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Return of Organization Exempt From Income Tax

2010

Department of the Treasury Internal Revenue Service

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

Open to Public Inspection

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

A For the 2010 calendar year, or tax year beginning 7/01, 2010, and ending 6/30, 2011

B Check if applicable: Address change, Name change, Initial return, Terminated, Amended return, Application pending. BIRTH TO THREE, INC, 86 CENTENNIAL LOOP, EUGENE, OR 97401. D Employer Identification Number: 93-0706557. E Telephone number: 541-484-5316. G Gross receipts \$: 1,357,615.

F Name and address of principal officer: Mika Singer, Same As C Above. H(a) Is this a group return for affiliates? No. H(b) Are all affiliates included? No.

I Tax-exempt status: 501(c)(3). J Website: WWW.BIRTHTO3.ORG. H(c) Group exemption number.

K Form of organization: Corporation. L Year of Formation: 1978. M State of legal domicile: OR.

Part I Summary

1 Briefly describe the organization's mission or most significant activities: ALL CHILDREN ARE RAISED BY NURTURING, SKILLED PARENTS. 2 Check this box if the organization discontinued its operations or disposed of more than 25% of its net assets. 3-7a Financial summary table.

Table with 3 columns: Line number, Description, Prior Year, Current Year. Rows 8-12: Contributions and grants, Program service revenue, Investment income, Other revenue, Total revenue.

Table with 3 columns: Line number, Description, Prior Year, Current Year. Rows 13-19: Grants and similar amounts paid, Benefits paid, Salaries, Professional fundraising fees, Total fundraising expenses, Other expenses, Total expenses, Revenue less expenses.

Table with 3 columns: Line number, Description, Beginning of Current Year, End of Year. Rows 20-22: Total assets, Total liabilities, Net assets or fund balances.

Part II Signature Block

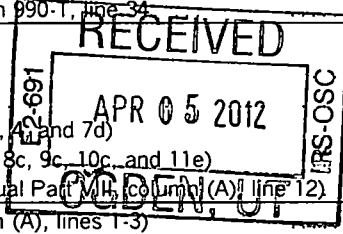
Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here: Signature of officer: Mika Singer, Date: 3/27/12, Title: Managing Director.

Paid Preparer Use Only: Print/Type preparer's name, Preparer's signature: Self-Prepared, Date, Check self-employed, PTIN, Firm's name, Firm's address, Firm's EIN, Phone no.

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

SCANNED APR 24 2012



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Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III

1 Briefly describe the organization's mission:

ALL CHILDREN ARE RAISED BY NURTURING, SKILLED PARENTS

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 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?

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.

4a (Code:) (Expenses \$ 366,792. including grants of \$) (Revenue \$)

HEALTHY START - HEALTHY START PROGRAM IS A STATEWIDE PROGRAM THAT PROVIDES HOME VISITS TO FIRST TIME MOTHERS WHO HAVE CERTAIN RISK FACTORS THAT PUT THEIR INFANTS AT-RISK FOR CHILD ABUSE. THROUGH A CONTRACT WITH LANE COUNTY, WE SERVE ELIGIBLE FAMILIES IN LANE COUNTY. OUR FAMILY SUPPORT WORKERS PROVIDE PARENTING EDUCATION AND SUPPORT, MODEL APPROPRIATE INTERACTIONS, PERFORM DEVELOPMENTAL SCREENINGS, PROVIDE REFERRALS TO RESOURCES, AND HELP PARENT IDENTIFY AND MEET GOALS. WE ARE CERTIFIED BY HEALTHY FAMILIES AMERICA.

4b (Code:) (Expenses \$ 243,302. including grants of \$) (Revenue \$)

CURRICULA SALES AND TRAINING - THROUGH OUR PARENTING NOW! DIVISION, WE EXTEND OUR MISSION AND SHARE OUR EXPERTISE WITH OTHER ORGANIZATIONS THAT WORK WITH FAMILIES THROUGH THE SALES OF OUR NATIONALLY RECOGNIZED PARENTING EDUCATION CURRICULA AND PARENT EDUCATOR TRAININGS. OVER 150 SITES IN OREGON, AND 850 SITES NATIONWIDE AND IN 18 OTHER COUNTRIES HAVE PURCHASED OUR CURRICULA SINCE 1997.

4c (Code:) (Expenses \$ 183,334. including grants of \$) (Revenue \$)

PARENTING: THE FIRST THREE YEARS - IS A GROUP BASED PARENTING EDUCATION AND SUPPORT PROGRAM FOR NEW FAMILIES. IT FOCUSES ON THE DEVELOPMENTAL STAGES OF THE CHILDREN, AND ISSUES RELATED TO DEVELOPMENT FACED EACH YEAR BY PARENTS. A PROFESSIONAL BIRTH TO THREE PARENT EDUCATOR MEETS WITH GROUPS OF FAMILIES WHO HAVE CHILDREN OF SIMILAR AGE AND NEEDS.

4d Other program services (Describe in Schedule O.) See Schedule O

(Expenses \$ 321,587. including grants of \$) (Revenue \$)

4e Total program service expenses 1,115,015.

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If 'Yes,' complete Schedule A</i>	X	
2 Is the organization required to complete Schedule B, Schedule of Contributors? (see instructions)	X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If 'Yes,' complete Schedule C, Part I</i>		X
4 Section 501(c)(3) organizations Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If 'Yes,' complete Schedule C, Part II</i>		X
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If 'Yes,' complete Schedule C, Part III</i>		
6 Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If 'Yes,' complete Schedule D, Part I</i>		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? <i>If 'Yes,' complete Schedule D, Part II</i>		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If 'Yes,' complete Schedule D, Part III</i>		X
9 Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If 'Yes,' complete Schedule D, Part IV</i>		X
10 Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? <i>If 'Yes,' complete Schedule D, Part V</i>	X	
11 If the organization's answer to any of the following questions is 'Yes', then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable		
a Did the organization report an amount for land, buildings and equipment in Part X, line 10? <i>If 'Yes,' complete Schedule D, Part VI</i>	X	
b Did the organization report an amount for investments— other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If 'Yes,' complete Schedule D, Part VII</i>	X	
c Did the organization report an amount for investments— program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If 'Yes,' complete Schedule D, Part VIII</i>		X
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If 'Yes,' complete Schedule D, Part IX</i>		X
e Did the organization report an amount for other liabilities in Part X, line 25? <i>If 'Yes,' complete Schedule D, Part X</i>		X
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If 'Yes,' complete Schedule D, Part X</i>		X
12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If 'Yes,' complete Schedule D, Parts XI, XII, and XIII</i>	X	
b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If 'Yes,' and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional</i>		X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If 'Yes,' complete Schedule E</i>		X
14a Did the organization maintain an office, employees, or agents outside of the United States?		X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? <i>If 'Yes,' complete Schedule F, Parts I and IV</i>		X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? <i>If 'Yes,' complete Schedule F, Parts II and IV</i>		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? <i>If 'Yes,' complete Schedule F, Parts III and IV</i>		X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If 'Yes,' complete Schedule G, Part I (see instructions)</i>		X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If 'Yes,' complete Schedule G, Part II</i>	X	
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If 'Yes,' complete Schedule G, Part III</i>		X
20a Did the organization operate one or more hospitals? <i>If 'Yes,' complete Schedule H</i>		X
b If 'Yes' to line 20a, did the organization attach its audited financial statements to this return? Note. Some Form 990 filers that operate one or more hospitals must attach audited financial statements (see instructions)		

Part IV Checklist of Required Schedules (continued)

	Yes	No
21 Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? <i>If 'Yes,' complete Schedule I, Parts I and II</i>		X
22 Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If 'Yes,' complete Schedule I, Parts I and II</i>		X
23 Did the organization answer 'Yes' to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If 'Yes,' complete Schedule J</i>		X
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, and that was issued after December 31, 2002? <i>If 'Yes,' answer lines 24b through 24d and complete Schedule K. If 'No,' go to line 25</i>		X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
d Did the organization act as an 'on behalf of' issuer for bonds outstanding at any time during the year?		
25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If 'Yes,' complete Schedule L, Part I</i>		X
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If 'Yes,' complete Schedule L, Part I</i>		X
26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If 'Yes,' complete Schedule L, Part II</i>		X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? <i>If 'Yes,' complete Schedule L, Part III</i>		X
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)		
a A current or former officer, director, trustee, or key employee? <i>If 'Yes,' complete Schedule L, Part IV</i>		X
b A family member of a current or former officer, director, trustee, or key employee? <i>If 'Yes,' complete Schedule L, Part IV</i>		X
c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If 'Yes,' complete Schedule L, Part IV</i>		X
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If 'Yes,' complete Schedule M</i>	X	
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If 'Yes,' complete Schedule M</i>		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If 'Yes,' complete Schedule N, Part I</i>		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If 'Yes,' complete Schedule N, Part II</i>		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? <i>If 'Yes,' complete Schedule R, Part I</i>		X
34 Was the organization related to any tax-exempt or taxable entity? <i>If 'Yes,' complete Schedule R, Parts II, III, IV, and V, line 1</i>		X
35 Is any related organization a controlled entity within the meaning of section 512(b)(13)?		X
a Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If 'Yes,' complete Schedule R, Part V, line 2</i> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If 'Yes,' complete Schedule R, Part V, line 2</i>		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? <i>If 'Yes,' complete Schedule R, Part VI</i>		X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? Note. All Form 990 filers are required to complete Schedule O	X	

Part VII Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response to any question in this Part V

		Yes	No
1 a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable		
1 b	Enter the number of Forms W-2G included in line 1a Enter -0- if not applicable		
1 c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	X	
2 a	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		
2 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 (see instructions)	X	
3 a	Did the organization have unrelated business gross income of \$1,000 or more during the year?		X
3 b	If 'Yes' has it filed a Form 990-T for this year? If 'No,' provide an explanation in Schedule O		
4 a	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
4 b	If 'Yes,' enter the name of the foreign country. See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts		
5 a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		X
5 b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
5 c	If 'Yes,' to line 5a or 5b, did the organization file Form 8886-T?		
6 a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?		X
6 b	If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
7	Organizations that may receive deductible contributions under section 170(c).		
7 a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	X	
7 b	If 'Yes,' did the organization notify the donor of the value of the goods or services provided?	X	
7 c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		X
7 d	If 'Yes,' indicate the number of Forms 8282 filed during the year		
7 e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		X
7 f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		X
7 g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		
7 h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		
8	Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		
9	Sponsoring organizations maintaining donor advised funds.		
9 a	Did the organization make any taxable distributions under section 4966?		
9 b	Did the organization make a distribution to a donor, donor advisor, or related person?		
10	Section 501(c)(7) organizations. Enter:		
10 a	Initiation fees and capital contributions included on Part VIII, line 12		
10 b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities		
11	Section 501(c)(12) organizations. Enter:		
11 a	Gross income from members or shareholders		
11 b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)		
12 a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?		
12 b	If 'Yes,' enter the amount of tax-exempt interest received or accrued during the year		
13	Section 501(c)(29) qualified nonprofit health insurance issuers.		
13 a	Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O		
13 b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans		
13 c	Enter the amount of reserves on hand		
14 a	Did the organization receive any payments for indoor tanning services during the tax year?		X
14 b	If 'Yes,' has it filed a Form 720 to report these payments? If 'No,' provide an explanation in Schedule O		

Part VI Governance, Management and Disclosure For each 'Yes' response to lines 2 through 7b below, and for a 'No' response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response to any question in this Part VI

Section A. Governing Body and Management

	Yes	No
1 a Enter the number of voting members of the governing body at the end of the tax year.		
1 b Enter the number of voting members included in line 1a, above, who are independent		
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 governing documents since the prior Form 990 was filed?		X
5 Did the organization become aware during the year of a significant diversion of the organization's assets?		X
6 Does the organization have members or stockholders?		X
7 a Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?		X
7 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:		
8 a The governing body?	X	
8 b Each committee with authority to act on behalf of the governing body?	X	
9 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 (This Section B requests information about policies not required by the Internal Revenue Code.)

	Yes	No
10 a Does the organization have local chapters, branches, or affiliates?		X
10 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?		
11 a Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?		X
11 b Describe in Schedule O the process, if any, used by the organization to review this Form 990 See Schedule O		
12 a Does the organization have a written conflict of interest policy? If 'No,' go to line 13	X	
12 b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
12 c Does the organization regularly and consistently monitor and enforce compliance with the policy? If 'Yes,' describe in Schedule O how this is done. See Schedule O	X	
13 Does the organization have a written whistleblower policy?	X	
14 Does the organization have a written document retention and destruction policy?	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?		
15 a The organization's CEO, Executive Director, or top management official See Schedule O	X	
15 b Other officers of key employees of the organization		X
If 'Yes' to line 15a or 15b, describe the process in Schedule O. (See instructions.)		
16 a 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
16 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?		

Section C. Disclosure

- 17** List the states with which a copy of this Form 990 is required to be filed ► OR
- 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.
 Own website Another's website 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. See Schedule O
- 20** State the name, physical address, and telephone number of the person who possesses the books and records of the organization:
 ► BIRTH TO THREE, INC. 86 CENTENNIAL LOOP EUGENE OR 97401 541-484-5316

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

Check if Schedule O contains a response to any question in this Part VII

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

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of 'key employee.'
- 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 neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(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			
(1) Elizabeth Gill President	1	X		X			0.	0.	0.	
(2) Donna Moore Director	1	X		X			0.	0.	0.	
(3) J Mark Eddy Director	1	X					0.	0.	0.	
(4) Ian T Richardson Secretary	1	X		X			0.	0.	0.	
(5) Robin Matthews Treasurer	1	X		X			0.	0.	0.	
(6) David E Anderson Director	1	X					0.	0.	0.	
(7) Tom Barkin Director	1	X					0.	0.	0.	
(8) Paul Bouressa Director	1	X					0.	0.	0.	
(9) Susan Castillo Director	1	X					0.	0.	0.	
(10) Fran Curtis Director	1	X					0.	0.	0.	
(11) Tracie Gonyea Director	1	X					0.	0.	0.	
(12) Sheri Greatwood Director	1	X					0.	0.	0.	
(13) Laura Illig Director	1	X					0.	0.	0.	
(14) Linda L King Director	1	X					0.	0.	0.	
(15) Bruce Smith Director	1	X					0.	0.	0.	
(16) Rachelle Villano Director	1	X					0.	0.	0.	
(17) Phil Weiler Director	1	X		X			0.	0.	0.	

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

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Sch O)	(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			
(18) Connie Wonham Director	1	X					0.	0.	0.	
(19) Todd Nelson Director	1	X					0.	0.	0.	
(20) Minalee Saks Executive Direc	40			X			55,668.	0.	0.	
(21) Mika Singer Mnging Director	32			X			32,623.	0.	0.	
(22)										
(23)										
(24)										
(25)										
(26)										
(27)										
(28)										
(29)										
1 b Sub-total.							88,291.	0.	0.	
c Total from continuation sheets to Part VII, Section A							0.	0.	0.	
d Total (add lines 1b and 1c)							88,291.	0.	0.	

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 in reportable compensation from the organization **▶ 0**

	Yes	No
3 Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If 'Yes,' complete Schedule J for such individual</i>		X
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? <i>If 'Yes' complete Schedule J for such individual</i>		X
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If 'Yes,' complete Schedule J for such person</i>		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

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization **▶ 0**

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	1a Federated campaigns					
	b Membership dues					
	c Fundraising events	327,219.				
	d Related organizations					
	e Government grants (contributions)					
	f All other contributions, gifts, grants, and similar amounts not included above	399,211.				
	g Noncash contributions included in lns 1a-1f: \$	66,276.				
	h Total. Add lines 1a-1f.		726,430.			
PROGRAM SERVICE REVENUE	Business Code					
	2a Contract Revenue		255,241.	255,241.		
	b Curricula Sales/Training		142,405.	142,405.		
	c Parent Dues		32,447.	32,447.		
	d					
	e					
	f All other program service revenue					
g Total. Add lines 2a-2f		430,093.				
OTHER REVENUE	3 Investment income (including dividends, interest and other similar amounts)		4,579.		4,579.	
	4 Income from investment of tax-exempt bond proceeds					
	5 Royalties					
	6a Gross Rents	(i) Real				
		(ii) Personal				
		b Less. rental expenses				
		c Rental income or (loss)				
	d Net rental income or (loss)					
	7a Gross amount from sales of assets other than inventory	(i) Securities				
		(ii) Other				
		b Less cost or other basis and sales expenses		523.		
		c Gain or (loss)		-523.		
	d Net gain or (loss)		4,395.	4,395.		
	8a Gross income from fundraising events (not including \$ 260,943. of contributions reported on line 1c) See Part IV, line 18	a	190,545.			
		b Less: direct expenses	168,863.			
c Net income or (loss) from fundraising events			21,682.	21,682.		
9a Gross income from gaming activities. See Part IV, line 19	a					
	b Less direct expenses					
	c Net income or (loss) from gaming activities					
10a Gross sales of inventory, less returns and allowances	a					
	b Less: cost of goods sold					
	c Net income or (loss) from sales of inventory					
Miscellaneous Revenue		Business Code				
11a Miscellaneous Income		1,050.	1,050.			
b						
c						
d All other revenue						
e Total. Add lines 11a-11d		1,050.				
12 Total revenue. See instructions		1,188,229.	457,220.	0.	4,579.	

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)

<i>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</i>	(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				
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	88,291.	60,457.	27,834.	0.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0.	0.	0.	0.
7 Other salaries and wages	708,866.	594,792.	36,428.	77,646.
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)				
9 Other employee benefits	79,439.	63,658.	6,447.	9,334.
10 Payroll taxes	83,419.	68,778.	6,504.	8,137.
11 Fees for services (non-employees).				
a Management				
b Legal				
c Accounting	16,663.	16,663.		
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other				
12 Advertising and promotion	3,337.	3,179.	158.	
13 Office expenses	14,988.	13,855.	697.	436.
14 Information technology	8,032.	7,986.		46.
15 Royalties				
16 Occupancy	9,140.	9,140.		
17 Travel	16,759.	15,984.	775.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	4,718.	3,243.	782.	693.
20 Interest	12,329.	12,329.		
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	101,863.	101,863.		
23 Insurance	15,238.	9,990.	5,248.	
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24f. If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O.)				
a <u>Printing and Publications</u>	49,446.	40,521.	1,003.	7,922.
b <u>Contracts</u>	37,601.	20,981.	11,034.	5,586.
c <u>Program Materials</u>	20,655.	20,126.		529.
d <u>Repairs & Maintenance</u>	14,676.	14,566.		110.
e <u>Nutrition</u>	14,030.	12,363.	1,276.	391.
f All other expenses.	37,328.	24,541.	4,985.	7,802.
25 Total functional expenses. Add lines 1 through 24f	1,336,818.	1,115,015.	103,171.	118,632.
26 Joint costs. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720) 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)		(B)	
		Beginning of year		End of year	
ASSETS	1	Cash – non-interest-bearing	115,847.	1	105,136.
	2	Savings and temporary cash investments		2	
	3	Pledges and grants receivable, net	79,792.	3	132,490.
	4	Accounts receivable, net	33,190.	4	35,945.
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions)		6	
	7	Notes and loans receivable, net		7	
	8	Inventories for sale or use	51,813.	8	48,750.
	9	Prepaid expenses and deferred charges	23,113.	9	15,307.
	10a	Land, buildings, and equipment cost or other basis. Complete Part VI of Schedule D	973,451.	10a	
	b	Less accumulated depreciation	323,651.	10b	
			673,120.	10c	649,800.
	11	Investments – publicly traded securities		11	
	12	Investments – other securities See Part IV, line 11	314,668.	12	361,582.
	13	Investments – program-related See Part IV, line 11		13	
	14	Intangible assets	378,560.	14	303,525.
15	Other assets See Part IV, line 11		15		
16	Total assets. Add lines 1 through 15 (must equal line 34)	1,670,103.	16	1,652,535.	
LIABILITIES	17	Accounts payable and accrued expenses	149,823.	17	158,189.
	18	Grants payable		18	
	19	Deferred revenue		19	77,631.
	20	Tax-exempt bond liabilities		20	
	21	Escrow or custodial 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	93,133.	23	78,849.
	24	Unsecured notes and loans payable to unrelated third parties		24	
	25	Other liabilities Complete Part X of Schedule D		25	
	26	Total liabilities. Add lines 17 through 25	242,956.	26	314,669.
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	1,169,417.	27	1,165,413.
	28	Temporarily restricted net assets	257,730.	28	172,453.
	29	Permanently restricted net assets		29	
	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.	1,427,147.	33	1,337,866.
34	Total liabilities and net assets/fund balances.	1,670,103.	34	1,652,535.	

BAA

Form 990 (2010)

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	1,188,229.
2	Total expenses (must equal Part IX, column (A), line 25)	2	1,336,818.
3	Revenue less expenses. Subtract line 2 from line 1	3	-148,589.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	1,427,147.
5	Other changes in net assets or fund balances (explain in Schedule O) See Schedule O	5	59,308.
6	Net assets or fund balances at end of year. Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	1,337,866.

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII

- 1 Accounting method used to prepare the Form 990 Cash Accrual Other _____
 If the organization changed its method of accounting from a prior year or checked 'Other,' explain in Schedule O
- 2a Were the organization's financial statements compiled or reviewed by an independent accountant?
- b Were the organization's financial statements audited by an independent accountant?
- c If 'Yes' to line 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?
 If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.
- d If 'Yes' to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both
 Separate basis Consolidated basis Both consolidated and separate basis
- 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?
- b If 'Yes,' did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits

	Yes	No
2a		X
2b	X	
2c		X
3a		X
3b		

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization BIRTH TO THREE, INC	Employer identification number 93-0706557
--------------------------------------------------------	-----------------------------------------------------

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is: (For lines 1 through 11, check only one box.)

- 1 A church, convention of churches or association of churches described in **section 170(b)(1)(A)(i)**.
- 2 A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E.)
- 3 A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4 A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state: _____
- 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II.)
- 6 A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 8 A community trust described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 9 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 exempt 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)**. (Complete Part III.)
- 10 An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**.
- 11 An organization organized and operated exclusively for the benefit of, to perform the functions of, or carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3)**. Check the box that describes the type of supporting organization and complete lines 11e through 11h.
 - a Type I
 - b Type II
 - c Type III – Functionally integrated
 - d Type III – Other
- e By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).
- f If the organization received a written determination from the IRS that is a Type I, Type II or Type III supporting organization, check this box
- g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

	Yes	No
(i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?		
(ii) A family member of a person described in (i) above?		
(iii) A 35% controlled entity of a person described in (i) or (ii) above?		

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-9 above or IRC section (see instructions))	(iv) Is the organization in column (i) listed in your governing document?		(v) Did you notify the organization in column (i) of your support?		(vi) Is the organization in column (i) organized in the U.S.?		(vii) Amount of support
			Yes	No	Yes	No	Yes	No	
(A)									
(B)									
(C)									
(D)									
(E)									
Total									

Part III 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 or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include 'unusual grants'.)	727,336.	834,091.	805,745.	863,140.	902,972.	4,133,284.
2 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf						0.
3 The value of services or facilities furnished by a governmental unit to the organization without charge						0.
4 Total. Add lines 1 through 3	727,336.	834,091.	805,745.	863,140.	902,972.	4,133,284.
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)						0.
6 Public support. Subtract line 5 from line 4						4,133,284.

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
7 Amounts from line 4	727,336.	834,091.	805,745.	863,140.	902,972.	4,133,284.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	23,479.	20,098.	19,511.	6,251.	4,579.	73,918.
9 Net income from unrelated business activities, whether or not the business is regularly carried on						0.
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.) See Part IV	2,249.	20,647.	803.	1,141.	1,052.	25,892.
11 Total support. Add lines 7 through 10						4,233,094.
12 Gross receipts from related activities, etc (see instructions)					12	0.
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						<input type="checkbox"/>

Section C. Computation of Public Support Percentage

14 Public support percentage for 2010 (line 6, column (f) divided by line 11, column (f))	14	97.6 %
15 Public support percentage from 2009 Schedule A, Part II, line 14	15	89.8 %
16a 33-1/3% support test – 2010. If the organization did not check the box on line 13, and the 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 – 2009. 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 – 2010. 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 – 2009. 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"/>	

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 or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal yr beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(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 through 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 \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal yr beginning in) ▶	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(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 lns 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 2010 (line 8, column (f) divided by line 13, column (f)).	15	%
16 Public support percentage from 2009 Schedule A, Part III, line 15.	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2010 (line 10c, column (f) divided by line 13, column (f)).	17	%
18 Investment income percentage from 2009 Schedule A, Part III, line 17.	18	%

19a 33-1/3% support tests – 2010. 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 – 2009. 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.

BIRTH TO THREE, INC.
NOTES TO FINANCIAL STATEMENTS

8. Cost of Fundraising Events

The costs of the Annual Auction, Family Matters, and other fundraising events are netted against contributions and revenues for those events. For the year ended June 30, the cost and proceeds were as follows:

	2011	2010
Gross proceeds	\$ 517,764	\$ 524,955
Event cost and auction items	(66,276)	(91,078)
Fundraising events, net of direct costs	\$ 451,486	\$ 433,877

9. Conditional Contributions and Deferred Revenue

The Organization receives some contributions which are considered conditional based on certain requirements for programs and staffing. These contributions are recorded as deferred revenue, and recognized when the donor's conditions have been met. As of June 30, 2011 the Organization had the following conditional contributions reported as deferred revenue:

	Total Contribution	June 30, 2011 Deferred Revenue
	\$ 12,500	\$ 6,206
	225,000	34,000
	10,000	10,000
	50,000	25,000
Total Conditional Contributions	\$ 297,500	\$ 75,206
Deferred Revenue – Training		2,425
Total Deferred Revenue		\$ 77,631

10. Line of Credit

A \$200,000 revolving line of credit with a current 6.00 percent rate of interest has been established with Siuslaw Valley Bank to bridge timing differences between expenditures and the receipt of grant and donations. The line of credit matures February 2012 and is secured by interest in the Organization's assets. The outstanding balance as of June 30, 2011 and 2010 was \$-0- and \$-0- respectively. The line of credit is subject to various affirmative loan covenants.

**SCHEDULE D
(Form 990)**

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ **Complete if the organization answered 'Yes' to Form 990, Part IV, lines 6, 7, 8, 9, 10, 11, or 12.**
▶ **Attach to Form 990. ▶ See separate instructions.**

OMB No. 1545-0047

2010

Open to Public Inspection

Name of the organization

Employer identification number

BIRTH TO THREE, INC

93-0706557

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 can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring 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).
- | | |
|----------------------------------------------------------------------------------------------|------------------------------------------------------------------------------|
| <input type="checkbox"/> Preservation of land for public use (e.g., recreation or education) | <input type="checkbox"/> Preservation of an historically important land area |
| <input type="checkbox"/> Protection of natural habitat | <input type="checkbox"/> Preservation of a certified historic structure |
| <input type="checkbox"/> Preservation of open space | |
- 2 Complete lines 2a through 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 Tax 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, and not on a historic structure listed in the National Register	2d

- 3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax 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, handling of violations, and enforcement of the conservation easements it holds? Yes No
- 6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶ _____
- 7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation 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.

- 1 a If the organization elected, as permitted under SFAS 116 (ASC 958), 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 (ASC 958), 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 (ASC 958) 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 acquisition, 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 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 the 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	314,668.	425,955.	0.		
b Contributions					
c Net investment earnings, gains, and losses	67,214.	51,121.			
d Grants or scholarships					
e Other expenditures for facilities and programs	17,454.	159,117.			
f Administrative expenses	2,846.	3,291.			
g End of year balance	361,582.	314,668.	0.		

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

a Board designated or quasi-endowment ▶ 100.00 %

b Permanent endowment ▶ _____ %

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(ii), are the related organizations listed as required on Schedule R?

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

Part VI 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) Accumulated depreciation	(d) Book value
1a Land		168,863.		168,863.
b Buildings		701,748.	241,465.	460,283.
c Leasehold improvements				
d Equipment		102,840.	82,186.	20,654.
e Other				
Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c))				649,800.

Part VIII 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
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A) -----		
(B) -----		
(C) -----		
(D) -----		
(E) -----		
(F) -----		
(G) -----		
(H) -----		
(I) -----		
Total. (Column (b) must equal Form 990 Part X, column (B) line 12.)	361,582.	

Part VIII Investments—Program Related. (See Form 990, Part X, line 13) N/A

(a) Description of investment type	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Total. (Column (b) must equal Form 990, Part X, column (B) line 13.)		

Part IX Other Assets. (See Form 990, Part X, line 15) N/A

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
Total. (Column (b) must equal Form 990, Part X, column (B), line 15.)	

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

(a) Description of liability	(b) Amount
(1) Federal income taxes	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
(11)	
Total (Column (b) must equal Form 990, Part X, column (B) line 25.)	

2. FIN 48 (ASC 740) Footnote. 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 (ASC 740)

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

1	Total revenue (Form 990, Part VIII, column (A), line 12)		1,188,229.
2	Total expenses (Form 990, Part IX, column (A), line 25)		1,336,818.
3	Excess or (deficit) for the year. Subtract line 2 from line 1		-148,589.
4	Net unrealized gains (losses) on investments		59,308.
5	Donated services and use of facilities		
6	Investment expenses.		
7	Prior period adjustments		
8	Other (Describe in Part XIV)		
9	Total adjustments (net). Add lines 4 through 8		59,308.
10	Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9		-89,281.

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

1	Total revenue, gains, and other support per audited financial statements		1	1,272,046.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:			
a	Net unrealized gains on investments	2a	59,308.	
b	Donated services and use of facilities	2b	24,509.	
c	Recoveries of prior year grants	2c		
d	Other (Describe in Part XIV)	2d		
e	Add lines 2a through 2d		2e	83,817.
3	Subtract line 2e from line 1		3	1,188,229.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:			
a	Investments 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	
5	Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12)		5	1,188,229.

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

1	Total expenses and losses per audited financial statements		1	1,361,327.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:			
a	Donated services and use of facilities	2a	24,509.	
b	Prior year adjustments	2b		
c	Other losses	2c		
d	Other (Describe in Part XIV)	2d		
e	Add lines 2a through 2d		2e	24,509.
3	Subtract line 2e from line 1		3	1,336,818.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:			
a	Investments 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	
5	Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)		5	1,336,818.

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, line 2, Part XI, line 8, Part XII, lines 2d and 4b, and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information

Part V, Line 4 - Intended Uses Of Endowment Fund

The intent of the Endowment is to provide for the Organization's ongoing operational expenses, capital expenditures, and physical improvements as determined appropriate by the Board of Directors based upon the recommendations of the Executive and Finance Committees

Part III Fundraising Events. Complete if the organization answered 'Yes' to Form 990, Part IV, line 18, or reported more than \$15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6a. List events with gross receipts greater than \$5,000.

REVENUE	(a) Event #1	(b) Event #2	(c) Other events	(d) Total events	
	Auction (event type)	(event type)	(total number)	(add column (a) through column (c))	
1	Gross receipts	451,488.		451,488.	
2	Less: Charitable contributions	260,943.		260,943.	
3	Gross income (line 1 minus line 2)	190,545.		190,545.	
DIRECT EXPENSES	4	Cash prizes			
	5	Noncash prizes			
	6	Rent/facility costs			
	7	Food and beverages			
	8	Entertainment			
	9	Other direct expenses	168,863.		168,863.
	10	Direct expense summary Add lines 4- through 9 in column (d)			168,863.
11	Net income summary Combine line 3, column (d), and line 10			21,682.	

Part III Gaming. Complete if the organization answered 'Yes' to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

REVENUE	(a) Bingo	(b) Pull tabs/Instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming
				(add column (a) through column (c))
1	Gross revenue			
DIRECT EXPENSES	2	Cash prizes		
	3	Non-cash prizes		
	4	Rent/facility costs		
	5	Other direct expenses		
	6	Volunteer labor	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No
7	Direct expense summary Add lines 2 through 5 in column (d)			
8	Net gaming income summary. Combine lines 1, column (d) and line 7			

9 Enter the state(s) in which the organization operates gaming activities: _____

a Is the organization licensed to operate gaming activities in each of these states? Yes No

b If 'No,' explain. _____

10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? Yes No

b If 'Yes,' explain _____

**SCHEDULE M
(Form 990)**

Noncash Contributions

OMB No. 1545-0047

2010

Department of the Treasury
Internal Revenue Service

▶ **Complete if the organizations answered 'Yes'**
on Form 990, Part IV, lines 29 or 30.
▶ **Attach to Form 990.**

**Open To Public
Inspection**

Name of the organization

BIRTH TO THREE, INC

Employer identification number

93-0706557

Part I Types of Property

	(a) Check if applicable	(b) Number of contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining noncash contribution amounts
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 ▶ (AUCTION ITEMS)	X	193	66,276.	FAIR MKT VAL
26 Other ▶ ()				
27 Other ▶ ()				
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 Acknowledgement

29

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?

	Yes	No
30a		X
31	X	
32a		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?

32a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions?

b If 'Yes,' describe in Part II.

33 If the organization did not report an amount in column (c) for a type of property for which column (a) is checked, describe in Part II

SCHEDULE O
(Form 990 or 990-EZ)

Supplemental Information to Form 990 or 990-EZ

OMB No 1545-0047

2010

Department of the Treasury
Internal Revenue Service

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.
▶ Attach to Form 990 or 990-EZ.

**Open to Public
Inspection**

Name of the organization

BIRTH TO THREE, INC

Employer identification number

93-0706557

FORM 990, PART I, LINE 6

VOLUNTEERS PROVIDE A WIDE VARIETY OF SERVICES TO BIRTH TO THREE. THIS INCLUDES STAFFING FOR THE CHILDREN'S PROGRAM, OFFICE HELP, FUNDRAISING SUPPORT, PROFESSIONAL SERVICES, AS WELL AS SERVICE ON VARIOUS COMMITTEES AND THE BOARD.

FORM 990, PART III, LINE 4d - ALL OTHER ACCOMPLISHMENTS

TEEN PARENTS PROGRAM IS A GROUP BASED PARENTING EDUCATION AND SUPPORT PROGRAM FOR PREGNANT AND PARENTING TEENS, 12-21 YEARS OF AGE. IT INCLUDES WEEKLY GROUP MEETINGS, HOME VISITS, ASSISTANCE IN ACCESSING COMMUNITY RESOURCES AND IS BASED ON OUR 'MAKE PARENTING A PLEASURE' CURRICULUM.

MAKE PARENTING A PLEASURE IS A GROUP BASED PARENTING EDUCATION AND SUPPORT PROGRAM FOR PARENTS WHO ARE EXPERIENCING HIGH LEVELS OF STRESS AND HAVE CHILDREN AGED 0-8. PARENTS LEARN HOW TO MANAGE STREE, IMPROVE COMMUNICATION, POSITIVE DISCIPLINE STRATEGIES AND HOW TO ACCESS RESOURCES.

CRECER IS A PROGRAM BASED ON 'MAKE PARENTING A PLEASURE' FOR FAMILIES WHOSE PRIMARY LANGUAGE IS SPANISH. A PROFESSIONAL BIRTH TO THREE PARENT EDUCATOR FACILITATES THIS GROUP-BASED PARENTING EDUATION AND SUPPORT PROGRAM TAILORED FOR THE FAMILIES IT SERVES.

PARENT HELPLINE IS A TELEPHONE BASED PARENTING SUPPORT/INFORMATION SERVICE. IT PROVIDES PARENTING INFORMATION AND ENCOURAGEMENT, REFERRALS TO OTHER SERVICES AND FOLLOW-UP CALLS AND IS FACILITATED BY A PROFESSIOINAL BIRTH TO THREE PARENT EDUCATOR.

Name of the organization

BIRTH TO THREE, INC

Employer identification number

93-0706557

Form 990, Part III, Line 4d - Other Program Services Description

PARENT HELPLINE/ENROLLMENT

ALL OTHER

MPAP

Form 990, Part VI, Line 11b - Form 990 Review Process

Managing Director and the Finance Committee review the 990 prior to filing the tax return.

Form 990, Part VI, Line 12c - Explanation of Monitoring and Enforcement of Conflicts

All staff and board members have a copy of the Conflicts of Interest Policy and are required to identify a conflict of interest when appropriate.

Form 990, Part VI, Line 15a - Compensation Review & Approval Process for CEO, Exec. Dir., or Top Mgtment

Salaries for the Executive and Managing Directors are set by the Board of Directors. They are set in the context of market studies of compensation in our community and constraints of budget.

Form 990, Part VI, Line 19 - Other Organization Documents Publicly Available

Governing Documents are made available upon request.

Client 1

BIRTH TO THREE, INC

93-0706557

3/07/12

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Form 990, Part XI, Line 5
Other Changes in Net Assets or Fund Balances

Net Unrealized Gains or Losses on Investments	Total	\$ 59,308.
		<u>\$ 59,308.</u>

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

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

Name(s) shown on return
BIRTH TO THREE, INC

Identifying number
93-0706557

Business or activity to which this form relates
Form 990/990-PF

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I.

1	Maximum amount (see instructions)	1	
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	
6	(a) Description of property	(b) Cost (business use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2009 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instrs)	11	
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11.	12	
13	Carryover of disallowed deduction to 2011. Add lines 9 and 10, less line 12	13	

Note: Do not use Part II or Part III below for listed property. Instead, use Part V

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property.) (See instructions)

14	Special depreciation allowance for qualified property (other than listed property) placed in service during the tax year (see instructions)	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	26,829.

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

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2010	17	
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here <input type="checkbox"/>		

Section B – Assets Placed in Service During 2010 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only – see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs		S/L	
h Residential rental property			27.5 yrs	MM	S/L	
i Nonresidential real property			27.5 yrs	MM	S/L	
			39 yrs	MM	S/L	

Section C – Assets Placed in Service During 2010 Tax Year Using the Alternative Depreciation System

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

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations – see instructions	22	26,829.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

Part V Listed Property (Include automobiles, certain other vehicles, certain computers, and property used for entertainment, recreation, or amusement)

Note: For any vehicle for which you are using the standard mileage rate or deducting lease expense, complete **only** 24a, 24b, columns (a) through (c) of Section A, all of Section B, and Section C if applicable.

Section A – Depreciation and Other Information (Caution: See the instructions for limits for passenger automobiles)

24a Do you have evidence to support the business/investment use claimed? . . .		<input type="checkbox"/> Yes	<input type="checkbox"/> No	24b If 'Yes,' is the evidence written? . . .		<input type="checkbox"/> Yes	<input type="checkbox"/> No	
(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/Convention	(h) Depreciation deduction	(i) Elected section 179 cost
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use (see instructions) . . .								25
26 Property used more than 50% in a qualified business use								
27 Property used 50% or less in a qualified business use:								
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1 . . .								28
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1 . . .								29

Section B – Information on Use of Vehicles

Complete this section for vehicles used by a sole proprietor, partner, or other 'more than 5% owner,' or related person. If you provided vehicles to your employees, first answer the questions in Section C to see if you meet an exception to completing this section for those vehicles

30 Total business/investment miles driven during the year (do not include commuting miles)	(a)		(b)		(c)		(d)		(e)		(f)	
	Vehicle 1	Vehicle 2	Vehicle 3	Vehicle 4	Vehicle 5	Vehicle 6	Vehicle 1	Vehicle 2	Vehicle 3	Vehicle 4	Vehicle 5	Vehicle 6
31 Total commuting miles driven during the year . . .												
32 Total other personal (noncommuting) miles driven												
33 Total miles driven during the year Add lines 30 through 32												
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
34 Was the vehicle available for personal use during off-duty hours?												
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

Section C – Questions for Employers Who Provide Vehicles for Use by Their Employees

Answer these questions to determine if you meet an exception to completing Section B for vehicles used by employees who are not more than 5% owners or related persons (see instructions).

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

Part VI Amortization

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year	
42 Amortization of costs that begins during your 2010 tax year (see instructions):						
43 Amortization of costs that began before your 2010 tax year						
					43	75,034.
44 Total. Add amounts in column (f) See the instructions for where to report					44	75,034.

Client 1

BIRTH TO THREE, INC

93-0706557

3/07/12

02:08PM

Form 990, Part IX, Line 24f
Other Expenses

	(A) <u>Total</u>	(B) <u>Program Services</u>	(C) <u>Management & General</u>	(D) <u>Fundraising</u>
Bank & Investment Fees	7,889.	5,032.	2,846.	11.
Criminal Checks	991.	991.		
Equipment & Furnishings	2,985.	2,329.		656.
Inventory Change	1,190.	1,190.		
Membership Fees	2,973.	2,187.	786.	
Miscellaneous	7,493.	1,384.	1,187.	4,922.
Postage and Shipping	9,587.	7,469.	88.	2,030.
Rent and Storage Fees	2,016.	2,016.		
Subscriptions	1,588.	1,327.	78.	183.
Volunteer recognition	616.	616.		
Total	<u>\$ 37,328.</u>	<u>\$ 24,541.</u>	<u>\$ 4,985.</u>	<u>\$ 7,802.</u>

Schedule D, Part V
Endowment Funds

	<u>Current Year</u>	<u>Prior Year</u>	<u>Two Yrs. Back</u>	<u>Three Yrs. Back</u>	<u>Four Yrs. Back</u>
Beginning of year balance	314,668.	425,955.	0.	0.	0.
Contributions					
Investment earnings (losses)	67,214.	51,121.			
Grants or scholarships					
Expend. for facilities & progs	17,454.	159,117.			
Administrative expenses	2,846.	3,291.			
End of year balance	361,582.	314,668.	0.	0.	0.

Client 1

BIRTH TO THREE, INC

93-0706557

3/07/12

02:02PM

Part II, Line 10 - Other Income

Nature and Source	2010	2009	2008	2007	2006
Miscellaneous Income	1,052.	1,141.	803.	20,647.	2,249.
Total	\$ 1,052.	\$ 1,141.	\$ 803.	\$ 20,647.	\$ 2,249.

BIRTH TO THREE, INC.

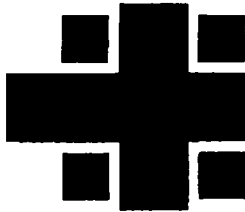
**FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION**

**For the Year Ended June 30, 2011
(with Comparative Totals for the Year Ended June 30, 2010)**

BIRTH TO THREE, INC.
Eugene, Oregon
June 30, 2011

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MAXWELL & COMPANY

Certified Public Accountants

1600 Valley River Dr., Suite 370, Eugene, OR 97401 • (541) 334-4498 • fax (541) 334-1755

INDEPENDENT AUDITORS' REPORT

Board of Directors
Birth To Three, Inc.

We have audited the accompanying statement of financial position of Birth To Three, Inc. (a nonprofit organization) as of June 30, 2011, and the related statements of activities, functional expenses, and cash flows for the year then ended. These financial statements are the responsibility of the Organization's management. Our responsibility is to express an opinion on these financial statements based on our audit. The prior year summarized comparative information has been derived from Birth To Three, Inc.'s 2010 financial statements and, in our report dated November 16, 2010, we expressed an unqualified opinion on those financial statements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Birth To Three, Inc. as of June 30, 2011, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying supplementary information as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Maxwell & Company CPAs

MAXWELL & COMPANY
Certified Public Accountants
Eugene, Oregon
December 19, 2011

FINANCIAL STATEMENTS

BIRTH TO THREE, INC
STATEMENT OF FINANCIAL POSITION
June 30, 2011
(With Comparative Totals for June 30, 2010)

Assets	2011	2010
Current assets		
Cash and cash equivalents	\$ 105,136	\$ 115,847
Receivables	35,945	33,190
Unconditional promises to give, current portion	87,953	50,445
Grants receivable	20,012	3,004
Prepaid expenses	15,308	23,113
Inventory of curricula materials	48,750	51,813
Beneficial interest in the assets of The Oregon Community Foundation (OCF)	<u>361,582</u>	<u>314,668</u>
Total current assets	<u>674,686</u>	<u>592,080</u>
Long-term assets		
Unconditional promises to give, long-term portion	24,525	26,343
Property and equipment, net	649,799	673,120
Curricula development costs, net	<u>303,525</u>	<u>378,560</u>
Total long-term assets	<u>977,849</u>	<u>1,078,023</u>
Total assets	<u>\$ 1,652,535</u>	<u>\$ 1,670,103</u>
Liabilities and Net Assets		
Current liabilities		
Accounts payable	\$ 33,204	\$ 28,469
Accrued payroll and payroll taxes	69,263	65,946
Accrued vacation	55,722	55,405
Deferred Income	77,631	-
Current portion of long-term debt	<u>78,849</u>	<u>4,021</u>
Total current liabilities	314,669	153,844
Long-term debt, net of current portion	<u>-</u>	<u>89,112</u>
Total liabilities	<u>314,669</u>	<u>242,956</u>
Net assets		
Unrestricted	803,831	854,749
Unrestricted, designated by the Board for reserves	361,582	314,668
Temporarily restricted net assets	<u>172,453</u>	<u>257,730</u>
Total net assets	<u>1,337,866</u>	<u>1,427,147</u>
Total liabilities and net assets	<u>\$ 1,652,535</u>	<u>\$ 1,670,103</u>

The accompanying notes are an integral part of this statement.

BIRTH TO THREE, INC.
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2011
(With Comparative Totals for June 30, 2010)

	2011		Total
	Unrestricted	Temporarily Restricted	
Support			
Contributions	\$ 147,108	\$ 252,103	\$ 399,211
Special events	378,321	73,165	451,486
Contributions in-kind	24,509	-	24,509
Total support	549,938	325,268	875,206
Revenues			
Curricula sales and training	142,405	-	142,405
Contract revenue	255,241	-	255,241
Parent dues	32,447	-	32,447
Miscellaneous income	1,052	-	1,052
Interest and dividends	4,579	-	4,579
Net realized losses on investments	4,395	-	4,395
Net unrealized gains on investments	59,308	-	59,308
Net assets released from restrictions	410,545	(410,545)	-
Total revenues	909,972	(410,545)	499,427
Total revenues and other support	1,459,910	(85,277)	1,374,633
Expenses			
Program services	1,133,217	-	1,133,217
Management	109,476	-	109,476
Fundraising	221,219	-	221,219
Total expenses	1,463,912	-	1,463,912
Change in net assets	(4,004)	(85,277)	(89,281)
Net assets, beginning of year, as previously reported	1,169,417	257,730	1,427,147
Net assets, end of year	\$ 1,165,413	\$ 172,453	\$ 1,337,866

The accompanying notes are an integral part of this statement.

2010		
Unrestricted	Temporarily Restricted	Total
\$ 152,852	\$ 256,749	\$ 409,601
357,089	76,788	433,877
12,792	-	12,792
<u>522,733</u>	<u>333,537</u>	<u>856,270</u>
113,663	-	113,663
239,435	-	239,435
28,998	-	28,998
1,141	-	1,141
6,251	-	6,251
(2,812)	-	(2,812)
47,800	-	47,800
<u>353,654</u>	<u>(353,654)</u>	<u>-</u>
<u>788,130</u>	<u>(353,654)</u>	<u>434,476</u>
<u>1,310,863</u>	<u>(20,117)</u>	<u>1,290,746</u>
1,028,513	-	1,028,513
69,078	-	69,078
<u>170,175</u>	<u>-</u>	<u>170,175</u>
<u>1,267,766</u>	<u>-</u>	<u>1,267,766</u>
<u>43,096</u>	<u>(20,117)</u>	<u>22,979</u>
1,126,321	277,847	1,404,168
<u>\$ 1,169,417</u>	<u>\$ 257,730</u>	<u>\$ 1,427,147</u>

The accompanying notes are an integral part of this statement.

BIRTH TO THREE, INC.
STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2011
(With Comparative Totals for June 30, 2010)

	2011	2010
Cash flows from operating activities		
Change in net assets	\$ (89,281)	\$ 22,979
Adjustment to reconcile change in net assets to net cash used by operating activities:		
Depreciation and amortization	101,863	102,914
Loss on disposal of assets	519	
Net realized and unrealized loss on investments	(63,703)	(44,988)
(Increase) decrease in operating assets:		
Curricula sales receivables	(2,755)	(21,015)
Unconditional promises to give	(35,690)	(10,745)
Grants receivable	(17,008)	(3,004)
Prepaid expense	7,805	(6,726)
Inventory of curricula materials	3,063	3,927
Increase (decrease) in operating liabilities:		
Accounts payable	4,735	(13,325)
Deferred income	77,631	
Accrued payroll and payroll taxes	3,317	(5,720)
Accrued vacation	317	(27,688)
	(9,187)	(3,391)
Net cash used by operating activities		
Cash flows from investing activities		
Purchase of property and equipment	(4,030)	-
Transfers from beneficial interest in the assets of OCF	17,455	159,117
Reinvestments in beneficial interest in the assets of OCF	(665)	(10,858)
	12,760	148,259
Net cash provided by investing activities		
Cash flows from financing activities		
Net borrowings on line of credit	-	(113,752)
Principal payments on long-term debt	(14,284)	(11,962)
	(14,284)	(125,714)
Net cash provided by financing activities		
Net decrease in cash and cash equivalents	(10,711)	19,154
Cash and cash equivalents, beginning of year	115,847	96,693
Cash and cash equivalents, end of year	\$ 105,136	\$ 115,847
Supplemental disclosure of cash flow information		
Cash paid for interest	\$ 12,329	\$ 9,246

The accompanying notes are integral part of this statement.

BIRTH TO THREE, INC.
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2011
(With Comparative Totals for June 30, 2010)

	Program Services						Total Program Services
	First Three Years	Make Parenting A Pleasure	Healthy Start	Parent Helpline	Curricula Sales and Training	All Other	
Salaries	\$ 78,305	\$ 95,790	\$ 312,070	\$ 66,844	\$ 39,343	\$ 62,896	\$ 655,248
Payroll taxes and insurance	8,094	10,686	32,106	6,965	4,450	6,477	68,778
Health and disability benefits	6,711	10,698	22,746	7,271	9,168	7,064	63,658
Total salaries and related payroll expenses	93,110	117,174	366,922	81,080	52,961	76,437	787,684
Other expenses:							
Contracts	932	1,283	3,022	2,819	10,927	1,998	20,981
Nutrition	638	4,695	1,865	127	4,838	200	12,363
Utilities	1,250	1,719	4,054	1,099	4	1,014	9,140
Transportation	4	721	9,100	3	5,978	178	15,984
Program materials	1,073	1,631	14,526	34	2,811	51	20,128
Bank and investment fees	678	932	2,200	596	181	445	5,032
Professional fees	2,329	3,201	7,550	2,046	10,010	1,527	26,663
Insurance	1,396	1,918	4,527	1,227	6	916	9,990
Repairs and maintenance	2,010	2,765	6,696	1,766	10	1,319	14,566
Information technology	304	418	1,461	1,087	6,925	291	10,486
Equipment, furnishings, and renovations	-	92	1,987	-	-	250	2,329
Depreciation and amortization	3,749	5,153	12,157	3,294	75,050	2,460	101,863
Rent and storage fees	302	989	492	133	1	99	2,016
Supplies	407	850	1,379	365	1,168	2,100	6,269
Telephone	1,166	1,801	5,571	2,718	552	1,145	12,953
Postage	399	531	1,317	331	4,334	557	7,469
Staff development and conferences	3	44	2,516	3	630	47	3,243
Subscriptions	47	64	151	41	645	379	1,327
Membership fees and social support	68	363	1,057	60	49	590	2,187
Volunteer recognition	-	8	-	-	-	608	616
Printing	836	1,149	2,804	837	24,252	4,919	34,797
Copying	717	699	1,855	377	1,247	829	5,724
Criminal check	93	127	317	82	-	708	1,327
Interest expense	1,723	2,368	5,587	1,514	7	1,130	12,329
Advertising	40	55	129	35	2,734	186	3,179
Inventory change	-	-	-	-	1,190	-	1,190
Miscellaneous	16	22	190	14	1,030	112	1,384
Total other expenses	20,180	33,598	92,510	20,608	154,579	24,058	345,533
Total functional expenses	\$ 113,290	\$ 150,772	\$ 459,432	\$ 101,688	\$ 207,540	\$ 100,495	\$ 1,133,217

The accompanying notes are an integral part of this statement.

<u>Supporting Services</u>			
<u>Management and General</u>	<u>Fund-raising</u>	<u>2011 Total</u>	<u>2010 Total</u>
\$ 64,261	\$ 103,657	\$ 823,166	\$ 720,964
6,504	10,896	86,178	72,688
6,447	12,110	82,215	75,018
<u>77,212</u>	<u>126,663</u>	<u>991,559</u>	<u>868,670</u>
11,034	43,610	75,625	41,819
1,276	5,321	18,960	13,697
-	-	9,140	17,125
775	-	16,759	22,660
-	19,469	39,595	22,901
2,846	3,482	11,360	8,211
5,588	-	32,251	32,454
5,248	-	15,238	13,005
-	110	14,676	7,529
-	46	10,532	4,925
-	656	2,985	3,500
-	-	101,863	102,914
-	-	2,016	2,010
377	718	7,364	5,142
320	-	13,273	15,258
88	3,637	11,194	6,240
782	693	4,718	1,275
78	183	1,588	1,443
786	-	2,973	2,717
1,054	226	1,896	1,797
700	10,013	45,510	46,171
303	525	6,552	9,710
(336)	-	991	776
-	-	12,329	9,246
158	945	4,282	2,876
-	-	1,190	2,816
1,188	4,922	7,484	880
<u>32,265</u>	<u>94,556</u>	<u>472,354</u>	<u>399,097</u>
<u>\$ 109,476</u>	<u>\$ 221,219</u>	<u>\$ 1,463,913</u>	<u>\$ 1,267,766</u>

The accompanying notes are an integral part of this statement.

BIRTH TO THREE, INC.
NOTES TO FINANCIAL STATEMENTS

1. Nature of Activities and Significant Accounting Policies

Organization

Birth To Three, Inc. (the Organization), was incorporated in 1978 as an Oregon not-for-profit organization whose objective is to strengthen families and promote the well being of children through parenting education and support. Parents are brought together in groups with a professional parent educator to increase their knowledge of early childhood development, share their parenting experiences, learn about community resources, and create support networks among themselves. In addition, Birth To Three disseminates its nationally recognized curricula under the name Parenting Now!. Major programs and activities include:

Group Based Programs:

First Three Years consists of the Incredible Infants, Wonderful ONEs and Terrific TWOs programs. Each program brings together families who have children of similar ages and provides parenting education and support based on the developmental stages of the children. It includes a children's program.

Teen Parents provides parenting education and support in a program developed to meet the needs of pregnant and parenting teens 12-21 years of age. It includes weekly parenting support groups, individual home visits, assistance accessing community resources, as well as parenting education and family/child activities. It includes a children's program.

Creceer provides parenting education and support designed specifically for parents whose primary language is Spanish. It uses a culturally adapted version of the *Make Parenting A Pleasure* curriculum. It includes a children's program.

Make Parenting A Pleasure is designed for parents who are experiencing high levels of stress in their lives and have children between the ages of birth and 8 years. It includes a children's program.

Home Visiting:

Healthy Start at Birth To Three is a home-visiting program conducted with Lane County Healthy Start. It provides ongoing parenting education and supporting the home of first-time parents with professional Family Support workers.

Telephone Based Support/Information:

Parent HelpLine provides voice-to-voice support, parenting information and encouragement, referrals to other services, and follow-up calls and is staffed by professional Birth To Three parent educators.

Funding for these programs, which primarily serve Lane County, Oregon, is provided by foundation grants and contracts, funding from United Way, donations from businesses and the general public and from the sale of curricula and training under the name Parenting Now!.

Parenting Now! provides nationally recognized parenting curricula, materials, training, and consultation for programs and practitioners throughout the United States and internationally.

**BIRTH TO THREE, INC.
NOTES TO FINANCIAL STATEMENTS**

1. Nature of Activities and Significant Accounting Policies, continued

Income Taxes

The Organization is a charitable organization exempt from payment of federal income taxes under Internal Revenue Code Section 501(c)(3). In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b)(1)(A) and has been classified as an organization that is not a private foundation under Section 509(a)(2).

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Cash and Cash Equivalents

Cash and cash equivalents consist of three demand deposit accounts and a money market fund that is readily convertible into cash and has an insignificant risk of change in value.

Receivables

Receivables are reported at the gross amount receivable without provision for uncollectible accounts. The Organization uses the direct write-off method for uncollectible accounts. Receivables over 30 days old are considered past due.

Inventory

Inventory consists of curricula materials, such as instructor guides and media materials, available for sale. Inventory is valued at the lower of cost (first-in, first-out) or market.

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses, if any, are included in the change in net assets.

Beneficial Interest in the Assets of The Oregon Community Foundation (OCF)

The Organization established an endowment fund with OCF on the statement of financial position. The fund is reported as a beneficial interest in the assets of OCF on the statement of financial position. OCF has variance power over this endowment fund and shall distribute not less often than annually an appropriate percentage of the fair value of the funds to the Organization.

BIRTH TO THREE, INC.
NOTES TO FINANCIAL STATEMENTS

1. Nature of Activities and Significant Accounting Policies, continued

Property and Equipment

Donations of property and equipment are recorded as support at their estimated fair value. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long the donated assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time. Property is recorded at cost at the date of acquisition. Purchases of property and equipment greater than \$500 are capitalized and depreciated using the straight-line method over three to forty years.

Net Assets

Net assets of the Organization consisted of the following:

Unrestricted -

Undesignated

These net assets are available for general obligations of the Organization.

Board Designated Endowment

The Organization's Board of Directors has designated a portion of bequests to be held to benefit the general purposes of the Organization according to policies adopted by the Board of Directors.

Temporarily restricted - These net assets are restricted by donors to be used for specific purposes.

Permanently restricted - These net assets are permanently restricted by donors and cannot be used by the Organization. Currently, the Organization does not have any permanently restricted net assets.

Endowment Fund Policy

It is the intent of the Organization that the Endowment Fund be managed for long-term growth and remains intact except under the most critical of financial circumstances. The Board of Directors has established guidelines for the utilization of the Endowment Fund which exist to provide for the Organization's ongoing operational expenses, capital expenditures, and physical improvements as determined appropriate by the Board of Directors based upon the recommendations of the Executive Finance Committee. The policy sets forth that the Organization shall accept current and deferred gifts to the Endowment Fund. The policy allows for bi-annual distributions to be made based upon an annual dividend rate determined by Oregon Community Foundation (currently 4.5 percent) based upon a 13 quarter trailing average. Additional distributions may be made during the year, but must be approved by the Board of Directors and the OCF review board.

BIRTH TO THREE, INC.
NOTES TO FINANCIAL STATEMENTS

1. Nature of Activities and Significant Accounting Policies, continued

Contributions

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions.

Promises to Give

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Contributed Services

Contributed services are recorded by the Organization at the fair market value of the services received. These amounts are recorded as in-kind contributions in accordance with professional standards.

Advertising Costs

The Organization's advertising costs are expensed as incurred. As of June 30, 2011 and 2010, the total expense was \$4,282 and \$2,876 respectively.

Expense Allocation

The costs of providing various programs and other activities have been summarized on a functional basis in the statement of activities and in the statement of functional expenses. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

2. Cash and Cash Equivalents

As of June 30, cash and cash equivalents consisted of the following amounts:

	<u>2011</u>	<u>2010</u>
Cash in depository accounts	\$ 104,978	\$ 115,689
Cash in money market accounts	158	158
 Total cash and cash equivalents	 <u>\$ 105,136</u>	 <u>\$ 115,847</u>

BIRTH TO THREE, INC.
NOTES TO FINANCIAL STATEMENTS

3. Beneficial Interest in the Assets of The Oregon Community Foundation (OCF)

The following schedule summarizes the activity of the Endowment Fund, reported at fair value, for the year ended June 30:

	2011	2010
Additions:		
Interest and dividends	\$ 3,511	\$ 6,132
Realized gains	4,395	-
Unrealized gains	59,308	47,800
Total additions	67,214	53,932
Decreases:		
Distributions	(17,454)	(159,117)
Realized losses	-	(2,812)
Investment management fees	(1,119)	(1,314)
Miscellaneous fees	(1,727)	(1,976)
Total decreases	(20,300)	(165,219)
Net change	46,914	(111,287)
Beginning balance at July 1	314,668	425,955
Ending balance at June 30	\$ 361,582	\$ 314,668

4. Unconditional Promises to Give

At June 30, unconditional promises to give consisted of the following:

	2011	2010
Unconditional promises to give	\$ 112,478	\$ 76,788
Amounts due in:		
Less than one year	\$ 87,953	\$ 50,455
One to five years	24,325	26,043
Six to ten years	200	300
	\$ 112,478	\$ 76,788

The Organization uses the allowance method to determine uncollectible pledges receivable. The allowance is based on prior years' experience and management's analysis of the individual pledges. As of June 30, 2011 all unconditional promises to give are considered fully collectible.

**BIRTH TO THREE, INC.
NOTES TO FINANCIAL STATEMENTS**

5. Concentrations of Credit Risk

Financial instruments that potentially subject the Organization to concentrations of credit risk consist principally of temporary cash investments, and accounts receivable. The Organization places its temporary cash investments with a financial institution. Interest bearing accounts are insured by the Federal Deposit Insurance Corporation up to \$250,000, and non-interest bearing accounts are fully insured, through December 31, 2012. Account balances did not exceed the insured limits at any time during the fiscal years ending June 30, 2011 and 2010.

6. Property and Equipment

As of June 30, property and equipment consisted of the following:

Property and equipment:	2011	2010
Land	\$ 168,863	\$ 168,863
Building and improvements	701,748	701,748
Furniture and equipment	102,840	108,343
	<u>973,451</u>	<u>979,954</u>
Accumulated depreciation	(323,652)	(305,834)
	<u>\$ 649,799</u>	<u>\$ 673,120</u>

7. Curricula Development Cost

As of June 30, curricula development costs consisted of the following:

	2011	2010
Parenting: The First Three Years Curriculum	\$ 603,626	\$ 603,626
Parenting Now!	24,327	24,327
Words to Love By Cards	23,362	23,362
Make Parenting a Pleasure Curriculum – Spanish Adaptation	93,568	93,568
Parenting Knowledge Base	26,572	26,572
	<u>771,455</u>	<u>771,455</u>
Accumulated amortization	(467,930)	(392,895)
	<u>\$ 303,525</u>	<u>\$ 378,560</u>

BIRTH TO THREE, INC.
NOTES TO FINANCIAL STATEMENTS

11. Long-term Debt

As of June 30, long-term debt consisted of the following.

Note payable to Siuslaw Bank, secured by equipment, with monthly installments of \$793, including interest at 6%, due February 2012.

	2011	2010
	\$ 78,849	\$ 93,133
Current portion	78,849	(4,021)
Total long-term debt, net of current portion	\$ -	\$ 89,112

Principal payments due over the next five years and thereafter are as follows:

Year Ending June 30,		
2012	\$	78,849
2013		-
2014		-
2015		-
2016		-
Thereafter		-
Total	\$	78,849

The note payable matures February, 2012, however, the note is expected to be extended or refinanced prior to that time. The note payable to bank is subject to the same covenants as the line of credit described in Note 9.

**BIRTH TO THREE, INC.
NOTES TO FINANCIAL STATEMENTS**

12. Operating Lease

The Organization leases a Ricoh copier/printer from ABS Finance under an operating lease agreement that commenced on November 25, 2009. Monthly base rents under the lease are \$463.83, including \$151 in monthly maintenance charges.

At June 30, 2011, future minimum rent payments under the aforementioned lease agreements are as follows:

<u>Year Ending June 30,</u>		
2012	\$	6,583
2013		6,268
2014		6,268
2015		4,031
2016		-
Thereafter		-
Total	\$	<u>23,150</u>

13. Temporarily Restricted Net Assets

At June 30, temporarily restricted net assets are available for the following purposes:

	<u>2011</u>	<u>2010</u>
Management and general	\$ 20,000	\$ 107,234
Making Parenting a Pleasure	39,975	35,023
OCF Project	-	10,465
Healthy Start – NPC Research	-	7,887
First 3 Years – United Way	-	9,333
Audio visual equipment	-	1,000
Capital Campaign	-	10,000
Unconditional Promises to Give – Future Periods	<u>112,478</u>	<u>76,788</u>
Total temporarily restricted net assets	\$ <u>172,453</u>	\$ <u>257,730</u>

BIRTH TO THREE, INC.
NOTES TO FINANCIAL STATEMENTS

14. Endowment Fund

At June 30, the Endowment Fund consisted of the following:

	2011	2010
Unrestricted - Board Designated Endowment	<u>\$ 361,582</u>	<u>\$ 314,668</u>
Total Endowment Fund	<u>\$ 361,582</u>	<u>\$ 314,668</u>

A summary of Endowment Fund activity was as follows:

	2011	2010
Balance, July 1	<u>\$ 314,668</u>	<u>\$ 425,955</u>
Appropriated expenditures	<u>(17,454)</u>	<u>(159,117)</u>
Investment returns:		
Unrealized gain on endowment	59,308	47,800
Return on endowment investments	<u>5,060</u>	<u>30</u>
Investment returns, net	<u>64,368</u>	<u>47,830</u>
Balance, June 30	<u>\$ 361,582</u>	<u>\$ 314,668</u>

BIRTH TO THREE, INC.
NOTES TO FINANCIAL STATEMENTS

15. Fair Value Measurement

For the years ending June 30, 2011 and 2010, additional professional standards were implemented to establish a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under professional standards are described below:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Level 2: Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to their fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2011 and 2010.

Pooled separate accounts: Valued at the net asset value of units held by the Organization at year-end.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The Organization recognizes transfers of assets into and out of levels as of the date an event or change in circumstances causes the transfer. There were no transfers between levels in the years ended June 30, 2011 and 2010.

BIRTH TO THREE, INC.
NOTES TO FINANCIAL STATEMENTS

15. Fair Value Measurement, continued

The following table sets forth by level, within the fair value hierarchy, the Organization's assets at fair values as of June 30:

	Assets at Fair Value as of June 30, 2011			
	Level 1	Level 2	Level 3	Total
Pooled separate accounts	\$ -	\$ -	\$ 361,582	\$ 361,582
Total assets at fair value	\$ -	\$ -	\$ 361,582	\$ 361,582

	Assets at Fair Value as of June 30, 2010			
	Level 1	Level 2	Level 3	Total
Pooled separate accounts	\$ -	\$ -	\$ 314,668	\$ 314,668
Total assets at fair value	\$ -	\$ -	\$ 314,668	\$ 314,668

16. Tax-Deferred Annuity Plan

A salary reduction 403(b) plan covers all eligible employees. Participation in the plan is voluntary. The employer makes no matching contribution.

BIRTH TO THREE, INC.
NOTES TO FINANCIAL STATEMENTS

17. Contributed Services

Professional services contributed (including attorney, accounting, and other services) are recorded as revenue. A total of \$19,205 and \$12,292 were recorded for the years ended June 30, 2011 and 2010 respectively.

In addition, many individuals volunteer their time and perform a variety of tasks that assist the Organization; however, these services do not meet the criteria for recognition as contributed services. The following schedule is a summary of the estimated volunteer time:

Activity	Hours
Board of Directors	419
MPAP Parent Educator Assistant & Children's Program	246
Teen Parent Educator Assistant & Children's Program	305
INFANT's Parent Educator Assistant & Children's Program	16
ONE's Parent Educator Assistant & Children's Program	378
TWO's Parent Educator Assistant & Children's Program	246
THREE's Parent Educator Assistant & Children's Program	27
Creceer Parent Educator Assistant & Children's Program	121
Parents Again	234
Parenting Now!	41
Office & administration	506
Development	197
Auction	801
Facilities maintenance	297
Public relations	168
Volunteer program	135
Total volunteer hours	<u>4,137</u>

The estimated fair value of this time is \$88,366 based on an estimated hourly rate of \$21.36.

18. Subsequent Events

Management evaluates events and transactions that occur after the statement of financial position date as potential subsequent events. Management has performed this evaluation through the date of the report.

19. Comparative Data

The amounts shown for the year ended June 30, 2010 in the accompanying financial statements are included to provide a basis for comparison with June 30, 2011 and present summarized totals only. Accordingly, the 2010 totals are not intended to present all information necessary for a fair presentation in conformity with accounting principles generally accepted in the United States. This comparative data should be read in conjunction with the Organization's financial statements for the year ended June 30, 2010, from which the comparative data was derived.

SUPPLEMENTARY INFORMATION

BIRTH TO THREE, INC.
SCHEDULE OF MAKE PARENTING A PLEASURE PROGRAM EXPENSES
For the Year Ended June 30, 2011
(With Comparative Totals for June 30, 2010)

	Teen Parents	MPAP Shelter Care	MPAP Emergence	MPAP Jaqua	Creceer United Way
Salaries	\$ 44,306	\$ 2,328	\$ 4,313	\$ 9,749	\$ 7,588
Payroll taxes and insurance	4,667	237	479	1,022	812
Health and disability benefits	4,980	267	432	990	783
Total salaries and related payroll expenses	53,953	2,832	5,224	11,761	9,183
Other expenses:					
Contracts	577	28	56	123	99
Nutrition	2,169	4	372	584	636
Utilities	773	38	75	165	132
Transportation	419	-	-	91	172
Program materials	1,203	49	50	13	59
Bank and investment fees	420	21	40	89	72
Professional fees	1,440	71	139	308	247
Insurance	864	42	83	184	148
Repairs and maintenance	1,244	81	120	284	213
Information technology	188	9	18	40	32
Equipment, furnishings, and renovations	-	-	-	-	-
Depreciation and amortization	2,319	114	223	493	397
Rent and storage fees	694	5	9	20	16
Supplies	352	12	44	137	40
Telephone	921	35	69	153	123
Postage	233	10	20	52	36
Staff development and conferences	2	-	-	-	-
Subscriptions	29	1	3	6	5
Membership fees and social support	313	2	4	9	7
Volunteer recognition	-	-	-	-	-
Printing	517	25	50	110	89
Copying	268	12	22	63	59
Criminal check	57	3	6	12	10
Interest expense	1,066	52	103	227	182
Advertising	25	1	2	5	4
Miscellaneous	10	-	1	2	2
Total other expenses	16,103	595	1,509	3,128	2,780
Total functional expenses	\$ 70,056	\$ 3,427	\$ 6,733	\$ 14,889	\$ 11,963

MPAP United Way	MPAP Lane Care	Crecer Jaqua	Crecer McKay Templeton	Open Doors	MPAP Update Pilot	2011 Total	2010 Total
\$ 5,134	\$ 7,117	\$ 225	\$ 4,313	\$ 10,457	\$ 260	\$ 95,790	\$ 74,541
525	818	236	-	1,367	523	10,686	7,200
533	483	283	-	1,373	574	10,698	7,372
<u>6,192</u>	<u>8,418</u>	<u>744</u>	<u>4,313</u>	<u>13,197</u>	<u>1,357</u>	<u>117,174</u>	<u>89,113</u>
64	91	26	-	154	65	1,283	1,751
158	545	3	-	23	221	4,695	4,184
86	122	35	-	206	87	1,719	2,748
-	38	-	-	1	-	721	202
51	52	-	-	102	52	1,631	719
46	66	19	-	112	47	932	-
160	228	64	-	385	161	3,201	3,779
96	137	-	-	269	95	1,918	1,718
138	197	57	-	333	138	2,765	1,220
21	30	8	-	50	22	418	466
-	-	-	-	-	92	92	-
257	367	104	-	619	280	5,153	4,496
10	15	4	-	25	191	989	1,106
40	93	11	-	95	26	850	924
80	114	32	-	193	81	1,801	2,273
45	39	9	-	58	29	531	301
-	-	-	-	41	1	44	-
3	5	1	-	8	3	64	116
4	6	2	-	12	4	363	72
8	-	-	-	-	-	8	3
57	82	23	-	138	58	1,149	842
115	46	10	-	68	36	699	683
6	9	3	-	15	6	127	100
118	168	48	-	285	119	2,368	1,497
3	4	1	-	7	3	55	53
1	2	-	-	3	1	22	9
<u>1,567</u>	<u>2,456</u>	<u>460</u>	<u>-</u>	<u>3,202</u>	<u>1,798</u>	<u>33,598</u>	<u>29,262</u>
\$ 7,759	\$ 10,874	\$ 1,204	\$ 4,313	\$ 16,399	\$ 3,155	\$ 150,772	\$ 118,375

BIRTH TO THREE, INC.
SCHEDULE OF ALL OTHER PROGRAM EXPENSES
For the Year Ended June 30, 2011
(With Comparative Totals for June 30, 2010)

	Public Relations	Squishtivities	Playtime	Vol Coord	Parent Newsletter	Enrollment and Support	2011 Total	2010 Total
Salaries	\$ 18,880	\$ 332	\$ 1,742	\$ 19,295	\$ 3,505	\$ 19,142	\$ 62,896	\$ 42,239
Payroll taxes and insurance	1,975	34	182	2,044	414	1,828	6,477	4,068
Health and disability benefits	2,344	39	117	2,322	232	2,010	7,064	4,423
Total salaries and related payroll expenses	23,199	405	2,041	23,661	4,151	22,980	76,437	50,730
Other expenses:								
Contracts	-	4	20	439	1,274	261	1,998	128
Nutrition	50	1	3	69	10	67	200	162
Utilities	-	6	27	338	99	544	1,014	473
Transportation	104	-	-	73	-	1	178	170
Program materials	-	26	1	10	3	11	51	47
Bank and investment fees	-	3	15	183	54	190	445	-
Professional fees	-	11	51	630	186	649	1,527	1,148
Insurance	-	7	30	377	111	391	916	864
Repairs and maintenance	-	10	44	543	160	562	1,319	387
Information technology	-	2	7	82	24	176	291	147
Equipment, furnishings, and renovations	-	-	-	-	-	250	250	15
Depreciation and amortization	-	18	81	1,013	299	1,049	2,460	5,853
Rent and storage fees	-	1	3	41	12	42	99	56
Supplies	12	2	28	178	30	1,850	2,100	345
Telephone	180	5	46	315	93	508	1,145	778
Postage	13	2	7	123	29	383	557	210
Staff development and conferences	-	-	-	1	-	46	47	35
Subscriptions	13	-	1	12	340	13	379	38
Membership fees and social support	448	-	1	18	6	119	590	462
Volunteer recognition	-	-	-	608	-	-	608	594
Printing	824	4	18	616	2,003	1,454	4,919	2,571
Copying	74	16	20	196	34	489	829	209
Criminal check	-	1	2	565	7	133	708	475
Interest expense	-	8	37	466	137	482	1,130	475
Advertising	-	-	1	11	3	171	186	17
Miscellaneous	102	-	-	4	1	5	112	3
Total other expenses	1,818	127	443	6,911	4,915	9,844	24,058	15,662
Total functional expenses	\$ 25,017	\$ 532	\$ 2,484	\$ 30,572	\$ 9,066	\$ 32,824	\$ 100,495	\$ 66,392