer Monitor	032002	SL	5.00	19B	234.29		70.29	164.00			86.69
26	Network Router, switches, cable	083002	SL	5.00	19B	3210.98		963.29	2247.69			1188.06
27	HP Computer & Monitor	010902	SL	5.00	19B	1224.99		367.50	857.49			453.25
28	HP DeskJet 895	011100	SL	5.00	19B	106.48		31.94	74.54			39.40
29	Computer Equipment (Best Buy)	012902	SL	5.00	19B	271.19		81.36	189.83			100.35
30	Computer Equipment (Wal-Mart)	071502	SL	5.00	19B	2230.11		669.03	1561.08			825.14
	* 990 Page 2 Total -					32265.04		2183.41	30081.63	19556.89	0.00	4466.61
	* Grand Total 990 Page 2 Depr					60058.73		2368.72	57690.01	37852.59	0.00	6483.15



Form 990 Payments to Affiliates Statement 2

Affiliate's Name

Affiliate's Address

Frank Foundation Child Assistance  
International

1030 15th St NW Ste 1020,  
Washington, DC 20005

Purpose of Payment

Amount

Foreign Service Fees

1300950.00

Affiliate's Name

Affiliate's Address

same

same

Purpose of Payment

Amount

In-country Service Fees

15200.00

Affiliate's Name

Affiliate's Address

same

same

Purpose of Payment

Amount

Kazak Authentication Fees

3970.00

Affiliate's Name

Affiliate's Address

same

same

Purpose of Payment

Amount

Promotional Activities

2400.00

Affiliate's Name

Affiliate's Address

same

same

Purpose of Payment

Amount

Russian Conference

5997.47



<u>Affiliate's Name</u>	<u>Affiliate's Address</u>	
same	same	
<u>Purpose of Payment</u>		<u>Amount</u>
Visa Fees		102380.00
Total to Form 990, Part I, line 16		1430897.47

Form 990	Other Expenses	Statement	3	
Description	(A) Total	(B) Program Services	(C) Management and General	(D) Fundraising
Accrediting fees	4927.46	0 00	4927.46	0.00
Insurance	17449.05	0.00	17449.05	0.00
Advertising and promotion	50436 53	42167 80	8051.47	217.26
Apostilling and certification	57544.00	57544.00	0.00	0.00
Bank charges	359 28	0.00	359.28	0.00
Computer consultant	6254 87	0.00	6254.87	0.00
Contracted social workers	27792.00	0.00	27792.00	0.00
Homestudy services	237 68	237 68	0.00	0.00
Human resources	809.32	0 00	809.32	0.00
Humanitarian aide	14860.00	14040.00	0.00	820 00
Membership dues and subscriptions	3561.50	1780.75	1780.75	0.00
Miscellaneous	285.68	0 00	285.68	0.00
Payroll processing services	2132.75	0.00	2132.75	0.00
Staff recruitment	355.88	0 00	355.88	0.00
Temporary staffing	730 00	0.00	730.00	0.00
Translation fees	120.00	120 00	0 00	0.00
<b>Total to Fm 990, ln 43</b>	<b>187856.00</b>	<b>115890.23</b>	<b>70928.51</b>	<b>1037.26</b>

**Form 990 Depreciation of Assets Not Held for Investment Statement 4**

Description	Cost or Other Basis	Accumulated Depreciation	Book Value
File Cabinet	132.00	132.00	0.00
Office Furniture	8144.00	6326.90	1817.10
Office Furniture	1649.00	910.29	738.71
Office Furniture	1021.00	510.51	510.49
Hewlett Packard 4L	687.00	669.57	17.43
Scanner	378.00	189.00	189.00
Computer and Printer	1742.00	871.00	871.00
Computer Monitor	234.29	86.69	147.60
File-Lateral 4 dr 42 inches	617.69	216.20	401.49
Network Router, switches, cable	3210.98	1188.06	2022.92
HP Computer & Monitor	1224.99	453.25	771.74
HP DeskJet 895	106.48	39.40	67.08
Computer Equipment (Best Buy)	271.19	100.35	170.84
Computer Equipment (Wal-Mart)	2230.11	825.14	1404.97
<b>Total to Form 990, Part IV, ln 57</b>	<b>21648.73</b>	<b>12518.36</b>	<b>9130.37</b>

**Form 990 Other Expenses Not Included on Form 990 Statement 5**

Description	Amount
Net loss on disposition of assets - line 8d	6213.26
<b>Total to Form 990, Part IV-B</b>	<b>6213.26</b>

**Form 990 Other Revenue Included on Form 990 Statement 6**

Description	Amount
Net loss on disposition of assets - line 8d	-6213.26
<b>Total to Form 990, Part IV-A</b>	<b>-6213.26</b>

Form 990 Part V - List of Officers, Directors, Trustees and Key Employees Statement 7

Name and Address	Title and Avrg Hrs/Wk	Compensation	Employee Ben Plan Contrib	Expense Account
Nina Kostina 10317 St. Albans Drive Bethesda, MD 20814	President 3	0.00	0.00	0.00
Lorraine Jordan Langdon 2801 Camfield Place Garner, NC 27529	Vice President 3	0.00	0.00	0.00
Natash Mishina 20333 Swallow Point Road Montgomery Village, MD 20879	Secretary/Treasurer 3	0.00	0.00	0.00
Gary Silversmith 2600 Virginia Ave NW, Suite 606 Washington, DC 20037	Director 1	0.00	0.00	0.00
Theresa Johansson 510 Ryan Road Cary, NC 27511	Director 1	0.00	0.00	0.00
Teresa Krebs 518 Dogwood Lane Wilmington, NC 28409	Director 1	0.00	0.00	0.00
Cydne Sharpe 280 Sunset Avenue Henderson, NC 27536	Director 1	0.00	0.00	0.00
Betty Williams 400 S. Federal Highway, Suite 401 Boynton Beach, Florida 33435	Director 1	0.00	0.00	0.00
Walter L. Johnson 2103 Dee's Court Wilson, NC 27896	Executive Director (2003) 50	0.00	0.00	0.00
Elizabeth Danielian, 4425 Angier Avenue Durham, NC 27703	Adoption Social Worker 40	0.00	0.00	0.00
Rosemary Gerisch 3508 Bridlespur Lane Raleigh, NC 27604	Adoption Assistant 40	0.00	0.00	0.00

Marie Venvell 106 Stoney Drive Durham, NC 27703	Administrative Assistant 40.	0 00	0.00	0.00
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Jody Sciortino Raleigh, NC	Executive Director (2002) 50	59615.50	1382.36	0.00
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Totals Included on Form 990, Part V	59615.50	1382.36	0.00
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Form 990	Program Service Revenue	Statement	8
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Description	Bus Code	Unrelated Business Inc	Excl Code	Excluded Amount	Related or Exempt Function Income
Agency Fees					272130.30
Application Fees					51330.00
Foreign Fees					1533495.00
Networking Fees					75440.00
Post Placement Fees					15675.00
Home Study Fees					41454.50
Visa Fees					92195.00
Other Services Fees					3869.37
To Form 990, Part VII, line 93					2085589.17

**Depreciation and Amortization** 990  
(Including Information on Listed Property)

▶ See separate instructions ▶ Attach to your tax return

Name(s) shown on return <b>Frank Adoption Center, North Carolina</b>	Business or activity to which this form relates <b>Form 990 Page 2</b>	Identifying number <b>58-2153959</b>
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**Part I Election To Expense Certain Tangible Property Under Section 179 Note** If you have any listed property, complete Part V before you complete Part I

1 Maximum amount See instructions for a higher limit for certain businesses	1	24000.00
2 Total cost of section 179 property placed in service (see instructions)	2	
3 Threshold cost of section 179 property before reduction in limitation	3	\$200,000
4 Reduction in limitation Subtract line 3 from line 2. If zero or less, enter -0	4	
5 Dollar limitation for tax year Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
6 (a) Description of property (b) Cost (business use only) (c) Elected cost		
7 Listed property Enter amount from line 29	7	
8 Total elected cost of section 179 property Add amounts in column (c), lines 6 and 7	8	
9 Tentative deduction Enter the smaller of line 5 or line 8	9	
10 Carryover of disallowed deduction from line 13 of your 2001 Form 4562	10	
11 Business income limitation Enter the smaller of business income (not less than zero) or line 5	11	
12 Section 179 expense deduction Add lines 9 and 10, but do not enter more than line 11	12	
13 Carryover of disallowed deduction to 2003 Add lines 9 and 10, less line 12	13	

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)**

14 Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	2368.72
15 Property subject to section 168(f)(1) election (see instructions)	15	
16 Other depreciation (including ACRS) (see instructions)	16	

**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 2002	17	3574.06
18 If you are electing under section 168(j)(4) 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 2002 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
19a 3 year property						
b 5 year property		5094.63	5 Yrs.	HY	SL	509.48
c 7 year property		432.38	7 Yrs.	HY	SL	30.89
d 10 year property						
e 15 year property						
f 20 year property						
g 25 year property			25 yrs		S/L	
h Residential rental property	/		27.5 yrs	MM	S/L	
	/		27.5 yrs	MM	S/L	
i Nonresidential real property	/		39 yrs	MM	S/L	
	/			MM	S/L	

**Section C - Assets Placed in Service During 2002 Tax Year Using the Alternative Depreciation System**

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

**Part IV Summary (See instructions)**

21 Listed property Enter amount from line 28	21	
22 Total. 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	22	6483.15
23 For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

**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 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

(a) Type of property (list vehicles first )	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use							25	
26 Property used more than 50% in a qualified business use								
		%						
		%						
		%						
27 Property used 50% or less in a qualified business use								
		%				S/L		
		%				S/L		
		%				S/L		
28 Add amounts in column (h), lines 25 through 27 Enter here and on line 21, page 1							28	
29 Add amounts in column (i), line 26 Enter here and on line 7, page 1								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

	(a) Vehicle		(b) Vehicle		(c) Vehicle		(d) Vehicle		(e) Vehicle		(f) Vehicle	
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
30 Total business/investment miles driven during the year (do not include commuting miles)												
31 Total commuting miles driven during the year												
32 Total other personal (noncommuting) miles driven												
33 Total miles driven during the year Add lines 30 through 32												
34 Was the vehicle available for personal use during off-duty hours?												
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

**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

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use? <b>Note</b> If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles		

**Part VI Amortization**

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2002 tax year					
43 Amortization of costs that began before your 2002 tax year					43
44 Total Add amounts in column (f) See instructions for where to report					44