

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.

A For the 2007 calendar year, or tax year beginning 7/01/07, and ending 6/30/08

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

Please use IRS label or print or type. See Specific Instructions.

C Name of organization
SEEDS OF LITERACY

Number and street (or P.O. box if mail is not delivered to street address) Room/suite
3104 WEST 25TH STREET, 3RD FLOOR

City or town, state or country, and ZIP + 4
CLEVELAND OH 44109

D Employer identification number
20-0884284

E Telephone number
216-661-7950

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 Yes No
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

G Website: seedsofliteracy.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.

I Group Exemption Number

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

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 **403,882**

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

		1a		1b		1c		1d		1e	
Revenue	1 Contributions, gifts, grants, and similar amounts received:										
	a Contributions to donor advised funds										
	b Direct public support (not included on line 1a)				266,358						
	c Indirect public support (not included on line 1a)										
	d Government contributions (grants) (not included on line 1a)				92,513						
	e Total (add lines 1a through 1d) (cash \$ <u>345,890</u> noncash \$ <u>12,981</u>)										358,871
	2 Program service revenue including government fees and contracts (from Part VII, line 93)										
	3 Membership dues and assessments										
	4 Interest on savings and temporary cash investments										2,850
	5 Dividends and interest from securities										
	6a Gross rents										
	b Less: rental expenses										
c Net rental income or (loss). Subtract line 6b from line 6a											
7 Other investment income (describe)											
8a Gross amount from sales of assets other than inventory	(A) Securities										
		5,216									
	b Less: cost or other basis and sales expenses	5,281									
	c Gain or (loss) (attach schedule)	-65									
d Net gain or (loss). Combine line 8c, columns (A) and (B)				See Stmt 1						-65	
9 Special events and activities (attach schedule). If any amount is from gaming, check here <input type="checkbox"/>											
a Gross revenue (not including \$ <u>58,512</u> of contributions reported on line 1b)											
b Less: direct expenses other than fundraising expenses											
c Net income or (loss) from special events. Subtract line 9b from line 9a											13,377
10a Gross sales of inventory, less returns and allowances											
	b Less: cost of goods sold										
	c Gross profit or (loss) from sales of inventory (attach schedule). Subtract line 10b from line 10a										
11 Other revenue (from Part VII, line 103)											
12 Total revenue. Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11											375,033
Expenses	13 Program services (from line 44, column (B))										373,288
	14 Management and general (from line 44, column (C))										67,000
	15 Fundraising (from line 44, column (D))										31,349
	16 Payments to affiliates (attach schedule)										
	17 Total expenses. Add lines 16 and 44, column (A)										
Net Assets	18 Excess or (deficit) for the year. Subtract line 17 from line 12										-96,604
	19 Net assets or fund balances at beginning of year (from line 73, column (A))										257,215
	20 Other changes in net assets or fund balances (attach explanation)										
	21 Net assets or fund balances at end of year. Combine lines 18, 19, and 20										

• If you are filing for an Additional (Not Automatic) 3-Month Extension, complete only Part II and check this box

Note. Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.

• If you are filing for an Automatic 3-Month Extension, complete only Part I (on page 1).

Part II Additional (Not Automatic) 3-Month Extension of Time. You must file original and one copy.

Type or print File by the extended due date for filing the return. See instructions.	Name of Exempt Organization SEEDS OF LITERACY	Employer identification number 20-0884284
	Number, street, and room or suite no. If a P.O. box, see instructions. 3104 WEST 25TH STREET, 3RD FLOOR	For IRS use only
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. CLEVELAND OH 44109	

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

- Form 990
- Form 990-BL
- Form 990-EZ
- Form 990-PF
- Form 990-T (sec. 401(a) or 408(a) trust)
- Form 990-T (trust other than above)
- Form 1041-A
- Form 4720
- Form 5227
- Form 6069
- Form 8870

STOP! Do not complete Part II if you were not already granted an automatic 3-month extension on a previously filed Form 8868.

• The books are in the care of **EXECUTIVE DIRECTOR**

Telephone No. **216-661-7950** FAX No. _____

• If the organization does not have an office or place of business in the United States, check this box

• If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____ . If this is for the whole group, check this box . If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension is for.

4 I request an additional 3-month extension of time until **5/15/09**

5 For calendar year _____ , or other tax year beginning **7/01/07** , and ending **6/30/08** .

6 If this tax year is for less than 12 months, check reason: Initial return Final return Change in accounting period

7 State in detail why you need the extension
See Statement

8a	If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	8a	\$
b	If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868.	8b	\$
c	Balance Due. Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	8c	\$

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form.

Signature _____ Title _____ Date **02/13/09**

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
22a	Grants paid from donor advised funds (attach schedule) (cash \$ _____ non-cash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>				
22b	Other grants and allocations (attach schedule) (cash \$ _____ non-cash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>				
23	Specific assistance to individuals (attach schedule)				
24	Benefits paid to or for members (attach schedule)				
25a	25a Compensation of current officers, directors, key employees, etc. listed in Part V-A See Statement 2	59,534	36,316	10,716	12,502
25b	25b Compensation of former officers, directors, key employees, etc. listed in Part V-B				
25c	25c 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)				
26	26 Salaries and wages of employees not included on lines 25a, b, and c	214,832	183,416	22,922	8,494
27	27 Pension plan contributions not included on lines 25a, b, and c	12,271	10,011	1,130	1,130
28	28 Employee benefits not included on lines 25a - 27	31,447	25,667	2,890	2,890
29	29 Payroll taxes	26,995	22,035	2,480	2,480
30	30 Professional fundraising fees				
31	31 Accounting fees	3,575		3,575	
32	32 Legal fees				
33	33 Supplies	2,467	987	1,234	246
34	34 Telephone	7,030	5,624	1,406	
35	35 Postage and shipping	867		867	
36	36 Occupancy	33,260	26,608	6,652	
37	37 Equipment rental and maintenance	5,020	3,012	2,008	
38	38 Printing and publications	2,490	2,490		
39	39 Travel	6,654	5,988	333	333
40	40 Conferences, conventions, and meetings				
41	41 Interest				
42	42 Depreciation, depletion, etc. (attach schedule)	12,940	7,764	3,882	1,294
43	43 Other expenses not covered above (itemize): See Statement 3				
43a	43a	52,255	43,370	6,905	1,980
43b	43b				
43c	43c				
43d	43d				
43e	43e				
43f	43f				
43g	43g				
44	44 Total functional expenses. Add lines 22a through 43g. (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	471,637	373,288	67,000	31,349

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.

What is the organization's primary exempt purpose?

See Statement 4

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

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

a ASSISTING ADULTS IN GAINING AND IMPROVING READING, WRITING, AND MATH SKILLS.

(Grants and allocations \$) If this amount includes foreign grants, check here

373,288

b

(Grants and allocations \$) If this amount includes foreign grants, check here

c

(Grants and allocations \$) If this amount includes foreign grants, check here

d

(Grants and allocations \$) If this amount includes foreign grants, check here

e Other program services (attach schedule)

(Grants and allocations \$) If this amount includes foreign grants, check here

f Total of Program Service Expenses (should equal line 44, column (B), Program services)

373,288

Part IV Balance Sheets (See the instructions.)

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

		(A) Beginning of year		(B) End of year	
Assets	45	Cash—non-interest-bearing	102,522	45	7,219
	46	Savings and temporary cash investments	78,460	46	41,160
	47a	Accounts receivable			96
		47a			
	b	Less: allowance for doubtful accounts			
		47b	1,720	47c	96
	48a	Pledges receivable			
		48a			
	b	Less: allowance for doubtful accounts			
		48b			
	49	Grants receivable	42,111	49	94,895
	50a	Receivables from current and former officers, directors, trustees, and key employees (attach schedule)		50a	
	b	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) (att. schedule)		50b	
	51a	Other notes and loans receivable (attach schedule)			
		51a			
	b	Less: allowance for doubtful accounts			
		51b		51c	
	52	Inventories for sale or use		52	
	53	Prepaid expenses and deferred charges	2,250	53	6,346
54a	Investments—publicly-traded securities				
	<input type="checkbox"/> Cost <input type="checkbox"/> FMV		54a		
b	Investments—other securities (attach schedule)				
	<input type="checkbox"/> Cost <input type="checkbox"/> FMV		54b		
55a	Investments—land, buildings, and equipment: basis				
	55a				
b	Less: accumulated depreciation (attach schedule)				
	55b		55c		
56	Investments—other (attach schedule)				
			56		
57a	Land, buildings, and equipment: basis				
	57a	55,024			
b	Less: accumulated depreciation (attach schedule) See Statement 5				
	57b	23,822	57c	31,202	
58	Other assets, including program-related investments (describe <input type="checkbox"/>)				
			58		
59	Total assets (must equal line 74). Add lines 45 through 58	268,188	59	180,918	
Liabilities	60	Accounts payable and accrued expenses	10,973	60	20,307
	61	Grants payable		61	
	62	Deferred revenue		62	
	63	Loans from officers, directors, trustees, and key employees (attach schedule)		63	
	64a	Tax-exempt bond liabilities (attach schedule)		64a	
	b	Mortgages and other notes payable (attach schedule)		64b	
	65	Other liabilities (describe <input type="checkbox"/>)		65	
	66	Total liabilities. Add lines 60 through 65	10,973	66	20,307
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	202,428	67	110,861
	68	Temporarily restricted	54,787	68	49,750
	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 and column (B) must equal line 21)	257,215	73	160,611
	74	Total liabilities and net assets/fund balances. Add lines 66 and 73	268,188	74	180,918

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?	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.)		
	See Stmt 7 82b 36,075		
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
83b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	X	
84a	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		
85a	501(c)(4), (5), or (6). Were substantially all dues nondeductible by members?		
	N/A		
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? 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.		
	N/A		
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?		
	N/A		
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?		
	N/A		
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		X
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		X
88b			
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		X
	89b		
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958		
	0		
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization		
	0		
e	All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction?		X
	89e		
f	All organizations. Did the organization acquire a direct or indirect interest in any applicable insurance contract?		X
	89f		
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?		X
	89g		
90a	List the states with which a copy of this return is filed		
	OH		
b	Number of employees employed in the pay period that includes March 12, 2007 (See instructions.)		
	90b 12		
91a	The books are in care of EXECUTIVE DIRECTOR 3104 WEST 25TH STREET Located at CLEVELAND, OH		
	Telephone no. 216-661-7950		
	ZIP + 4 44109		
b	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If "Yes," enter the name of the foreign country		X
	91b		
	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	
93 Program service revenue:					
a					
b					
c					
d					
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments			14	2,850	
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			18	-65	
101 Net income or (loss) from special events			1	13,377	
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		16,162	0
105 Total (add line 104, columns (B), (D), and (E))					16,162

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).
101	THE ORGANIZATION HELD VARIOUS FUNDRAISING EVENTS FOR THE PURPOSE OF GENERATING REVENUES TO BE UTILIZED IN CONDUCTING THE ORGANIZATION'S CHARITABLE ACTIVITIES.

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

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

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

(a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No

(b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No

Note: If "Yes" to (b), file Form 8870 and Form 4720 (see instructions).

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).

106 Did the reporting organization make any transfers to a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity.

Yes	No
	X

	(A) Name, address, of each controlled entity	(B) Employer ID Number	(C) Description of transfer	(D) Amount of transfer
a			
b			
c			
Totals				

107 Did the reporting organization receive any transfers from a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity.

Yes	No
	X

	(A) Name, address, of each controlled entity	(B) Employer ID Number	(C) Description of transfer	(D) Amount of transfer
a			
b			
c			
Totals				

108 Did the organization have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in question 107 above?

Yes	No

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.

Please Sign Here

Signature of officer: *[Signature]* Date: _____

Type or print name and title: _____

Paid Preparer's Use Only

Preparer's signature: *[Signature]* Date: 3/11/09 Check if self-employed: Preparer's SSN or PTIN (See Gen. Instr. X): P00010791

Firm's name (or yours if self-employed), address, and ZIP + 4: Patton & Company, CPA's
22255 Center Ridge Rd
Rocky River, OH 44116

EIN: 34-1458519
Phone no.: 440-333-4300

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

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

OMB No. 1545-0047

2007

Department of the Treasury
Internal Revenue Service

Supplementary Information-(See separate instructions.)

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

Name of the organization

SEEDS OF LITERACY

Employer identification number
20-0884284

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 empl. benefit plans & deferred comp.	(e) Expense account and other allowances
NONE				
Total number of other employees paid over \$50,000 ▶				

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

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

Part II-B Compensation of the Five Highest Paid Independent Contractors for Other Services
(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter "None." See page 2 of the instructions.)

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

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

		Yes	No
1	During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ▶ \$ _____ (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.)		X
Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes" must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.			
2	During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)		
a	Sale, exchange, or leasing of property?		X
b	Lending of money or other extension of credit?		X
c	Furnishing of goods, services, or facilities? See Statement 8	X	
d	Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? See Part V-A, Form 990	X	
e	Transfer of any part of its income or assets?		X
3a	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.)		X
b	Did the organization have a section 403(b) annuity plan for its employees?		X
c	Did the organization receive or hold an easement for conservation purposes, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," attach a detailed statement		X
d	Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services?		X
4a	Did the organization maintain any donor advised funds? If "Yes," complete lines 4b through 4g. If "No," complete lines 4f and 4g		X
b	Did the organization make any taxable distributions under section 4966?		
c	Did the organization make a distribution to a donor, donor advisor, or related person?		
d	Enter the total number of donor advised funds owned at the end of the tax year		
e	Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year		
f	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
g	Enter the aggregate value of assets held in all funds or accounts included on line 4f at the end of the tax year		0

Part IV Reason for Non-Private Foundation Status (See pages 4 through 8 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 8 of the instructions.)

(a) Name(s) of supported organization(s)	(b) Employer identification number (EIN)	(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	
Total					

- 14 An organization organized and operated to test for public safety. Section 509(a)(4). (See page 8 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
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	410,661	294,748	194,224		899,633
16 Membership fees received					0
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	26,900	36,656	16,475		80,031
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, income from similar sources, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	3,454	2,603	1,063		7,120
19 Net income from unrelated business activities not included in line 18					0
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					0
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					0
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets					0
23 Total of lines 15 through 22	441,015	334,007	211,762		986,784
24 Line 23 minus line 17	414,115	297,351	195,287		906,753
25 Enter 1% of line 23	4,410	3,340	2,118		

26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24	26a	18,135
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 2003 through 2006 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts	26b	
c Total support for section 509(a)(1) test: Enter line 24, column (e)	26c	906,753
d Add: Amounts from column (e) for lines: 18 <u>7,120</u> 19 _____ 22 _____ 26b _____	26d	7,120
e Public support (line 26c minus line 26d total)	26e	899,633
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))	26f	99.2148%

27 Organizations described on line 12: a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." Do not file this list with your return. Enter the sum of such amounts for each year: N/A

(2006) _____ (2005) _____ (2004) _____ (2003) _____

b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11b, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year: N/A

(2006) _____ (2005) _____ (2004) _____ (2003) _____

c Add: Amounts from column (e) for lines: 15 _____ 16 _____ 17 _____ 20 _____ 21 _____	27c	
d Add: Line 27a total _____ and line 27b total _____	27d	
e Public support (line 27c total minus line 27d total)	27e	
f Total support for section 509(a)(2) test: Enter amount from line 23, column (e)	27f	
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))	27g	%
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))	27h	%

28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2003 through 2006, 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 9 of the instructions.)

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

		N/A	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.)			
32	Does the organization maintain the following:			
a	Records indicating the racial composition of the student body, faculty, and administrative staff?			
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?			
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?			
d	Copies of all material used by the organization or on its behalf to solicit contributions?			
	If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.)			
33	Does the organization discriminate by race in any way with respect to:			
a	Students' rights or privileges?			
b	Admissions policies?			
c	Employment of faculty or administrative staff?			
d	Scholarships or other financial assistance?			
e	Educational policies?			
f	Use of facilities?			
g	Athletic programs?			
h	Other extracurricular activities?			
	If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.)			
34a	Does the organization receive any financial aid or assistance from a governmental agency?			
b	Has the organization's right to such aid ever been revoked or suspended? If you answered "Yes" to either 34a or b, please explain using an attached statement.			
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			

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 11 of the instructions.)
 (To be completed **ONLY** by an eligible organization that filed Form 5768) **N/A**

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
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		
	Over \$500,000 but not over \$1,000,000		
	Over \$1,000,000 but not over \$1,500,000		
	Over \$1,500,000 but not over \$17,000,000		
	Over \$17,000,000		
	The lobbying nontaxable amount is-		
	20% of the amount on line 40		
	\$100,000 plus 15% of the excess over \$500,000		
	\$175,000 plus 10% of the excess over \$1,000,000	41	
	\$225,000 plus 5% of the excess over \$1,500,000		
	\$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 13 of the instructions.)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2007	(b) 2006	(c) 2005	(d) 2004	(e) Total
45	Lobbying nontaxable amount				
46	Lobbying ceiling amount (150% of line 45(e))				
47	Total lobbying expenditures				
48	Grassroots nontaxable amount				
49	Grassroots ceiling amount (150% of line 48(e))				
50	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 14 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:

	Yes	No	Amount
a	Volunteers		
b	Paid staff or management (Include compensation in expenses reported on lines c through h.)		
c	Media advertisements		
d	Mailings to members, legislators, or the public		
e	Publications, or published or broadcast statements		
f	Grants to other organizations for lobbying purposes		
g	Direct contact with legislators, their staffs, government officials, or a legislative body		
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means		
i	Total lobbying expenditures (Add lines c through h.)		

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

Schedule B
(Form 990, 990-EZ,
or 990-PF)
Department of the Treasury
Internal Revenue Service

Schedule of Contributors
Supplementary Information for
line 1 of Form 990, 990-EZ, and 990-PF (see instructions)

OMB No. 1545-0047

2007

Name of organization

Employer identification number

SEEDS OF LITERACY

20-0884284

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

501(c)(**3**) (enter number) organization

4947(a)(1) nonexempt charitable trust **not** treated as a private foundation

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

4947(a)(1) nonexempt charitable trust treated as a private foundation

501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**. (Note: Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule—see instructions.)

General Rule—

For organizations filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. (Complete Parts I and II.)

Special Rules—

For a section 501(c)(3) organization filing Form 990, or Form 990-EZ, that met the 33 1/3% support test of the regulations under sections 509(a)(1)/170(b)(1)(A)(vi), and received from any one contributor, during the year, a contribution of the greater of \$5,000 or 2% of the amount on line 1 of these forms. (Complete Parts I and II.)

For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, aggregate contributions or bequests of more than \$1,000 for use exclusively for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. (Complete Parts I, II, and III.)

For a section 501(c)(7), (8), or (10) organization filing Form 990, or Form 990-EZ, that received from any one contributor, during the year, some contributions for use exclusively for religious, charitable, etc., purposes, but these contributions did not aggregate to more than \$1,000. (If this box is checked, enter here the total contributions that were received during the year for an exclusively religious, charitable, etc., purpose. Do not complete any of the Parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc., contributions of \$5,000 or more during the year.) ▶ \$ _____

Caution: Organizations that are not covered by the General Rule and/or the Special Rules do not file Schedule B (Form 990, 990-EZ, or 990-PF), but they **must** check the box in the heading of their Form 990, Form 990-EZ, or on line 2 of their Form 990-PF, to certify that they do not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

For Paperwork Reduction Act Notice, see the Instructions for Form 990, Form 990-EZ, and Form 990-PF.

Schedule B (Form 990, 990-EZ, or 990-PF) (2007)

Name of organization

SEEDS OF LITERACY

Employer identification number

20-0884284

Part I Contributors (See Specific Instructions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	SISTERS OF ST. JOSEPH 3430 ROCKY RIVER DRIVE CLEVELAND OH 44111	\$ 92,500	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
2	DOLLAR GENERAL FOUNDATION PO BOX 1064 GOODLETTSVILLE TN 37070	\$ 20,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
3	DIOCESE OF CLEVELAND FOUNDATION 1404 EAST NINTH STREET 8TH FLOOR CLEVELAND OH 44114	\$ 12,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
4	DEACONESS COMMUNITY FOUNDATION 7575 NORTHCLIFF AVENUE, SUITE 203 BROOKLYN OH 44144	\$ 25,000	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
5	CUYAHOGA METROPOLITAN HOUSING AUTHORITY 1242 EAST 49TH STREET, 5TH FLOOR CLEVELAND OH 44114	\$ 92,513	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
6	ST. MALACHI CENTER 2416 SUPERIOR VIADUCT CLEVELAND OH 44113	\$ 8,500	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Federal Statements

Statement 1 - Form 990, Part I, Line 8c - Sale of Assets Other Than Inventory - Securities

Desc	How Rec'd	Whom Sold	Date Acquired	Date Sold	Sale Price	Cost & Expense	Depr	Gain/-Loss
Publicly Traded Securities					\$ 5,216	\$ 5,281	\$	-65
Total					\$ 5,216	\$ 5,281	\$ 0	\$ -65

Federal Statements

Statement 2 - Form 990, Part II, Line 25a - Compensation of Current Officers

Name	Program Services	Management & General	Fundraising
Expenses	\$	\$	\$
Officer Compensation	36,316	10,716	12,502
Total	<u>\$ 36,316</u>	<u>\$ 10,716</u>	<u>\$ 12,502</u>

Federal Statements

Statement 3 - Form 990, Part II, Line 43 - Other Functional Expenses

Description	Total Expenses	Program Service	Mgt & General	Fund-Raising
Expenses	\$	\$	\$	\$
ADVERTISING	8,672	7,371		1,301
CONSULTING FEES	1,000	800		200
DUES, SUBSCRIPTIONS	780	507	273	
INSURANCE	4,792	3,834	479	479
MISCELLANEOUS	4,240		4,240	
PAYROLL PROCESSING	417	334	83	
PROGRAM SUPPLIES, OPERATIONS	23,224	23,224		
VOLUNTEER SUPPORT	1,810	1,810		
WORKSHOPS, TRAINING	7,320	5,490	1,830	
Total	\$ 52,255	\$ 43,370	\$ 6,905	\$ 1,980

Statement 4 - Form 990, Part III - Organization's Primary Exempt Purpose

Description

TO BRING TOGETHER PEOPLE OF DIVERSE RACE, ETHNIC AND SOCIAL ECONOMIC BACKGROUNDS TO WORK TOGETHER TO HELP BREAK A ROOT CAUSE OF POVERTY - ILLITERACY. THE ORGANIZATION'S FOCUS IS TO HELP ADULTS IN NEED OF ASSISTANCE IN READING, WRITING, AND MATH TO IMPROVE THEIR ABILITY TO FUNCTION, COMPETE, AND ADVANCE IN SOCIETY.

Federal Statements

Statement 5 - Form 990, Part IV, Line 57 - Land, Buildings, and Equipment

<u>Description</u>	<u>Beginning of Year</u>	<u>Accum Depr</u>	<u>End of Year</u>	<u>Accum Depr</u>
OFFICE AND CLASSROOM FURN & EQUIP	\$ 28,318	\$ 6,742	\$ 31,236	\$ 14,825
DEFERRED SOFTWARE COSTS	<u>23,788</u>	<u>4,239</u>	<u>23,788</u>	<u>8,997</u>
Total	<u>\$ 52,106</u>	<u>\$ 10,981</u>	<u>\$ 55,024</u>	<u>\$ 23,822</u>

TAX Asset Detail 7/1/07 - 6/30/08

Asset	Property Description	Date in Service	Tax Cost	Tax Prior Depreciation	Tax Current Depreciation	Tax End Depr	Tax Net Book Value	Tax Period	June Y-T-D
1	12 Task Chairs	4/4/2005	\$ 698.64	\$ 314.39	\$ 139.73	\$ 454.12	\$ 244.52	5 yrs	12
2	8 Dell Computers	3/19/2005	\$ 4,829.79	\$ 2,173.41	\$ 965.96	\$ 3,139.37	\$ 1,690.42	5 yrs	12
3	Computer Router	5/7/2005	\$ 500.00	\$ 216.67	\$ 100.00	\$ 316.67	\$ 183.33	5 yrs	12
5	HP Printer	3/29/2005	\$ 549.99	\$ 247.50	\$ 110.00	\$ 357.50	\$ 192.49	5 yrs	12
10	3 Dell Computers	5/26/2006	\$ 1,706.04	\$ 511.81	\$ 341.21	\$ 853.02	\$ 853.02	5 yrs	12
12	Dell Computer	9/12/2005	\$ 956.76	\$ 287.02	\$ 191.35	\$ 478.37	\$ 478.39	5 yrs	12
14	Dell Computer	9/2/2006	\$ 536.43	\$ 89.41	\$ 107.29	\$ 196.70	\$ 339.73	5 yrs	12
15	Dell Laptops-return May08	3/22/2007	\$ 4,285.00	\$ 1,071.24	\$ 3,213.75	\$ 4,284.99	\$ 0.01	1 yr	12
22	Tables and chairs	4/17/2007	\$ 972.00	\$ 48.60	\$ 194.40	\$ 243.00	\$ 729.00	5 yrs	9
23	File & Storage Cabinets	7/21/2007	\$ 563.22	\$ 112.64	\$ 112.64	\$ 225.28	\$ 337.94	5 yrs	12
24	Computer Tables	5/16/2007	\$ 3,050.00	\$ 101.67	\$ 610.00	\$ 711.67	\$ 2,338.33	5 yrs	12
25	Projector	6/29/2007	\$ 1,181.43	\$ 19.69	\$ 236.29	\$ 255.98	\$ 925.45	5 yrs	12
26	Dell Laptops	6/29/2007	\$ 751.43	\$ 12.52	\$ 150.29	\$ 162.81	\$ 588.62	5 yrs	12
28	Dell Computers - 2	6/29/2007	\$ 1,180.33	\$ 19.67	\$ 236.07	\$ 255.74	\$ 924.59	5 yrs	12
29	Dell Computer	3/10/2008	\$ 526.94	\$ -	\$ 35.13	\$ 35.13	\$ 491.81	5 yrs	4
30	Dell Laptops - 2	4/28/2008	\$ 2,940.77	\$ -	\$ 127.04	\$ 127.04	\$ 2,413.73	5 yrs	4
EDUCATIONAL LAB			\$ 24,828.77	\$ 5,226.24	\$ 6,871.13	\$ 12,097.37	\$ 12,731.40		3
Group: OFFICE EQUIPMENT			\$ 6,556.98	\$ 1,515.78	\$ 1,311.40	\$ 2,827.18	\$ 3,729.80		
7	Cannon PC 940 Copier	10/28/2004	\$ 449.00	\$ 239.44	\$ 89.80	\$ 329.24	\$ 119.76	5 yrs	12
8	Dell Computer-Office	11/18/2004	\$ 835.09	\$ 431.47	\$ 167.02	\$ 598.49	\$ 236.60	5 yrs	12
9	Kodak Digital Camera	2/28/2005	\$ 149.98	\$ 70.00	\$ 30.00	\$ 100.00	\$ 49.98	5 yrs	12
11	Dell Computer	1/18/2006	\$ 614.90	\$ 184.47	\$ 122.98	\$ 307.45	\$ 307.45	5 yrs	12
13	Air Conditioner	8/23/2005	\$ 315.33	\$ 94.60	\$ 63.07	\$ 157.67	\$ 157.66	5 yrs	12
16	Furniture	9/2/2006	\$ 589.52	\$ 98.25	\$ 117.90	\$ 216.15	\$ 373.37	5 yrs	12
17	Telephone System	10/6/2006	\$ 1,818.00	\$ 272.70	\$ 363.60	\$ 636.30	\$ 1,181.70	5 yrs	10
18	Lateral Files	1/8/2007	\$ 1,141.24	\$ 114.12	\$ 228.25	\$ 342.37	\$ 798.87	5 yrs	9
27	Dell Computer	6/29/2007	\$ 643.92	\$ 10.73	\$ 128.78	\$ 139.51	\$ 504.41	5 yrs	6
OFFICE EQUIPMENT			\$ 6,556.98	\$ 1,515.78	\$ 1,311.40	\$ 2,827.18	\$ 3,729.80		1
Total			\$ 31,385.75	\$ 6,742.02	\$ 8,182.53	\$ 14,924.55	\$ 16,461.20		
Group: Disposal of Assets			\$ (149.98)	\$ -	\$ (100.00)	\$ (49.98)			
9	Kodak Digital Camera	2/28/2005	\$ -	\$ -	\$ -	\$ (100.00)	\$ (49.98)	5 yrs	12
Grand Total			\$ 31,235.77	\$ 6,742.02	\$ 8,182.53	\$ 14,824.55	\$ 16,411.22		

Group: OFFICE EQUIPMENT

Debit	Depreciation Expense 5120								
Credit	Accumulated Depreciation 1530								
Journal-1/12 of current									
	\$638.61	July							
	\$638.61	August		\$724.06	April				
	\$638.61	September		\$724.06	May				
	\$638.61	October		\$766.41	June				
	\$638.61	November							
	\$638.61	December							
	\$638.61	January							
	\$638.61	February							
	\$724.06	March							

Journal-1/12 of current

Fiscal year 7-1-07 through 6-30-08 - ADDITIONS									
29	Dell Computer	3/10/2008							
30	Dell Laptops- 2	4/28/2008							

Debit	Depreciation Expense 5120								
Credit	Accumulated Depreciation 1530								
Journal-1/12 of current									
	\$638.61	July							
	\$638.61	August		\$724.06	April				
	\$638.61	September		\$724.06	May				
	\$638.61	October		\$766.41	June				
	\$638.61	November							
	\$638.61	December							
	\$638.61	January							
	\$638.61	February							
	\$724.06	March							

Federal Statements

Statement 6 - Form 990, Part V-A - List of Officers, Directors, Trustees, and Key Employees

Name and Address	Title	Average Hours	Compensation	Benefits	Expenses
BONNIE ENTLER 3104 WEST 25TH ST CLEVELAND OH 44109	DIRECTOR	40+	59,535	9,778	0
ROBIN BYRNE 3104 WEST 25TH ST CLEVELAND OH 44109	PRESIDENT	1	0	0	0
MARILYN NICKOL 3104 WEST 25TH ST CLEVELAND OH 44109	V. PRESIDENT	1	0	0	0
CAROL HUGHES 3104 WEST 25TH ST CLEVELAND OH 44109	SECRETARY	1	0	0	0
ROBERT MORRIS 3104 WEST 25TH ST CLEVELAND OH 44109	TREASURER	1	0	0	0
DIANE ANDRIANO 3104 WEST 25TH ST CLEVELAND OH 44109	BOARD MEMBER	.5	0	0	0
STACY ATHERTON 3104 WEST 25TH ST CLEVELAND OH 44109	BOARD MEMBER	.5	0	0	0
MARY ELLEN BROCK 3104 WEST 25TH ST CLEVELAND OH 44109	BOARD MEMBER	.5	0	0	0
KERIANNE HEARNS 3104 WEST 25TH ST CLEVELAND OH 44109	BOARD MEMBER	.5	0	0	0

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Statement 6 - Form 990, Part V-A - List of Officers, Directors, Trustees, and Key Employees

Name and Address	Title	Average Hours	Compensation	Benefits	Expenses
BONNIE ENTLER 3104 WEST 25TH ST CLEVELAND OH 44109	DIRECTOR	40+	59,535	9,778	0
ROBIN BYRNE 3104 WEST 25TH ST CLEVELAND OH 44109	PRESIDENT	1	0	0	0
MARILYN NICKOL 3104 WEST 25TH ST CLEVELAND OH 44109	V. PRESIDENT	1	0	0	0
CAROL HUGHES 3104 WEST 25TH ST CLEVELAND OH 44109	SECRETARY	1	0	0	0
ROBERT MORRIS 3104 WEST 25TH ST CLEVELAND OH 44109	TREASURER	1	0	0	0
DIANE ANDRIANO 3104 WEST 25TH ST CLEVELAND OH 44109	BOARD MEMBER	.5	0	0	0
STACY ATHERTON 3104 WEST 25TH ST CLEVELAND OH 44109	BOARD MEMBER	.5	0	0	0
MARY ELLEN BROCK 3104 WEST 25TH ST CLEVELAND OH 44109	BOARD MEMBER	.5	0	0	0
KERIANNE HEARNS 3104 WEST 25TH ST CLEVELAND OH 44109	BOARD MEMBER	.5	0	0	0

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Statement 7 - Form 990, Part VI, Line 82b - Donated Services

<u>Description</u>	<u>Amount</u>
DONATED FACILITIES	\$ 14,137
DONATED HUMAN RESOURCES SERVICES	2,156
DONATED PROGRAM SUPPORT SERVICES	12,382
DONATED LEGAL SERVICES	6,650
DONATED ACCOUNTING SERVICES	750
Total	\$ <u>36,075</u>

Statement 8 - Schedule A, Part III, Line 2c - Furnishing of Goods, Services or FacilitiesDescription

THE SISTERS OF ST. JOSEPH PROVIDES THE ORGANIZATION WITH CERTAIN GOODS AND SERVICES NEEDED TO CONDUCT OPERATIONS. SPECIFIC EXAMPLES ARE ASSISTANCE WITH LIABILITY INSURANCE COVERAGE, PARTICIPATION IN GROUP EMPLOYEE INSURANCE PROGRAMS, HUMAN RESOURCE SERVICES. THE VALUE OF THESE ITEMS HAS BEEN RECORDED IN THE FINANCIAL STATEMENTS AND THIS TAX RETURN. CERTAIN OF THE ITEMS HAVE BEEN RECORDED AS DONATED SERVICES AND ACCORDINGLY, ARE NOT REFLECTED IN THE TAX RETURN AMOUNTS.