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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

2008

Open to Public Inspection

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

A For the 2008 calendar year, or tax year beginning OCT 1, 2008 and ending SEP 30, 2009

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Termination <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	Please use IRS label or print or type See Specific Instructions	C Name of organization THE CRADLE Doing Business As		D Employer identification number 36-2181994
		Number and street (or P.O. box if mail is not delivered to street address) Room/suite 2049 RIDGE AVENUE		E Telephone number (847)475-5800
		City or town, state or country, and ZIP + 4 EVANSTON, IL 60201		G Gross receipts \$ 5,818,907.
		F Name and address of principal officer: JULIANNE TYE SAME AS C ABOVE		H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions)
I Tax-exempt status: <input checked="" type="checkbox"/> 501(c) (3) (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527				H(c) Group exemption number ▶
J Website: ▶ WWW.CRADLE.ORG				
K Type of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶		L Year of formation: 1923		M State of legal domicile: IL

Part I Summary

SCANNED MAR 08 2010 Activities & Governance

1 Briefly describe the organization's mission or most significant activities: THE CRADLE'S MISSION IS TO BENEFIT CHILDREN BY PROVIDING EDUCATION, GUIDANCE AND LIFELONG		
2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its assets.		
3 Number of voting members of the governing body (Part VI, line 1a)	3 33	
4 Number of independent voting members of the governing body (Part VI, line 1b)	4 32	
5 Total number of employees (Part V, line 2a)	5 111	
6 Total number of volunteers (estimate if necessary)	6 167	
7a Total gross unrelated business revenue from Part VIII, line 12, column (C)	7a 0.	
b Net unrelated business taxable income from Form 990-T, line 34	7b 0.	
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year 2,458,860. Current Year 3,004,063.
	9 Program service revenue (Part VIII, line 1g)	3,504,046. 2,579,478.
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	16,526. 5,705.
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9e, 10c, and 11e)	238,724. 229,661.
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	6,218,156. 5,818,907.
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	106,263.
	14 Benefits paid to or for members (Part IX, column (A), line 4)	
	15 Salaries, other compensation, and employee benefits (Part IX, column (A), lines 5-10)	3,941,427. 3,722,067.
	16a Professional fundraising fees (Part IX, column (A), line 11e) b Total fundraising expenses (Part IX, column (D), line 25) ▶	
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	2,594,212. 1,881,402.
18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	6,535,639. 5,709,732.	
19 Revenue less expenses. Subtract line 18 from line 12	<317,483.> 109,175.	
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Year 26,333,028. End of Year 25,382,709.
	21 Total liabilities (Part X, line 26)	5,771,458. 5,742,755.
	22 Net assets or fund balances. Subtract line 21 from line 20	20,561,570. 19,639,954.

Part II Signature Block

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.

Sign Here ▶ Signature of officer: *[Signature]* Date: 2-8-10
 ▶ **JULIANNE TYE, PRESIDENT**
 Type or print name and title

Paid Preparer's Use Only
 Preparer's signature: *Susan M. Greggo* Date: 1/23/10
 Firm's name (or yours if self-employed), address, and ZIP + 4: **WARADY & DAVIS LLP**
1717 DEERFIELD ROAD, SUITE 300S
DEERFIELD, IL 60015
 Check if self-employed:
 Preparer's identifying number (see instructions): **000595460**
 EIN: ▶ **36-270602**
 Phone no.: ▶ **(847)267-9600**

May the IRS discuss this return with the preparer shown above? (see instructions) Yes No

SEE SCHEDULE O FOR ORGANIZATION MISSION STATEMENT CONTINUATION

Part III Statement of Program Service Accomplishments (see instructions)

1 Briefly describe the organization's mission: THE CRADLE'S MISSION IS TO BENEFIT CHILDREN BY PROVIDING EDUCATION, GUIDANCE AND LIFELONG SUPPORT TO CREATE, SUSTAIN, AND PRESERVE NURTURING FAMILIES.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? [] Yes [X] No If "Yes", describe these new services on Schedule O

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? [X] Yes [] No If "Yes", describe these changes on Schedule O.

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

SEE SCHEDULE O FOR CONTINUATION(S)

4a (Code:) (Expenses \$ 2,984,754. including grants of \$ 106,263.) (Revenue \$ 2,053,078.) A. SOCIAL SERVICES

ESTABLISHED IN 1923, THE CRADLE PROVIDES PROFESSIONAL COUNSELING, EDUCATION AND SUPPORT TO WOMEN AND MEN FACING UNPLANNED PREGNANCIES; TO PROSPECTIVE PARENTS SEEKING TO FORM OR EXPAND THEIR FAMILIES THROUGH ADOPTION; TO FORMER WARDS OF THE STATE OF ILLINOIS WHO ARE ORPHANED DUE TO THE DEATH OR INCAPACITATION OF THEIR ADOPTIVE PARENTS; AND TO ALL MEMBERS OF THE ADOPTION TRIAD ON A POST-ADOPTION BASIS. TRADITIONALLY, OUR CORE SERVICES HAVE BEEN DELIVERED THROUGH ONE-ON-ONE COUNSELING WITH OUR CLIENTS, BUT INCREASINGLY, THE CRADLE IS TAKING ADVANTAGE OF VARIOUS TECHNOLOGIES TO PROVIDE INFORMATION, SUPPORT AND EDUCATION TO PEOPLE WHO ARE TOUCHED BY ADOPTION IN EVERY CORNER OF THE UNITED STATES

4b (Code:) (Expenses \$ 763,813. including grants of \$) (Revenue \$) B. NURSERY

THE CRADLE'S ONSITE, 24-HOUR NURSERY IS THE ONLY ONE OF ITS KIND IN THE UNITED STATES. ITS PURPOSE IS TO PROVIDE PROFESSIONAL, NURTURING CARE TO INFANTS UNDER THE AGE OF ONE YEAR WHOSE BIRTH PARENTS ARE CONSIDERING ADOPTION. WHILE SOME BIRTH PARENTS CHOOSE TO HAVE THEIR BABIES GO DIRECTLY FROM THE HOSPITAL TO THEIR ADOPTIVE FAMILY, OTHERS ARE NOT CERTAIN ABOUT AN ADOPTION DECISION AND USE THE NURSERY AS A NEUTRAL, TEMPORARY HAVEN WHILE THEY CONSIDER THEIR OPTIONS. THE NURSERY IS ALSO AN IMPORTANT HAVEN FOR BABIES BORN WITH SPECIAL NEEDS. IT CAN SOMETIMES TAKE MANY MONTHS TO LOCATE AN ADOPTIVE FAMILY FOR A SPECIAL NEEDS BABY, AND THE CRADLE'S NURSERY IS A CRITICALLY IMPORTANT

4c (Code:) (Expenses \$ 926,324. including grants of \$) (Revenue \$) C. OUTREACH AND COMMUNICATIONS

IN THE COURSE OF FY 2009, THE CRADLE'S OUTREACH TEAM MADE OVER 4,500 CONTACTS WITH SOCIAL SERVICE AND HEALTH CARE PROFESSIONALS IN ILLINOIS. THEY CONDUCTED ROUGHLY 200 IN-SERVICE PRESENTATIONS, HELPING NEARLY 3,000 PROFESSIONALS BETTER UNDERSTAND THE REALITIES OF ADOPTION TODAY, INCLUDING ADOPTION LAW, EMPOWERING ADOPTION LANGUAGE AND HOW BEST TO RESPECT A BIRTHPARENT'S RIGHTS. OUR 2009 ADOPTION AWARENESS COMMUNICATIONS EFFORTS EXTENDED TO BROADCAST AND DIGITAL MEDIA AS WELL AS SOCIAL NETWORKING SITES LIKE FACEBOOK.

4d Other program services. (Describe in Schedule O.) (Expenses \$ 640,897. including grants of \$) (Revenue \$ 526,400.)

4e Total program service expenses \$ 5,315,788. (Must equal Part X, line B, column B)

Part IV Checklist of Required Schedules

Table with 3 columns: Question ID, Question Text, Yes, No. Rows 1-27 with 'X' marks in Yes/No columns.

Part IV Checklist of Required Schedules (continued)

	Yes	No
28 During the tax year, did any person who is a current or former officer, director, trustee, or key employee:		
a Have a direct business relationship with the organization (other than as an officer, director, trustee, or employee), or an indirect business relationship through ownership of more than 35% in another entity (individually or collectively with other person(s) listed in Part VII, Section A)? If "Yes," complete Schedule L Part V		X
b Have a family member who had a direct or indirect business relationship with the organization? If "Yes," complete Schedule L Part V		X
c Serve as an officer, director, trustee, key employee, partner, or member of an entity (or a shareholder of a professional corporation) doing business with the organization? If "Yes," complete Schedule L Part V		X
29 Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M	X	
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II		X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R Part I		X
34 Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R Parts II, III, V, and V, sub 1	X	
35 Is any related organization a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Schedule R Part V, sub 2	X	
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R Part V, sub 2		X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R Part VI		X

Form 990 (2008)

Part V Statements Regarding Other IRS Filings and Tax Compliance

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096, Annual Summary and Transmittal of U.S. Information Returns. Enter -0- if not applicable		
1a	14		
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable		
1b	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	X	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return		
2a	111		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return. (see instructions)	X	
3a	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 Form 990-T for this year? If "No," provide an explanation in Schedule O		
3b			
4a	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)?		X
b	If "Yes," enter the name of the foreign country: _____ See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
c	If "Yes," to question 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?		
5c			
6a	Did the organization solicit any contributions 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?		
6b			
7	Organizations that may receive deductible contributions under section 170(c).		
a	Did the organization provide goods or services in exchange for any quid pro quo contribution of more than \$75?	X	
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	X	
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		X
d	If "Yes," indicate the number of Forms 8282 filed during the year		
7d			
e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		X
7e			
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		X
7f			
g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?		
7g			
h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?		
7h			
8	Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		
8			
9	Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds.		
a	Did the organization make any taxable distributions under section 4966?		
9a			
b	Did the organization make a distribution to a donor, donor advisor, or related person?		
9b			
10	Section 501(c)(7) organizations. Enter: N/A		
a	Initiation fees and capital contributions included on Part VIII, line 12		
10a			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities		
10b			
11	Section 501(c)(12) organizations. Enter: N/A		
a	Gross income from members or shareholders		
11a			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)		
11b			
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?		
12a			
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year N/A		
12b			

Part VI Governance, Management, and Disclosure (Sections A, B, and C request information about policies not required by the Internal Revenue Code)

Section A. Governing Body and Management

		Yes	No
For each "Yes" response to items 27b below, and for a "No" response to items 8 or 19 below, describe the circumstances, processes, or changes in Schedule O. See instructions.			
1a	Enter the number of voting members of the governing body		
			33
b	Enter the number of voting members that are independent		
			32
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		X
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?		X
4	Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?		X
5	Did the organization become aware during the year of a material diversion of the organization's assets?		X
6	Does the organization have members or stockholders?		X
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?		X
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?		X
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a	The governing body?	X	
b	Each committee with authority to act on behalf of the governing body?	X	
9a	Does the organization have local chapters, branches, or affiliates?		X
b	If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?		
9b			
10	Was a copy of the Form 990 provided to the organization's governing body before it was filed? All organizations must describe in Schedule O the process, if any, the organization uses to review the Form 990	X	
11	Is there any officer, director or trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O		X

Section B. Policies

		Yes	No
12a	Does the organization have a written conflict of interest policy? If "No," go to the 3	X	
b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
12b		X	
c	Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	X	
12c		X	
13	Does the organization have a written whistleblower policy?	X	
13		X	
14	Does the organization have a written document retention and destruction policy?	X	
14		X	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision:		
a	The organization's CEO, Executive Director, or top management official?	X	
15a		X	
b	Other officers or key employees of the organization? Describe the process in Schedule O. (see instructions)	X	
15b		X	
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?		X
16a			X
b	If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?		
16b			

Section C. Disclosure

17	List the states with which a copy of this Form 990 is required to be filed IL
18	Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply. <input checked="" type="checkbox"/> Own website <input checked="" type="checkbox"/> Another's website <input checked="" type="checkbox"/> Upon request
19	Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.
20	State the name, physical address, and telephone number of the person who possesses the books and records of the organization: ELLEN GIUDICE - 847-475-5800 2049 RIDGE AVENUE, EVANSTON, IL 60201

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Use Schedule J-2 if additional space is needed.

• List all of the organization's current officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation, and current key employees. Enter -0- in columns (D), (E), and (F) if no compensation was paid.

• List the organization's five current highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.

• List all of the organization's former officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.

• List all of the organization's former directors or trustees that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; institutional trustees; officers; key employees; highest compensated employees; and former such persons.

Check this box if the organization did not compensate any officer, director, trustee, or key employee.

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
PAMELA AMOS	0.40	X					0.	0.	0.	
JOHN BARTH	1.00	X					0.	0.	0.	
RICHARD BURNSTINE, MD	0.50	X					0.	0.	0.	
MARGARET CARTIER	0.70	X					0.	0.	0.	
STEPHEN COLE TREASURER	1.20	X		X			0.	0.	0.	
ERIN DICKES	0.90	X					0.	0.	0.	
JOHN F. DIX, JR.	0.70	X					0.	0.	0.	
PAULA DIX	1.00	X					0.	0.	0.	
THERES FAUERBACH	1.40	X					0.	0.	0.	
RAYMOND GRADY	0.70	X					0.	0.	0.	
ANNA MARIE HAJEK CHAIR	1.30	X		X			0.	0.	0.	
ANDREA HERCHENBACH	0.70	X					0.	0.	0.	
PETER HICKEY	0.50	X					0.	0.	0.	
MELVILLE IRELAND	0.50	X					0.	0.	0.	
MARGARITA KELLEN VICE CHAIR	2.00	X		X			0.	0.	0.	
CATHERINE KLETTKE	0.50	X					0.	0.	0.	
JOHN LUCE	0.70	X					0.	0.	0.	

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
LAWRENCE MACY	0.70	X						0.	0.	0.
JANET MCDONALD	0.50	X						0.	0.	0.
PRISCILLA NEWMAN	0.70	X						0.	0.	0.
BETTY PARKINSON	0.70	X						0.	0.	0.
KEVIN ROCHFORD	0.50	X						0.	0.	0.
CARYN ROWE AFRIK	1.70	X						0.	0.	0.
LAWRENCE RUBLY	1.00	X						0.	0.	0.
THOMAS RYAN SECRETARY	0.90	X		X				0.	0.	0.
ARDYTHE SAYERS	0.30	X						0.	0.	0.
GALE SAYERS	0.30	X						0.	0.	0.
1b Total								661,050.	0.	58,351.

2 Total number of individuals (including those in 1a) who received more than \$100,000 in reportable compensation from the organization 3

- 3 Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? If "Yes," complete Schedule J for that individual Yes No
- 4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for that individual Yes No
- 5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization for services rendered to the organization? If "Yes," complete Schedule J for that person Yes No

	Yes	No
3		X
4	X	
5		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization.

(A) Name and business address	(B) Description of services	(C) Compensation
STARCOM WORLDWIDE, 12076 COLLECTIONS CENTER DR, CHICAGO, IL 60693	MEDIA ADVERTISING	231,863.
SWITCHFAST TECHNOLOGIES 4043 N. RAVENSWOOD, #203, CHICAGO, IL 60613	IT SUPPORT, COMPUTER CONSULTING	130,961.
BOTTOM LINE/GRUEN MARKETING SVC, 14525 HIGHWAY 7, STE. 102, MINNETONKA, MI 55345	YELLOW PAGE ADVERTISING	125,957.

2 Total number of independent contractors (including those in 1) who received more than \$100,000 in compensation from the organization 3

SEE SCHEDULE J-2 FOR PART VII, SECTION A CONTINUATION

Part VIII Statement of Revenue				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514	
Contributions, gifts, grants and other similar amounts	1 a	Federated campaigns	1a					
	b	Membership dues	1b					
	c	Fundraising events	1c					
	d	Related organizations	1d	2,604,832.				
	e	Government grants (contributions)	1e	255,649.				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	143,582.				
	g	Noncash contributions included in lines 1a-1f \$		67,278.				
	h	Total. Add lines 1a-1f		3004063.				
	Program Service Revenue	2 a	SERVICE FEES	Business Code 900099	2579478.	2579478.		
b								
c								
d								
e								
f		All other program service revenue						
g		Total. Add lines 2a-2f		2579478.				
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)		5,705.			5,705.	
	4	Income from investment of tax-exempt bond proceeds						
	5	Royalties						
	6 a	Gross Rents	(i) Real	(ii) Personal				
		Less rental expenses						
		Rental income or (loss)						
		Net rental income or (loss)						
	7 a	Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
		Less: cost or other basis and sales expenses						
		Gain or (loss)						
		Net gain or (loss)						
	8 a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18	a					
		Less: direct expenses	b					
		Net income or (loss) from fundraising events						
	9 a	Gross income from gaming activities. See Part IV, line 19	a					
Less: direct expenses		b						
Net income or (loss) from gaming activities								
10 a	Gross sales of inventory, less returns and allowances	a						
	Less: cost of goods sold	b						
	Net income or (loss) from sales of inventory							
Miscellaneous Revenue			Business Code					
11 a	ADMINISTRATIVE FEE	561000		228,261.	228,261.			
	OTHER REVENUE	900099		1,400.	1,400.			
	d	All other revenue						
	e	Total. Add lines 11a-11d			229,661.			
12	Total Revenue. Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e			5818907.	2809139.	0.	5,705.	

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.
All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21				
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22	68,913.	68,913.		
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16	37,350.	37,350.		
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	733,725.	667,468.	66,257.	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	2,379,373.	2,287,962.	91,411.	
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)				
9 Other employee benefits	396,840.	375,141.	21,699.	
10 Payroll taxes	212,129.	201,886.	10,243.	
11 Fees for services (non-employees)				
a Management				
b Legal	156,566.	146,091.	10,475.	
c Accounting	33,285.	18,576.	14,709.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other	96,725.	95,968.	757.	
12 Advertising and promotion	427,093.	423,796.	3,297.	
13 Office expenses	242,366.	227,605.	14,761.	
14 Information technology	120,189.	87,977.	32,212.	
15 Royalties				
16 Occupancy	302,986.	241,897.	61,089.	
17 Travel	82,704.	81,205.	1,499.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	20,296.	17,120.	3,176.	
20 Interest	82,416.	61,360.	21,056.	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	157,864.	111,478.	46,386.	
23 Insurance	32,930.	18,470.	14,460.	
24 Other expenses. Itemize expenses not covered above. (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below.)				
a <u>ADMINISTRATION ALLOCATI</u>	0.	41,098.	<41,098.>	
b <u>NURSERY SUPPLIES</u>	59,025.	59,025.		
c <u>RESEARCH AND EDUCATION</u>	30,817.	10,457.	20,360.	
d <u>DUES</u>	7,418.	6,898.	520.	
e <u>LAB/MED</u>	6,963.	6,963.		
f All other expenses	21,759.	21,084.	675.	
25 Total functional expenses. Add lines 1 through 24f	5,709,732.	5,315,788.	393,944.	0.
26 Joint Costs. Check here <input type="checkbox"/> if following SOP 98-2. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

		(A) Beginning of year		(B) End of year	
Assets	1	Cash - non-interest-bearing	289,237.	1	305,893.
	2	Savings and temporary cash investments	500,000.	2	500,000.
	3	Pledges and grants receivable, net	191,703.	3	100,000.
	4	Accounts receivable, net	313,703.	4	526,310.
	5	Receivables from current and former officers, directors, trustees, key employees, or other related parties. Complete Part II of Schedule L		5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L		6	
	7	Notes and loans receivable, net		7	
	8	Inventories for sale or use		8	
	9	Prepaid expenses and deferred charges	129,406.	9	205,189.
	10a	Land, buildings, and equipment: cost basis	10a 6,527,894.		
	b	Less: accumulated depreciation. Complete Part VI of Schedule D	10b 2,708,588.		
			3,947,361.	10c	3,819,306.
	11	Investments - publicly traded securities		11	
	12	Investments - other securities. See Part IV, line 11		12	
	13	Investments - program-related. See Part IV, line 11		13	
	14	Intangible assets		14	
15	Other assets. See Part IV, line 11	20,961,618.	15	19,926,011.	
16	Total assets. Add lines 1 through 15 (must equal line 34)	26,333,028.	16	25,382,709.	
Liabilities	17	Accounts payable and accrued expenses	493,773.	17	456,877.
	18	Grants payable		18	
	19	Deferred revenue	77,685.	19	85,878.
	20	Tax-exempt bond liabilities	5,200,000.	20	5,200,000.
	21	Escrow account liability. Complete Part IV of Schedule D		21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23	Secured mortgages and notes payable to unrelated third parties		23	
	24	Unsecured notes and loans payable		24	
	25	Other liabilities. Complete Part X of Schedule D		25	
	26	Total liabilities. Add lines 17 through 25	5,771,458.	26	5,742,755.
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.				
	27	Unrestricted net assets	13,125,832.	27	12,554,190.
	28	Temporarily restricted net assets	2,025,131.	28	1,650,263.
	29	Permanently restricted net assets	5,410,607.	29	5,435,501.
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds		30	
	31	Paid-in or capital surplus, or land, building, or equipment fund		31	
	32	Retained earnings, endowment, accumulated income, or other funds		32	
	33	Total net assets or fund balances	20,561,570.	33	19,639,954.
	34	Total liabilities and net assets/fund balances	26,333,028.	34	25,382,709.

Part XI Financial Statements and Reporting

		Yes	No
1	Accounting method used to prepare the Form 990. <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other		
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?	2a	X
b	Were the organization's financial statements audited by an independent accountant?	2b	X
c	If "Yes" to lines 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	2c	
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a	X
b	If "Yes," did the organization undergo the required audit or audits?	3b	

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)

(Complete only if you checked the box on line 5, 7, or 8 of Part I)

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	2,432,427.	3,357,354.	3,367,003.	2,548,860.	3,004,063.	14,709,707.
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 - 3	2,432,427.	3,357,354.	3,367,003.	2,548,860.	3,004,063.	14,709,707.
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						190,169.
6 Public Support. Subtract line 5 from line 4						14,519,538.

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
7 Amounts from line 4	2,432,427.	3,357,354.	3,367,003.	2,548,860.	3,004,063.	14,709,707.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	132.		17,623.	16,526.	5,705.	39,986.
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)	46,657.	6,773.	220,027.	238,724.	229,661.	741,842.
11 Total support. Add lines 7 through 10						15,491,535.
12 Gross receipts from related activities, etc. (see instructions)					12	13,446,689.

13 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here

Section C. Computation of Public Support Percentage

14 Public support percentage for 2008 (line 6, column (f) divided by line 11, column (f))	14	93.73 %
15 Public support percentage from 2007 Schedule A, Part IV-A, line 26f	15	94.38 %
16a 33 1/3% support test - 2008. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization <input checked="" type="checkbox"/>		
b 33 1/3% support test - 2007. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization <input type="checkbox"/>		
17a 10% -facts-and-circumstances test - 2008. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization <input type="checkbox"/>		
b 10% -facts-and-circumstances test - 2007. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization <input type="checkbox"/>		
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions <input type="checkbox"/>		

Schedule A (Form 990 or 990-EZ) 2008

Part III Support Schedule for Organizations Described in Section 509(a)(2) (Complete only if you checked the box on line 9 of Part I.)

Section A. Public Support

Calendar year (or fiscal year beginning in)▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 - 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of 1% of the total of lines 9, 10c, 11, and 12 for the year or \$5,000						
c Add lines 7a and 7b						
8 Public support (Subtract line 7c from line 6)						

Section B. Total Support

Calendar year (or fiscal year beginning in)▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total support (Add lines 9, 10c, 11, and 12)						

14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here

Section C. Computation of Public Support Percentage

15 Public support percentage for 2008 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2007 Schedule A, Part IV-A, line 27g	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2008 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2007 Schedule A, Part IV-A, line 27h	18	%

19a 33 1/3% support tests - 2008. If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization

b 33 1/3% support tests - 2007. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and stop here. The organization qualifies as a publicly supported organization

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions

Schedule D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Attach to Form 990. To be completed by organizations that answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.

OMB No. 1545-0047

2008

Open to Public Inspection

Name of the organization **THE CRADLE** Employer identification number **36-2181994**

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?		<input type="checkbox"/> Yes <input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor or other impermissible private benefit?		<input type="checkbox"/> Yes <input type="checkbox"/> No

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).
 Preservation of land for public use (e.g., recreation or pleasure) Preservation of an historically important land area
 Protection of natural habitat Preservation of certified historic structure
 Preservation of open space

2 Complete lines 2a-2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ▶ _____

4 Number of states where property subject to conservation easement is located ▶ _____

5 Does the organization have a written policy regarding the periodic monitoring, inspection, violations, and enforcement of the conservation easements it holds? Yes No

6 Staff or volunteer hours devoted to monitoring, inspecting, and enforcing easements during the year ▶ _____

7 Amount of expenses incurred in monitoring, inspecting, and enforcing easements during the year ▶ \$ _____

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? Yes No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenues included in Form 990, Part VIII, line 1 ▶ \$ _____

(ii) Assets included in Form 990, Part X ▶ \$ _____

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items:

a Revenues included in Form 990, Part VIII, line 1 ▶ \$ _____

b Assets included in Form 990, Part X ▶ \$ _____

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

3 Using the organization's accession and other records, check any of the following that are a significant use of its collection items (check all that apply):

- a Public exhibition
- b Scholarly research
- c Preservation for future generations
- d Loan or exchange programs
- e Other

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

Part IV Trust, Escrow and Custodial Arrangements. Complete if organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No

b If "Yes," explain the arrangement in Part XIV and complete the following table:

	Amount
1c	
1d	
1e	
1f	

c Beginning balance

d Additions during the year

e Distributions during the year

f Ending balance

2a Did the organization include an amount on Form 990, Part X, line 21? Yes No

b If "Yes," explain the arrangement in Part XIV.

Part V Endowment Funds. Complete if organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	500,000.				
b Contributions					
c Investment earnings or losses	5,705.				
d Grants or scholarships					
e Other expenditures for facilities and programs	5,705.				
f Administrative expenses					
g End of year balance	500,000.				

2 Provide the estimated percentage of the year end balance held as

- a Board designated or quasi-endowment %
- b Permanent endowment 100.00 %
- c Term endowment %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

- (i) unrelated organizations
- (ii) related organizations

	Yes	No
3a(i)		X
3a(ii)		X
3b		

b If "Yes" to 3a(i), are the related organizations listed as required on Schedule R?

4 Describe in Part XIV the intended uses of the organization's endowment funds

Part VI Investments - Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Depreciation	(d) Book value
1a Land		20,300.		20,300.
b Buildings		5,369,216.	1,741,830.	3,627,386.
c Leasehold improvements				
d Equipment		719,690.	653,784.	65,906.
e Other		418,688.	312,974.	105,714.
Total. Add lines 1a-1e (Column d) should equal Form 990, Part X, column B, the 0(c).				3,819,306.

Part VII Investments - Other Securities. See Form 990, Part X, line 12

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
Financial derivatives and other financial products		
Closely-held equity interests		
Other		
Total. (Col (b) should equal Form 990, Part X, col (B) line 12.)		

Part VIII Investments - Program Related. See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
Total. (Col (b) should equal Form 990, Part X, col (B) line 13.)		

Part IX Other Assets. See Form 990, Part X, line 15

(a) Description	(b) Book value
BOND ISSUANCE COSTS	110,764.
ASSETS HELD IN REMAINDER TRUSTS	496,711.
BENEFICIAL INTEREST IN PERPETUAL TRUSTS	2,701,560.
BENEFICIAL INTEREST IN NET ASSETS OF FOUNDATION	16,616,976.
Total. (Column (b) should equal Form 990, Part X, col (B) line 5.)	19,926,011.

Part X Other Liabilities. See Form 990, Part X, line 25.

(a) Description of liability	(b) Amount
Federal income taxes	
Total. (Column (b) should equal Form 990, Part X, col (B) line 5.)	

In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48.

Part XI Reconciliation of Change in Net Assets from Form 990 to Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	5,818,907.
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	5,709,732.
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3	109,175.
4	Net unrealized gains (losses) on investments	4	29,954.
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	<1,060,745.>
9	Total adjustments (net). Add lines 4-8	9	<1,030,791.>
10	Excess or (deficit) for the year per financial statements. Combine lines 3 and 9	10	<921,616.>

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements	1	3,236,056.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains on investments	2a	29,954.
b	Donated services and use of facilities	2b	107,340.
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV)	2d	<115,313.>
e	Add lines 2a through 2d	2e	21,981.
3	Subtract line 2e from line 1	3	3,214,075.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	2,604,832.
c	Add lines 4a and 4b	4c	2,604,832.
5	Total revenue. Add lines 3 and 4c. (This should equal Form 990, Part I, line 12)	5	5,818,907.

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements	1	5,817,072.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities	2a	107,340.
b	Prior year adjustments	2b	
c	Losses reported on Form 990, Part IX, line 25	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d	2e	107,340.
3	Subtract line 2e from line 1	3	5,709,732.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	0.
5	Total expenses. Add lines 3 and 4c. (This should equal Form 990, Part I, line 18.)	5	5,709,732.

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b.

PART V, LINE 4: THE CRADLE'S PERMANENT ENDOWMENT IS INTENDED FOR SUPPORT OF THE NURSERY.

PART XI, LINE 8 - OTHER ADJUSTMENTS:

CHANGE IN VALUE OF SPLIT INTEREST AGREEMENTS: -115313.

CHANGE IN BENEFICIAL INTEREST IN NET ASSETS OF FOUNDATION -

UNRESTRICTED: -772520.

CHANGE IN BENEFICIAL INTEREST IN NET ASSETS OF FOUNDATION -

Part XIV Supplemental Information (continued)

TEMP. RESTRICTED: -167852.

CHANGE IN BENEFICIAL INTEREST IN NET ASSETS OF FOUNDATION -

PERM. RESTRICTED: -5060.

PART XII, LINE 2D - OTHER ADJUSTMENTS:

CHANGE IN VALUE OF SPLIT INTEREST AGREEMENTS: -115313.

PART XII, LINE 4B - OTHER ADJUSTMENTS:

INDIRECT SUPPORT FROM THE CRADLE FOUNDATION THROUGH CASH

DISTRIBUTIONS: 2604832.

**Schedule F
(Form 990)**

Statement of Activities Outside the United States

OMB No. 1545-0047

2008

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 990. Complete if the organization answered "Yes" to Form 990, Part IV, line 14b, line 15, or line 16.

Name of the organization **THE CRADLE** Employer identification number **36-2181994**

Part I **General Information on Activities Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 14b.

1 **For grantmakers.** Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? Yes No

2 **For grantmakers.** Describe in Part IV the organization's procedures for monitoring the use of grant funds outside the United States.

3 **Activities per Region.** (Use Schedule F-1 (Form 990) if additional space is needed)

(a) Region	(b) Number of offices in the region	(c) Number of employees or agents in region	(d) Activities conducted in region (by type) (i.e., fundraising, program services, grants to recipients located in the region)	(e) If activity listed in (d) is a program service, describe specific type of service(s) in region	(f) Total expenditures in region
RUSSIA	1	10	PROGRAM SERVICES	ADOPTION SERVICES. THE OFFICE WAS CLOSED ON 7/31/09 AND SERVICES WERE DISCONTINUED.	135,633.
Totals	1	10			135,633.

Part II Grants and Other Assistance to Organizations or Entities Outside the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 15, for any recipient who received more than \$5,000. Check this box if no one recipient received more than \$5,000. Use Schedule F-1 (Form 990) if additional space is needed.

1	(a) Name of organization	(b) IRS code section and EIN (if applicable)	(c) Region	(d) Purpose of grant	(e) Amount of cash grant	(f) Manner of cash disbursement	(g) Amount of non-cash assistance	(h) Description of non-cash assistance	(i) Method of valuation (book, FMV, appraisal, other)
			RUSSIA	EMERGENCY DOORS AND ROOF REPAIR, AND ROAD PAVING FOR ORPHANAGE IN SMOLENSK	6,236	WIRE TRANSFER	0		
			RUSSIA	WINDOW REPLACEMENT FOR ORPHANAGE IN PSKOV	10,372	WIRE TRANSFER	0		
			UKRAINE	WINDOW REPLACEMENT FOR INFANT HOSPITAL	8,500	WIRE TRANSFER	0		

2 Enter total number of organizations that are recognized as charities by the foreign country or for which the grantee or counsel has provided a section 501(c)(3) equivalency letter 0

3 Enter total number of other organizations or entities 7

Part IV Supplemental Information

Complete this part to provide the information required by Part I, line 2, and any other additional information.

SCHEDULE F, PART I, LINE 2: APPLICATIONS ARE SUBMITTED TO REQUEST
HUMANITARIAN AID BY ORPHANAGES WORKING WITH THE CRADLE'S RUSSIA OFFICE.
REQUESTS FOR HUMANITARIAN AID ARE REVIEWED BY THE CRADLE CARES COMMITTEE
AND FUNDS ARE AWARDED BASED ON CRITERIA AND AVAILABLE FUNDS.

Multiple horizontal lines for supplemental information.

Part III Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" on Form 990, Part IV, line 22. Use Schedule I-1 (Form 990) if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
BIRTH MOTHER MEDICAL EXPENSES	18	36,913.	0.		
BIRTH MOTHER HOUSING EXPENSES	19	13,641.	0.		
OTHER LIVING EXPENSES PAID ON BEHALF OF BIRTH MOTHERS	28	11,684.	0.		
CLOTHING, BEDDING AND SCHOOL SUPPLIES	113	6,675.	0.		

Part IV Supplemental Information. Complete this part to provide the information required in Part I, line 2, and any other additional information.

SCHEDULE I, PART I, LINE 2: SUPPORT IS PROVIDED TO BIRTH PARENTS FOR FOOD, CLOTHING, AND HOUSING, BASED ON COUNSELOR ASSESSMENT, AND DIRECT PAYMENT OF HOSPITAL AND MEDICAL BILLS ASSOCIATED WITH THE PREGNANCY.

**SCHEDULE J
(Form 990)**

Compensation Information

OMB No 1545-0047

2008

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

▶ Attach to Form 990. To be completed by organizations that answered "Yes" to Form 990, Part IV, line 23.

Name of the organization **THE CRADLE** Employer identification number **36-2181994**

Part I Questions Regarding Compensation

	Yes	No								
<p>1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.</p> <table border="0"> <tr> <td><input type="checkbox"/> First-class or charter travel</td> <td><input type="checkbox"/> Housing allowance or residence for personal use</td> </tr> <tr> <td><input type="checkbox"/> Travel for companions</td> <td><input type="checkbox"/> Payments for business use of personal residence</td> </tr> <tr> <td><input type="checkbox"/> Tax indemnification and gross-up payments</td> <td><input type="checkbox"/> Health or social club dues or initiation fees</td> </tr> <tr> <td><input type="checkbox"/> Discretionary spending account</td> <td><input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)</td> </tr> </table>	<input type="checkbox"/> First-class or charter travel	<input type="checkbox"/> Housing allowance or residence for personal use	<input type="checkbox"/> Travel for companions	<input type="checkbox"/> Payments for business use of personal residence	<input type="checkbox"/> Tax indemnification and gross-up payments	<input type="checkbox"/> Health or social club dues or initiation fees	<input type="checkbox"/> Discretionary spending account	<input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)		
<input type="checkbox"/> First-class or charter travel	<input type="checkbox"/> Housing allowance or residence for personal use									
<input type="checkbox"/> Travel for companions	<input type="checkbox"/> Payments for business use of personal residence									
<input type="checkbox"/> Tax indemnification and gross-up payments	<input type="checkbox"/> Health or social club dues or initiation fees									
<input type="checkbox"/> Discretionary spending account	<input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)									
b If line 1a is checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain	1b									
2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	2									
<p>3 Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply.</p> <table border="0"> <tr> <td><input checked="" type="checkbox"/> Compensation committee</td> <td><input type="checkbox"/> Written employment contract</td> </tr> <tr> <td><input type="checkbox"/> Independent compensation consultant</td> <td><input checked="" type="checkbox"/> Compensation survey or study</td> </tr> <tr> <td><input checked="" type="checkbox"/> Form 990 of other organizations</td> <td><input checked="" type="checkbox"/> Approval by the board or compensation committee</td> </tr> </table>	<input checked="" type="checkbox"/> Compensation committee	<input type="checkbox"/> Written employment contract	<input type="checkbox"/> Independent compensation consultant	<input checked="" type="checkbox"/> Compensation survey or study	<input checked="" type="checkbox"/> Form 990 of other organizations	<input checked="" type="checkbox"/> Approval by the board or compensation committee				
<input checked="" type="checkbox"/> Compensation committee	<input type="checkbox"/> Written employment contract									
<input type="checkbox"/> Independent compensation consultant	<input checked="" type="checkbox"/> Compensation survey or study									
<input checked="" type="checkbox"/> Form 990 of other organizations	<input checked="" type="checkbox"/> Approval by the board or compensation committee									
4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a:										
a Receive a severance payment or change of control payment?	4a	X								
b Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b	X								
c Participate in, or receive payment from, an equity-based compensation arrangement?	4c	X								
If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.										
Only 501(c)(3) and 501(c)(4) organizations must complete lines 5-8.										
5 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:										
a The organization?	5a	X								
b Any related organization?	5b	X								
If "Yes," to line 5a or 5b, describe in Part III										
6 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:										
a The organization?	6a	X								
b Any related organization?	6b	X								
If "Yes" to line 6a or 6b, describe in Part III.										
7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	7	X								
8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regs. section 53.4958-4(a)(3)? If "Yes," describe in Part III	8	X								

LHA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2008

SCHEDULE J-2
(Form 990)

Department of the Treasury
Internal Revenue Service

Continuation Sheet for Form 990

▶ Attach to Form 990 to list additional information for Form 990, Part VII, Section A, line 1a.

OMB No 1545-0047

2008

Open to Public
Inspection

Name of the Organization

THE CRADLE

Employer Identification number
36-2181994

Part I Continuation of Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
BARBARA SEREDA	0.50	X					0.	0.	0.	
BETH BRONNER SINGER	0.50	X					0.	0.	0.	
WILLIAM STASEK	0.30	X					0.	0.	0.	
VIRGINIA ULENHOP	0.50	X					0.	0.	0.	
GRISWALD WARE	0.30	X					0.	0.	0.	
JULIANNE TYE PRESIDENT	40.00	X		X			171,018.	0.	15,942.	
MERRILEE HEPLER COO, VP, HUMAN RESOURCES	40.00			X			111,887.	0.	5,591.	
LINDA HAGEMAN VP, SOCIAL SERVICES	40.00			X			99,480.	0.	10,438.	
ELLEN GIUDICE VP, FINANCE	40.00			X			100,132.	0.	0.	
JOAN JAEGER VP, MARKETING	40.00			X			92,491.	0.	15,942.	
MARIANNE WOODWARD VP, SOCIAL ENTERPRISES	30.00			X			86,042.	0.	10,438.	

**SCHEDULE M
(Form 990)**

NonCash Contributions

OMB No 1545-0047

Department of the Treasury
Internal Revenue Service

▶ To be completed by organizations that answered
"Yes" on Form 990, Part IV, lines 29 or 30.

2008
Open to Public
Inspection

▶ Attach to Form 990.

Name of the organization **THE CRADLE** Employer identification number **36-2181994**

Part I	Types of Property	(a) Check if applicable	(b) Number of contributions	(c) Revenues reported on Form 990, Part VIII, line 1g	(d) Method of determining revenues
1	Art - Works of art				
2	Art - Historical treasures				
3	Art - Fractional interests				
4	Books and publications				
5	Clothing and household goods				
6	Cars and other vehicles				
7	Boats and planes				
8	Intellectual property				
9	Securities - Publicly traded				
10	Securities - Closely held stock				
11	Securities - Partnership, LLC, or trust interests				
12	Securities - Miscellaneous				
13	Qualified conservation contribution (historic structures)				
14	Qualified conservation contribution (other)				
15	Real estate - Residential				
16	Real estate - Commercial				
17	Real estate - Other				
18	Collectibles				
19	Food inventory				
20	Drugs and medical supplies				
21	Taxidermy				
22	Historical artifacts				
23	Scientific specimens				
24	Archeological artifacts				
25	Other ▶ (<u>INFANT FORMUL</u>)	X	1	58,828.	FAIR MARKET VALUE
26	Other ▶ (<u>SUPPLIES</u>)	X	100	6,450.	FAIR MARKET VALUE
27	Other ▶ (<u>CHEVY VAN DOW</u>)	X	1	2,000.	SALES INVOICE
28	Other ▶ ()				

29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgment **29**

	Yes	No
30a During the year, did the organization receive by contribution any property reported in Part I, lines 1-28 that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period?		X
b If "Yes," describe the arrangement in Part II.		
31 Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?	X	
32a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions?		X
b If "Yes," describe in Part II.		
33 If the organization did not report revenues in column (c) for a type of property for which column (a) is checked, describe in Part II.		

LHA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990. Schedule M (Form 990) 2008

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

▶ Attach to Form 990. To be completed by organizations to provide additional information for responses to specific questions for the Form 990 or to provide any additional information.

OMB No. 1545-0047

2008
Open to Public
Inspection

Name of the organization

THE CRADLE

Employer identification number

36-2181994

FORM 990, PART I, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

SUPPORT TO CREATE, SUSTAIN, AND PRESERVE NURTURING FAMILIES.

FORM 990, PART III, LINE 3, CHANGES IN PROGRAM SERVICES:

DURING 2009, THE CRADLE CEASED PROVIDING DIRECT ADOPTION SERVICES IN RUSSIA.

FORM 990, PART III, LINE 4A, PROGRAM SERVICE ACCOMPLISHMENTS

AND, INDEED, AROUND THE WORLD.

WE VIEW OUR ROLE WITH CLIENTS AS A PARTNERSHIP, WITH THE GOAL OF

PROVIDING CLIENTS WITH SUFFICIENT INFORMATION, EDUCATION, GUIDANCE AND

SUPPORT TO ENABLE THEM TO MAKE THE BEST DECISION FOR THEMSELVES AND

THEIR FAMILY. IN FISCAL 2009, WE RECEIVED 913 CALLS FROM

BIRTH/EXPECTANT PARENTS INQUIRING ABOUT DOMESTIC ADOPTION AS AN OPTION.

APPROXIMATELY 15% OF THESE CLIENTS ENTERED INTO A COUNSELING

RELATIONSHIP WITH US. 75 CLIENTS CHOSE TO MAKE AN ADOPTION PLAN; 62

CLIENTS CHOSE TO PARENT THEIR BABIES.

IN THIS SAME PERIOD, 227 PROSPECTIVE ADOPTING PARENTS EXPLORED THE

OPTIONS OF DOMESTIC OR INTERNATIONAL ADOPTION AS A MEANS FOR FORMING OR

EXPANDING THEIR FAMILIES. THE CRADLE'S SOCIAL WORK STAFF CONDUCTED 150

HOME STUDIES FOR THESE FAMILIES. THE HOME STUDY PROCESS AT THE CRADLE

EMPHASIZES THE IMPORTANCE OF READINESS AND PREPARATION TO BECOME AN

ADOPTIVE FAMILY. WE HELP FAMILIES DETERMINE IF ADOPTION IS, INDEED,

RIGHT FOR THEM, AND IF SO WHICH TYPE OF ADOPTION IS THE BEST FIT:

LHA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule O (Form 990) 2008

832211
12-18-08

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

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2008

Open to Public
Inspection

Name of the organization

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36-2181994

DOMESTIC OR INTERNATIONAL. 75 FAMILIES ADOPTED CHILDREN THROUGH OUR
DOMESTIC PROGRAM THIS YEAR; 66 FAMILIES ADOPTED CHILDREN FROM 12
COUNTRIES ABROAD.

THE CRADLE IS AN IMPORTANT RESOURCE FOR MINORITY CHILDREN, MOST
ESPECIALLY FOR BLACK INFANTS. OF THE 75 CHILDREN PLACED WITH ADOPTIVE
FAMILIES, 35 WERE BLACK OR BI-RACIAL. THE ARDYTHE AND GALE SAYERS
CENTER FOR AFRICAN AMERICAN ADOPTION UNDERTAKES EXTENSIVE OUTREACH
WITHIN THE BLACK COMMUNITY TO RECRUIT FAMILIES FOR THESE CHILDREN.
TWENTY-FOUR INFORMATIONAL/RECRUITMENT MEETINGS WERE CONDUCTED IN 2009.
TWO NEW INITIATIVES WERE LAUNCHED: THE SAYERS FAMILY NETWORK PROVIDES
PEER-TO-PEER SUPPORT AND NETWORKING FOR FAMILIES. THE SAYERS
AMBASSADORS CORPS IS AN ADOPTIVE PARENT GROUP THAT PROMOTES ADOPTION
AND THE SAYERS CENTER TO THE PUBLIC. INCREASINGLY, WE ARE USING OUR
WEBSITE TO ALLOW FAMILIES TO SHARE THEIR STORIES WITH THE GOAL OF
ENCOURAGING MORE PARENTS TO CONSIDER ADOPTING A BLACK CHILD:
[HTTP://WWW.CRADLE.ORG/ADOPTION-AGENCY/ADOPT AA STORIES.HTML](http://www.cradle.org/adoption-agency/adopt_aa_stories.html)

THE ILLINOIS DEPARTMENT OF CHILDREN AND FAMILY SERVICES FUNDS THE
FAMILY PLACEMENT AND SUPPORT SERVICES PROGRAM. THIS PROGRAM WORKS WITH
CHILDREN WHO HAD PREVIOUSLY BEEN IN THE FOSTER CARE SYSTEM, WHO WERE
SUCCESSFULLY PLACED WITH PERMANENT ADOPTIVE FAMILIES, BUT WHO FIND
THEMSELVES ORPHANED AS A RESULT OF THE DEATH OR INCAPACITATION OF THEIR
ADOPTIVE PARENT(S). IN 2009, THIS PROGRAM FINALIZED THE RE-ADOPTION OR
PERMANENT GUARDIANSHIP OF 80 CHILDREN THROUGHOUT NORTHERN ILLINOIS AND
PROVIDED GRIEF COUNSELING AND PRACTICAL ASSISTANCE SUCH AS CLOTHING,

LHA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule O (Form 990) 2008

832211
12-18-08

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

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OMB No. 1545-0047

2008

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Inspection

Name of the organization

THE CRADLE

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36-2181994

SCHOOL SUPPLIES AND BEDS TO HELP THESE CHILDREN RECOVER FROM MULTIPLE LOSSES AND TO FIND THE LOVE OF AN ADOPTIVE FAMILY ONCE AGAIN.

ADOPTION IS A LIFELONG PROCESS, NOT A SINGULAR EVENT. OUR POST ADOPTION DEPARTMENT OFFERS A VARIETY OF SERVICES TO THOSE SERVED BY THE CRADLE OVER OUR 86 YEARS INCLUDING PROVIDING MEDICAL AND SOCIAL BACKGROUND INFORMATION TO ADULT ADOPTED PERSONS, AND FACILITATING MEETINGS BETWEEN ADOPTED PERSONS AND BIRTH RELATIVES IN CASES WHERE THE ADOPTION WAS CLOSED. OVER THE PAST DECADE, MOST OF THE DOMESTIC ADOPTIONS HANDLED BY THE CRADLE ARE OPEN, I.E., THE BIRTH FAMILY AND ADOPTIVE FAMILY HAVE THE ABILITY TO BE IN DIRECT CONTACT WITH EACH OTHER, THUS REDUCING THESE FAMILIES' DEPENDENCE ON THE INTERVENTION OF THE POST ADOPTION DEPARTMENT.

THE CRADLE ALSO PROVIDES INDIVIDUAL AND FAMILY COUNSELING TO THOSE WHO ARE DEALING WITH ADOPTION-RELATED ISSUES. SOCIAL WORKERS ARE ABLE TO OFFER RESOURCES TO HELP FAMILIES ACCESS VARIOUS RESOURCES SUCH AS SCHOOL-BASED ASSISTANCE, AS WELL AS PROVIDING GUIDANCE AND SUPPORT FOR ISSUES SUCH AS BEHAVIOR AND DISCIPLINE, ETC.

FORM 990, PART III, LINE 4B, PROGRAM SERVICE ACCOMPLISHMENTS RESOURCE FOR THESE CHILDREN. IN 2009, 86 CHILDREN WERE ADMITTED TO THE NURSERY. THE AVERAGE LENGTH OF STAY WAS 20 DAYS, AND 41 BABIES HAD SOME DEGREE OF SPECIAL NEED.

FORM 990, PART III, LINE 4D, OTHER PROGRAM SERVICES:

LHA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule O (Form 990) 2008

832211
12-18-08

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

▶ Attach to Form 990. To be completed by organizations to provide additional information for responses to specific questions for the Form 990 or to provide any additional information.

OMB No 1545-0047

2008

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Inspection

Name of the organization

THE CRADLE

Employer identification number

36-2181994

D. ADOPTION LEARNING PARTNERS (ALP)

THE CRADLE BELIEVES THAT ADOPTION OUTCOMES ARE LIKELY TO BE MOST POSITIVE WHEN FAMILIES HAVE ACCESS TO ACCURATE INFORMATION AND EDUCATION PRIOR TO ADOPTING AND ON AN ONGOING BASIS FOLLOWING ADOPTION. ALP (WWW.ADOPTIONLEARNINGPARTNERS.ORG) LEVERAGES WEB-BASED TECHNOLOGY TO BRING TIMELY AND INTERACTIVE ADOPTION-RELATED COURSES ON A VARIETY OF TOPICS SUCH AS BEHAVIOR AND DISCIPLINE, ATTACHMENT, CONSPICUOUS FAMILIES, MEDICAL ISSUES AND MORE. IN 2009, MORE THAN 8,000 PRE-ADOPTIVE AND POST-ADOPTIVE FAMILIES ENROLLED IN MORE THAN 24,000 COURSES. ALP COURSES ARE ALSO BENEFICIAL TO PROFESSIONALS IN THE FIELD. CEU CREDITS ARE AVAILABLE FOR TEN OF THE 17 COURSES PRESENTLY OFFERED ON ALP.

EXPENSES \$ 640897. INCLUDING GRANTS OF \$ 0. REVENUE \$ 526400.

FORM 990, PART VI, SECTION A, LINE 10: THE AUDIT COMMITTEE REVIEWED THE FORM 990 AND RECOMMENDED IT TO THE EXECUTIVE COMMITTEE OF THE BOARD OF DIRECTORS FOR APPROVAL.

FORM 990, PART VI, SECTION B, LINE 12C: THE BOARD OF DIRECTORS REVIEWS THE CONFLICT OF INTEREST POLICY ANNUALLY, DIRECTORS DISCLOSE ANY CONFLICTS, AND THESE DISCLOSURES ARE DEALT WITH ACCORDINGLY.

FORM 990, PART VI, SECTION B, LINE 15: A COMPENSATION REVIEW OCCURS ANNUALLY FOLLOWING THE COMPLETION OF THE FINANCIAL AUDIT. IN PREPARATION FOR THE DISCUSSION, A COMPENSATION SURVEY IS CONDUCTED. THE SURVEY

LHA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule O (Form 990) 2008

832211
12-18-08

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

▶ Attach to Form 990. To be completed by organizations to provide additional information for responses to specific questions for the Form 990 or to provide any additional information.

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2008
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THE CRADLE

Employer identification number
36-2181994

CONSISTS OF A REVIEW OF COMPARABLE ADOPTION AGENCY 990S, NON-PROFIT SALARY SURVEYS, AND PUBLICALLY AVAILABLE DATA THROUGH THE DEPARTMENT OF LABOR AND SALARY WEBSITES. THE DATA IS COMPILED AND COMPARED TO THE CURRENT ANALYZED SALARIES OF SENIOR STAFF IN RELATION TO THE ORGANIZATION'S COMPENSATION PHILOSOPHY & PRACTICES STATEMENT. SHOULD THERE BE INDICATORS THAT AN ADJUSTMENT IS NECESSARY, THE RECOMMENDATION IS MADE WITH SUPPORTIVE DATA. THE COMPENSATION COMMITTEE DETERMINES IF ANY INCREASE WILL BE APPROVED CONSIDERING BOTH THE DATA AND THE ORGANIZATION'S ABILITY TO MAKE THE ADJUSTMENT. THE COMPENSATION COMMITTEE'S RECOMENDATION IS APPROVED BY THE BOARD OF DIRECTORS WHICH IS DOCUMENTED IN THE BOARD MINUTES.

FORM 990, PART VI, SECTION C, LINE 19: THE GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, AND FINANCIAL STATEMENTS ARE AVAILABLE UPON REQUEST.

FORM 990, SECTION IV, LINE 12 AND SECTION XI, LINE 2B AND 2C THE ORGANIZATION'S AUDITED FINANCIAL STATEMENTS WERE ISSUED ON A CONSOLIDATED BASIS. THE ORGANIZATION HAS AN AUDIT COMMITTEE THAT CONDUCTS OVERSIGHT FOR THE AUDIT, REVIEWS FINANCIAL STATEMENTS AND SELECTS THE AUDITORS AND THE PROCESS IS CONSISTENT WITH THE PRIOR YEAR.

Part V Transactions With Related Organizations

Note. Complete line 1 if any entity is listed in Parts II, III, or IV.

1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

a Receipt of (i) interest (ii) annuities (iii) royalties (iv) rent from a controlled entity

b Gift, grant, or capital contribution to other organization(s)

c Gift, grant, or capital contribution from other organization(s)

d Loans or loan guarantees to or for other organization(s)

e Loans or loan guarantees by other organization(s)

f Sale of assets to other organization(s)

g Purchase of assets from other organization(s)

h Exchange of assets

i Lease of facilities, equipment, or other assets to other organization(s)

j Lease of facilities, equipment, or other assets from other organization(s)

k Performance of services or membership or fundraising solicitations for other organization(s)

l Performance of services or membership or fundraising solicitations by other organization(s)

m Sharing of facilities, equipment, mailing lists, or other assets

n Sharing of paid employees

o Reimbursement paid to other organization for expenses

p Reimbursement paid by other organization for expenses

q Other transfer of cash or property to other organization(s)

r Other transfer of cash or property from other organization(s)

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds

	(A) Name of other organization(s)	(B) Transaction type (a-r)	(C) Amount involved
(1) THE CRADLE FOUNDATION		M	85,191.
(2) THE CRADLE FOUNDATION		K	143,070.
(3) THE CRADLE FOUNDATION		R	2,223,684.
(4) THE CRADLE FOUNDATION		P	381,148.
(5)			
(6)			

