

Return of Organization Exempt from Income Tax

2004

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

Department of the Treasury Internal Revenue Service

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

A For the 2004 calendar year, or tax year beginning Sep 1, 2004, and ending Aug 31, 2005

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

C Name of organization THE GLADNEY CENTER FOR ADOPTION
Number and street (or P.O. box if mail is not delivered to street addr) Room/suite 6300 JOHN RYAN DR
City, town or country State ZIP code + 4 FORT WORTH TX 76132-4122

D Employer Identification Number 75-0917409
E Telephone number (817) 922-6000
F Accounting method: Cash [ ] Accrual [X] Other (specify) [ ]

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

- H and I are not applicable to section 527 organizations.
H (a) Is this a group return for affiliates? ... [ ] Yes [X] No
H (b) If 'Yes,' enter number of affiliates
H (c) Are all affiliates included? ... [ ] Yes [ ] No
H (d) Is this a separate return filed by an organization covered by a group ruling? [ ] Yes [ ] No
I Group Exemption Number ...
M Check [ ] if the organization is not required to attach Schedule B (Form 990, 990-EZ, or 990-PF).

G Web site: www.gladney.org

J Organization type (check only one) [X] 501(c) 3 (insert no.) [ ] 4947(a)(1) or [ ] 527

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

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 7,987,295.

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See Instructions)

Table with columns for Revenue, Expenses, and Net Assets. Rows include: 1 Contributions, gifts, grants, and similar amounts received; 2 Program service revenue including government fees and contracts; 3 Membership dues and assessments; 4 Interest on savings and temporary cash investments; 5 Dividends and interest from securities; 6a Gross rents; 6b Less: rental expenses; 6c Net rental income or (loss); 7 Other investment income; 8a Gross amount from sales of assets other than inventory; 8b Less: cost or other basis and sales expenses; 8c Gain or (loss) (attach schedule); 8d Net gain or (loss); 9 Special events and activities; 9a Gross revenue; 9b Less: direct expenses other than fundraising expenses; 9c Net income or (loss) from special events; 10a Gross sales of inventory, less returns and allowances; 10b Less: cost of goods sold; 10c Gross profit or (loss) from sales of inventory; 11 Other revenue; 12 Total revenue; 13 Program services; 14 Management and general; 15 Fundraising; 16 Payments to affiliates; 17 Total expenses; 18 Excess or (deficit) for the year; 19 Net assets or fund balances at beginning of year; 20 Other changes in net assets or fund balances; 21 Net assets or fund balances at end of year.

- If you are filing for an **Additional (not automatic) 3-Month Extension**, complete only **Part II** and check this box  **Note.** Only complete Part II if you have already been granted an automatic 3-month extension on a previously filed Form 8868.
- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** (on page 1).

**Part II Additional (not automatic) 3-Month Extension of Time—Must File Original and One Copy.**

Type or print	Name of Exempt Organization <i>The Gladney Center for Adoption</i>	Employer identification number <i>75:0917409</i>
	Number, street, and room or suite no. If a P.O. box, see instructions. <i>6300 John Ryan Dr</i>	For IRS use only
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. <i>Ft. Worth TX 76132</i>	

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

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

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

- The books are in the care of *Gail Andrae - Plante*  
Telephone No. *(817) 922-6021* FAX No. *(817) 922-5155*
- If the organization does **not** have an office or place of business in the United States, check this box
- If this is for a **Group Return**, enter the organization's four digit Group Exemption Number (GEN) \_\_\_\_\_ If this is for the **whole** group, check this box . If it is for **part** of the group, check this box  and attach a list with the names and EINs of all members the extension is for.

4 I request an additional 3-month extension of time until *July 17*, 20*06*

5 For calendar year \_\_\_\_\_, or other tax year beginning *Sept 1*, 20*05*, and ending *Aug 31*, 20*05*

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

7 State in detail why you need the extension *Additional time is needed to accumulate the information necessary to file a complete and accurate return.*

8a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions \$ \_\_\_\_\_

b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit and any amount paid previously with Form 8868 \$ \_\_\_\_\_

c **Balance Due.** Subtract line 8b from line 8a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions. \$ *-0-*

**Signature and Verification**

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

Signature *Gail Andrae - Plante* Title *Controller* Date *4/17/06*

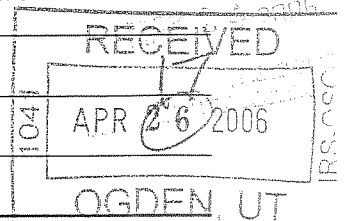
**Notice to Applicant—To Be Completed by the IRS**

- We have approved this application. Please attach this form to the organization's return.
- We have **not** approved this application. However, we have granted a 10-day grace period from the later of the date shown below or the due date of the organization's return (including any prior extensions). This grace period is considered to be a valid extension of time for elections otherwise required to be made on a timely return. Please attach this form to the organization's return.
- We have **not** approved this application. After considering the reasons stated in item 7, we cannot grant your request for an extension of time to file. We are not granting a 10-day grace period.
- We **cannot** consider this application because it was filed after the extended due date of the return for which an extension was requested.
- Other \_\_\_\_\_

Director \_\_\_\_\_ By: \_\_\_\_\_ Date \_\_\_\_\_

**Alternate Mailing Address** — Enter the address if you want the copy of this application for an additional 3-month extension returned to an address different than the one entered above.

Type or print	Name
	Number and street (include suite, room, or apt. no.) or a P.O. box number
	City or town, province or state, and country (including postal or ZIP code)



## Application for Extension of Time To File an Exempt Organization Return

OMB No. 1545-1709

▶ File a separate application for each return.

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box
- If you are filing for an **Additional (not automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form).

**Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.**

**Part I Automatic 3-Month Extension of Time**—Only submit original (no copies needed)

**Form 990-T corporations** requesting an automatic 6-month extension—check this box and complete Part I only

*All other corporations (including Form 990-C filers) must use Form 7004 to request an extension of time to file income tax returns. Partnerships, REMICs, and trusts must use Form 8736 to request an extension of time to file Form 1065, 1066, or 1041.*

**Electronic Filing (e-file).** Form 8868 can be filed electronically if you want a 3-month automatic extension of time to file one of the returns noted below (6 months for corporate Form 990-T filers). However, you cannot file it electronically if you want the additional (not automatic) 3-month extension, instead you must submit the fully completed signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit [www.irs.gov/efile](http://www.irs.gov/efile).

<b>Type or print</b>  <small>File by the due date for filing your return. See instructions.</small>	Name of Exempt Organization <div style="font-size: 1.2em; font-family: cursive;">The Gladney Center for Adoption</div>	Employer identification number <div style="font-size: 1.2em; font-family: cursive;">75 0917409</div>
	Number, street, and room or suite no. If a P.O. box, see instructions. <div style="font-size: 1.2em; font-family: cursive;">6300 John Ryan Dr</div>	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. <div style="font-size: 1.2em; font-family: cursive;">Ft. Worth TX 76132</div>	

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

- |  |   |                                    |
|--|---|------------------------------------|
| <input checked="" type="checkbox"/> Form 990 | <input type="checkbox"/> Form 990-T (corporation)                 | <input type="checkbox"/> Form 4720 |
| <input type="checkbox"/> Form 990-BL         | <input type="checkbox"/> Form 990-T (sec. 401(a) or 408(a) trust) | <input type="checkbox"/> Form 5227 |
| <input type="checkbox"/> Form 990-EZ         | <input type="checkbox"/> Form 990-T (trust other than above)      | <input type="checkbox"/> Form 6069 |
| <input type="checkbox"/> Form 990-PF         | <input type="checkbox"/> Form 1041-A                              | <input type="checkbox"/> Form 8870 |

• The books are in the care of ▶ Gail Andrae-Diantz

Telephone No. ▶ (817) 922-6021 FAX No. ▶ (817) 922-5955

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

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

1 I request an automatic 3-month (6-months for a Form 990-T corporation) extension of time until \_\_\_\_\_, 20\_\_\_\_, to file the exempt organization return for the organization named above. The extension is for the organization's return for:

▶  calendar year 20... or

▶  tax year beginning Sept 1, 2004 and ending Aug 31, 2005

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

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions \$ \_\_\_\_\_

b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit \$ \_\_\_\_\_

c **Balance Due.** Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions \$ \_\_\_\_\_

**Caution.** If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

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

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22	Grants and allocations (att sch) (cash \$ _____ non-cash \$ _____)	22			
23	Specific assistance to individuals (att sch)	23			
24	Benefits paid to or for members (att sch)	24			
25	Compensation of officers, directors, etc	25			
26	Other salaries and wages	26			
27	Pension plan contributions	27			
28	Other employee benefits	28			
29	Payroll taxes	29			
30	Professional fundraising fees	30			
31	Accounting fees	31			
32	Legal fees	32			
33	Supplies	33			
34	Telephone	34			
35	Postage and shipping	35			
36	Occupancy	36			
37	Equipment rental and maintenance	37			
38	Printing and publications	38			
39	Travel	39			
40	Conferences, conventions, and meetings	40			
41	Interest	41			
42	Depreciation, depletion, etc (attach schedule)	42	544,183.	430,565.	113,618.
43	Other expenses not covered above (itemize):				
a	see attached schedule	43a	7,289,162.	5,761,651.	1,527,511.
b		43b			
c		43c			
d		43d			
e		43e			
44	Total functional expenses (add lines 22 - 43). Organizations completing columns (B) - (D), carry these totals to lines 13 - 15	44	7,833,345.	6,192,216.	1,641,129.

Joint Costs. Check  if you are following SOP 98-2.

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services?  Yes  No  
 If 'Yes,' enter (i) the aggregate amount of these joint costs \$ \_\_\_\_\_; (ii) the amount allocated to Program services \$ \_\_\_\_\_; (iii) the amount allocated to Management and general \$ \_\_\_\_\_; and (iv) the amount allocated to Fundraising \$ \_\_\_\_\_.

**Part III Statement of Program Service Accomplishments**

What is the organization's primary exempt purpose? <input type="checkbox"/> ADOPTION AGENCY & MATERNITY HOME	Program Service Expenses (Required for 501(c)(3) and (4) organizations and 4947(a)(1) trusts; but optional for others.)
a DOMESTIC ADOPTION - SEE ATTACHED SCHEDULE _____ _____ (Grants and allocations \$ 0.)	2,795,806.
b INTERNATIONAL ADOPTION - SEE ATTACHED SCHEDULE _____ _____ (Grants and allocations \$ 0.)	1,571,872.
c POST ADOPTION - SEE ATTACHED SCHEDULE _____ _____ (Grants and allocations \$ 0.)	333,426.
d CLIENT SERVICES - SEE ATTACHED SCHEDULE _____ _____ (Grants and allocations \$ 0.)	1,491,112.
e Other program services (Grants and allocations \$ _____)	
f Total of Program Service Expenses (should equal line 44, column (B), Program services)	6,192,216.

**Part IV Balance Sheets** (See Instructions)

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

		(A) Beginning of year		(B) End of year
ASSETS	<b>45</b> Cash — non-interest-bearing .....	638.	<b>45</b>	638.
	<b>46</b> Savings and temporary cash investments .....	696,931.	<b>46</b>	167,293.
	<b>47a</b> Accounts receivable .....	<b>47a</b> 559,442.		
	<b>b</b> Less: allowance for doubtful accounts .....	<b>47b</b> 0.	36,063.	<b>47c</b> 559,442.
	<b>48a</b> Pledges receivable .....	<b>48a</b>		<b>48c</b>
	<b>b</b> Less: allowance for doubtful accounts .....	<b>48b</b>		
	<b>49</b> Grants receivable .....			<b>49</b>
	<b>50</b> Receivables from officers, directors, trustees, and key employees (attach schedule) .....			<b>50</b>
	<b>51a</b> Other notes & loans receivable (attach sch) .....	<b>51a</b>		
	<b>b</b> Less: allowance for doubtful accounts .....	<b>51b</b>		<b>51c</b>
	<b>52</b> Inventories for sale or use .....			<b>52</b>
	<b>53</b> Prepaid expenses and deferred charges .....		142,914.	<b>53</b> 175,260.
	<b>54</b> Investments — securities (attach schedule) .....			<b>54</b>
	<b>55a</b> Investments — land, buildings, & equipment: basis .....	<b>55a</b>		
	<b>b</b> Less: accumulated depreciation (attach schedule) .....	<b>55b</b>		<b>55c</b>
<b>56</b> Investments — other (attach schedule) .....			<b>56</b>	
<b>57a</b> Land, buildings, and equipment: basis .....	<b>57a</b> 18,804,265.			
<b>b</b> Less: accumulated depreciation (attach schedule) .....	<b>57b</b> 2,529,017.	16,702,639.	<b>57c</b> 16,275,248.	
<b>58</b> Other assets (describe ▶ See Line 58 Stmt) ..		148,800.	<b>58</b> 141,575.	
<b>59 Total assets</b> (add lines 45 through 58) (must equal line 74) .....		17,727,985.	<b>59</b> 17,319,456.	
LIABILITIES	<b>60</b> Accounts payable and accrued expenses .....	846,242.	<b>60</b>	811,772.
	<b>61</b> Grants payable .....		<b>61</b>	
	<b>62</b> Deferred revenue .....		<b>62</b>	
	<b>63</b> Loans from officers, directors, trustees, and key employees (attach schedule) .....		<b>63</b>	
	<b>64a</b> Tax-exempt bond liabilities (attach schedule) .....	8,306,566.	<b>64a</b>	7,797,789.
	<b>b</b> Mortgages and other notes payable (attach schedule) .....	31,088.	<b>64b</b>	22,798.
	<b>65</b> Other liabilities (describe ▶ See Line 65 Stmt) ..	981,541.	<b>65</b>	968,288.
<b>66 Total liabilities</b> (add lines 60 through 65) .....	10,165,437.	<b>66</b>	9,600,647.	
NET ASSETS OR FUND BALANCES	<b>Organizations that follow SFAS 117, check here</b> <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.			
	<b>67</b> Unrestricted .....	7,355,150.	<b>67</b>	7,501,411.
	<b>68</b> Temporarily restricted .....	207,398.	<b>68</b>	217,398.
	<b>69</b> Permanently restricted .....		<b>69</b>	
	<b>Organizations that do not follow SFAS 117, check here</b> <input type="checkbox"/> and complete lines 70 through 74.			
	<b>70</b> Capital stock, trust principal, or current funds .....		<b>70</b>	
	<b>71</b> Paid-in or capital surplus, or land, building, and equipment fund .....		<b>71</b>	
	<b>72</b> Retained earnings, endowment, accumulated income, or other funds .....		<b>72</b>	
	<b>73 Total net assets or fund balances</b> (add lines 67 through 69 or lines 70 through 72; column (A) must equal line 19; column (B) must equal line 21) .....	7,562,548.	<b>73</b>	7,718,809.
	<b>74 Total liabilities and net assets/fund balances</b> (add lines 66 and 73) .....	17,727,985.	<b>74</b>	17,319,456.

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

BAA

**Part IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return** (See instructions.)

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

<b>a</b> Total revenue, gains, and other support per audited financial statements .....	<b>a</b>	11,719,858.	<b>a</b> Total expenses and losses per audited financial statements .....	<b>a</b>	9,000,292.
<b>b</b> Amounts included on line <b>a</b> but not on line 12, Form 990:			<b>b</b> Amounts included on line <b>a</b> but not on line 17, Form 990:		
(1) Net unrealized gains on investments .....			(1) Donated services and use of facilities .....		
(2) Donated services and use of facilities .....			(2) Prior year adjustments reported on line 20, Form 990 .....		
(3) Recoveries of prior year grants .....			(3) Losses reported on line 20, Form 990 .....		
(4) Other (specify): <u>SEE ATTACHED SCHED</u>			(4) Other (specify): <u>SEE ATTACHED SCHEDU</u>		
..... \$ 3,732,563.			..... \$ 1,166,947.		
Add amounts on lines (1) through (4) .....	<b>b</b>	3,732,563.	Add amounts on lines (1) through (4) .....	<b>b</b>	1,166,947.
<b>c</b> Line <b>a</b> minus line <b>b</b> .....	<b>c</b>	7,987,295.	<b>c</b> Line <b>a</b> minus line <b>b</b> .....	<b>c</b>	7,833,345.
<b>d</b> Amounts included on line 12, Form 990 but not on line <b>a</b> :			<b>d</b> Amounts included on line 17, Form 990 but not on line <b>a</b> :		
(1) Investment expenses not included on line 6b, Form 990 .....			(1) Investment expenses not included on line 6b, Form 990 .....		
(2) Other (specify):			(2) Other (specify):		
..... \$			..... \$		
Add amounts on lines (1) and (2) .....	<b>d</b>		Add amounts on lines (1) and (2) .....	<b>d</b>	
<b>e</b> Total revenue per line 12, Form 990 (line <b>c</b> plus line <b>d</b> ) .....	<b>e</b>	7,987,295.	<b>e</b> Total expenses per line 17, Form 990 (line <b>c</b> plus line <b>d</b> ) .....	<b>e</b>	7,833,345.

**Part V List of Officers, Directors, Trustees, and Key Employees** (List each one even if not compensated; see instructions.)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans and deferred compensation	(E) Expense account and other allowances
<u>SEE ATTACHED SCHEDULE</u>				
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75 Did any officer, director, trustee, or key employee receive aggregate compensation of more than \$100,000 from your organization and all related organizations, of which more than \$10,000 was provided by the related organizations?  Yes  No  
 If 'Yes,' attach schedule — see instructions.

Part VI Other Information (See instructions.)		Yes	No
76	Did the organization engage in any activity not previously reported to the IRS? If 'Yes,' attach a detailed description of each activity		X
77	Were any changes made in the organizing or governing documents but not reported to the IRS? If 'Yes,' attach a conformed copy of the changes.		X
78a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?		X
78b	If 'Yes,' has it filed a tax return on Form 990-T for this year?		
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If 'Yes,' attach a statement		X
80a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization?		X
80b	If 'Yes,' enter the name of the organization _____ and check whether it is <input type="checkbox"/> exempt or <input type="checkbox"/> nonexempt.		
81a	Enter direct and indirect political expenditures. See line 81 instructions	81a	0.
81b	Did the organization file Form 1120-POL for this year?		X
82a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?		X
82b	If 'Yes,' you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.)	82b	
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
83b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	X	
84a	Did the organization solicit any contributions or gifts that were not tax deductible?		X
84b	If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
85a	501(c)(4), (5), or (6) organizations. Were substantially all dues nondeductible by members?	N/A	
85b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? If 'Yes' was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.	N/A	
85c	Dues, assessments, and similar amounts from members	85c	N/A
85d	Section 162(e) lobbying and political expenditures	85d	N/A
85e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85e	N/A
85f	Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f	N/A
85g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	85g	
85h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85h	
86a	501(c)(7) organizations. Enter: a Initiation fees and capital contributions included on line 12	86a	N/A
86b	Gross receipts, included on line 12, for public use of club facilities	86b	N/A
87a	501(c)(12) organizations. Enter: a Gross income from members or shareholders	87a	N/A
87b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)	87b	N/A
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If 'Yes,' complete Part IX	88	X
89a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 <input type="checkbox"/> N/A ; section 4912 <input type="checkbox"/> N/A ; section 4955 <input type="checkbox"/> N/A		
89b	501(c)(3) and 501(c)(4) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If 'Yes,' attach a statement explaining each transaction	89b	X
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958		0.
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization		
90a	List the states with which a copy of this return is filed	90a	NEW YORK
90b	Number of employees employed in the pay period that includes March 12, 2004 (See instructions.)	90b	67
91	The books are in care of J. SCOTT BROWN Telephone number (817) 922-6000 Located at 6300 JOHN RYAN DR, FORT WORTH TX ZIP + 4 76132-4122		
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 - Check here and enter the amount of tax-exempt interest received or accrued during the tax year	92	<input type="checkbox"/>

**Part VII Analysis of Income-Producing Activities** (See instructions.)

**Note:** Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
<b>93</b> Program service revenue:					
<b>a</b> DOMESTIC ADOPTION FEES					4,027,429.
<b>b</b> INSURANCE & MEDICAL REIMB					60,980.
<b>c</b> INTERNATIONAL PROGRAM FEES					1,712,156.
<b>d</b> POST ADOPTION					15,881.
<b>e</b>					
<b>f</b> Medicare/Medicaid payments					
<b>g</b> Fees & contracts from government agencies					
<b>94</b> Membership dues and assessments					
<b>95</b> Interest on savings & temporary cash invmnts			14	18,988.	
<b>96</b> Dividends & interest from securities					
<b>97</b> Net rental income or (loss) from real estate:					
<b>a</b> debt-financed property					
<b>b</b> not debt-financed property			16	106,855.	
<b>98</b> Net rental income or (loss) from pers prop					
<b>99</b> Other investment income					
<b>100</b> Gain or (loss) from sales of assets other than inventory					
<b>101</b> Net income or (loss) from special events					
<b>102</b> Gross profit or (loss) from sales of inventory					
<b>103</b> Other revenue: <b>a</b>					
<b>b</b> OTHER INCOME			01		2,445.
<b>c</b>					
<b>d</b>					
<b>e</b>					
<b>104</b> Subtotal (add columns (B), (D), and (E))				125,843.	5,818,891.
<b>105</b> Total (add line 104, columns (B), (D), and (E))					5,944,734.

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

**Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes** (See instructions.)

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
93	SEE ATTACHED SCHEDULE

**Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities** (See instructions.) N/A

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

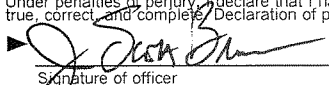
**Part X Information Regarding Transfers Associated with Personal Benefit Contracts** (See instructions.)

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

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

**Please Sign Here**

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

Signature of officer:  Date: 7/10/04

J. SCOTT BROWN - EXECUTIVE VICE PRESIDENT & CFO  
Type or print name and title.

**Paid Preparer's Use Only**

Preparer's signature: \_\_\_\_\_ Date: \_\_\_\_\_ Check if self-employed:

Firm's name (or yours if self-employed), address, and ZIP + 4: THE GLADNEY CENTER FOR ADOPTION  
6300 JOHN RYAN DR  
FORT WORTH TX 76132

Preparer's SSN or PTIN (See General Instruction W): \_\_\_\_\_  
EIN: \_\_\_\_\_  
Phone no.: (817) 922-6021



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

**Organization Exempt Under**  
**Section 501(c)(3)**

**(Except Private Foundation) and Section 501(e), 501(f), 501(k),**  
**501(n), or Section 4947(a)(1) Nonexempt Charitable Trust**  
**Supplementary Information — (See separate instructions.)**

OMB No. 1545-0047

**2004**

Department of the Treasury  
Internal Revenue Service

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

Name of the organization <b>THE GLADNEY CENTER FOR ADOPTION</b>	Employer identification number <b>75-0917409</b>
--	---

**Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees**

(See instructions. List each one. If there are none, enter 'None.')

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account and other allowances
J. SCOTT BROWN 6300 JOHN RYAN DR, FT WORTH, TX 76132	EXEC VP OF FINANCE 40	158,008.	18,000.	0.
HEIDI COX 6300 JOHN RYAN DR, FT WORTH, TX 76132	EXEC VP AND GENERAL COUNSEL 40	128,808.	9,100.	0.
GONGZHAN WU 6300 JOHN RYAN DR, FT WORTH, TX 76132	CHINA PROGRAM MANAGER 40	92,185.	18,000.	0.
VICKYE SCHULTZ 6300 JOHN RYAN DR, FT WORTH, TX 76132	VP OF HR AND MATERNITY SERVICE 40	101,787.	9,675.	0.
MARSHALL WILLIAMS 6300 JOHN RYAN DR, FT WORTH, TX 76132	VP OF DOMESTIC AND INTERNATION 40	97,306.	5,200.	0.
Total number of other employees paid over \$50,000 ▶	8			

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

(See instructions. List each one (whether individuals or firms). If there are none, enter 'None.')

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
Jordan International 11200 Westwind, Eden Prairie, MN 55344	Russian adoption facilitator	191,569.
Peter Irwin, M.D. 1700 Oakmont, Suite 207, Ft Worth, 76132	Medical professional services	63,286.
Total number of others receiving over \$50,000 for professional services ▶	None	

**Part III** Statements About Activities (See instructions.)

	Yes	No
<b>1</b> During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If 'Yes,' enter the total expenses paid or incurred in connection with the lobbying activities . . . . . ▶ \$ _____ (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.) . . . . .		X
Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking 'Yes' must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.		
<b>2</b> During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is 'Yes,' attach a detailed statement explaining the transactions.)		
<b>a</b> Sale, exchange, or leasing of property? . . . . .		X
<b>b</b> Lending of money or other extension of credit? . . . . .		X
<b>c</b> Furnishing of goods, services, or facilities? . . . . .		X
<b>d</b> Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? . . . . .	X	
<b>e</b> Transfer of any part of its income or assets? . . . . .		X
<b>3a</b> Do you make grants for scholarships, fellowships, student loans, etc? (If 'Yes,' attach an explanation of how you determine that recipients qualify to receive payments.) . . . . .		X
<b>b</b> Do you have a section 403(b) annuity plan for your employees? . . . . .	X	
<b>4a</b> Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds? . . . . .	X	
<b>b</b> Do you provide credit counseling, debt management, credit repair, or debt negotiation services? . . . . .		X

**Part IV** Reason for Non-Private Foundation Status (See instructions.)

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

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

Provide the following information about the supported organizations. (See instructions.)

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

- 14**  An organization organized and operated to test for public safety. Section 509(a)(4). (See instructions.)

**Part IV-A Support Schedule** (Complete only if you checked a box on line 10, 11, or 12.) *Use cash method of accounting.*

**Note:** You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.

Calendar year (or fiscal year beginning in) .....	(a) 2003	(b) 2002	(c) 2001	(d) 2000	(e) Total
<b>15</b> Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.) ...	2,237,919.	3,596,886.	4,814,636.	2,667,648.	13,317,089.
<b>16</b> Membership fees received .....					
<b>17</b> Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc. purpose .....	5,286,781.	5,020,584.	4,879,552.	5,601,114.	20,788,031.
<b>18</b> Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975 .....	83,750.	11,507.	33,312.	166,224.	294,793.
<b>19</b> Net income from unrelated business activities not included in line 18 .....					
<b>20</b> Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf .....					
<b>21</b> The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge .....					
<b>22</b> Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets .....	1,576.	9,239.	26,073.	16,977.	53,865.
<b>23</b> Total of lines 15 through 22 .....	7,610,026.	8,638,216.	9,753,573.	8,451,963.	34,453,778.
<b>24</b> Line 23 minus line 17 .....	2,323,245.	3,617,632.	4,874,021.	2,850,849.	13,665,747.
<b>25</b> Enter 1% of line 23 .....	76,100.	86,382.	97,536.	84,520.	
<b>26 Organizations described on lines 10 or 11:</b>					
<b>a</b> Enter 2% of amount in column (e), line 24 .....					<b>26a</b>
<b>b</b> Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2000 through 2003 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts .....					<b>26b</b>
<b>c</b> Total support for section 509(a)(1) test: Enter line 24, column (e) .....					<b>26c</b>
<b>d</b> Add: Amounts from column (e) for lines: <b>18</b> _____ <b>19</b> _____ <b>22</b> _____ <b>26b</b> _____ .....					<b>26d</b>
<b>e</b> Public support (line 26c minus line 26d total) .....					<b>26e</b>
<b>f</b> Public support percentage (line 26e (numerator) divided by line 26c (denominator)) .....					<b>26f</b> %
<b>27 Organizations described on line 12:</b>					
<b>a</b> For amounts included in lines 15, 16, and 17 that were received from a 'disqualified person,' prepare a list for your records to show the name of, and total amounts received in each year from, each 'disqualified person.' <b>Do not file this list with your return.</b> Enter the sum of such amounts for each year: (2003) _____ 2,237,919. (2002) _____ 3,596,886. (2001) _____ 4,814,636. (2000) _____ 2,667,648.					
<b>b</b> For any amount included in line 17 that was received from each person (other than 'disqualified persons'), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11, as well as individuals.) <b>Do not file this list with your return.</b> After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year: (2003) _____ 0. (2002) _____ 0. (2001) _____ 0. (2000) _____ 0.					
<b>c</b> Add: Amounts from column (e) for lines: <b>15</b> _____ 13,317,089. <b>16</b> _____ <b>17</b> _____ 20,788,031. <b>20</b> _____ <b>21</b> _____ .....					<b>27c</b> 34,105,120.
<b>d</b> Add: Line 27a total _____ 13,317,089. and line 27b total _____ 0. ....					<b>27d</b> 13,317,089.
<b>e</b> Public support (line 27c total minus line 27d total) .....					<b>27e</b> 20,788,031.
<b>f</b> Total support for section 509(a)(2) test: Enter amount from line 23, column (e) ....					<b>27f</b> 34,453,778.
<b>g</b> Public support percentage (line 27e (numerator) divided by line 27f (denominator)) .....					<b>27g</b> 60.34 %
<b>h</b> Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator)) .....					<b>27h</b> 0.86 %
<b>28 Unusual Grants:</b> For an organization described in line 10, 11, or 12 that received any unusual grants during 2000 through 2003, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. <b>Do not file this list with your return.</b> Do not include these grants in line 15.					

**Part V Private School Questionnaire** (See instructions.)  
 (To be completed ONLY by schools that checked the box on line 6 in Part IV)

		N/A		
		Yes	No	
<b>29</b>	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body? .....	29		
<b>30</b>	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships? .....	30		
<b>31</b>	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? .....	31		
	If 'Yes,' please describe; if 'No,' please explain. (If you need more space, attach a separate statement.) ----- ----- -----			
<b>32</b>	Does the organization maintain the following:			
<b>a</b>	Records indicating the racial composition of the student body, faculty, and administrative staff? .....	32 a		
<b>b</b>	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis? .....	32 b		
<b>c</b>	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships? .....	32 c		
<b>d</b>	Copies of all material used by the organization or on its behalf to solicit contributions? .....	32 d		
	If you answered 'No' to any of the above, please explain. (If you need more space, attach a separate statement.) ----- -----			
<b>33</b>	Does the organization discriminate by race in any way with respect to:			
<b>a</b>	Students' rights or privileges? .....	33 a		
<b>b</b>	Admissions policies? .....	33 b		
<b>c</b>	Employment of faculty or administrative staff? .....	33 c		
<b>d</b>	Scholarships or other financial assistance? .....	33 d		
<b>e</b>	Educational policies? .....	33 e		
<b>f</b>	Use of facilities? .....	33 f		
<b>g</b>	Athletic programs? .....	33 g		
<b>h</b>	Other extracurricular activities? .....	33 h		
	If you answered 'Yes' to any of the above, please explain. (If you need more space, attach a separate statement.) ----- -----			
<b>34 a</b>	Does the organization receive any financial aid or assistance from a governmental agency? .....	34 a		
<b>b</b>	Has the organization's right to such aid ever been revoked or suspended? .....	34 b		
	If you answered 'Yes' to either 34a or b, please explain using an attached statement.			
<b>35</b>	Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev Proc 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If 'No,' attach an explanation. ....	35		

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

N/A

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

**Limits on Lobbying Expenditures**

(The term 'expenditures' means amounts paid or incurred.)

		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
<b>36</b>	Total lobbying expenditures to influence public opinion (grassroots lobbying) .....	<b>36</b>	
<b>37</b>	Total lobbying expenditures to influence a legislative body (direct lobbying) .....	<b>37</b>	
<b>38</b>	Total lobbying expenditures (add lines 36 and 37) .....	<b>38</b>	
<b>39</b>	Other exempt purpose expenditures .....	<b>39</b>	
<b>40</b>	Total exempt purpose expenditures (add lines 38 and 39) .....	<b>40</b>	
<b>41</b>	Lobbying nontaxable amount. Enter the amount from the following table -- <b>If the amount on line 40 is --</b> <b>The lobbying nontaxable amount is --</b>		
	Not over \$500,000 .....	20% of the amount on line 40 .....	
	Over \$500,000 but not over \$1,000,000 .....	\$100,000 plus 15% of the excess over \$500,000 .....	
	Over \$1,000,000 but not over \$1,500,000 .....	\$175,000 plus 10% of the excess over \$1,000,000 .....	<b>41</b>
	Over \$1,500,000 but not over \$17,000,000 .....	\$225,000 plus 5% of the excess over \$1,500,000 .....	
	Over \$17,000,000 .....	\$1,000,000 .....	
<b>42</b>	Grassroots nontaxable amount (enter 25% of line 41) .....	<b>42</b>	
<b>43</b>	Subtract line 42 from line 36. Enter -0- if line 42 is more than line 36 .....	<b>43</b>	
<b>44</b>	Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38 .....	<b>44</b>	
<b>Caution:</b> If there is an amount on either line 43 or line 44, you must file Form 4720.			

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

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

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2004	(b) 2003	(c) 2002	(d) 2001	(e) Total
<b>45</b> Lobbying nontaxable amount .....					
<b>46</b> Lobbying ceiling amount (150% of line 45(e)) .....					
<b>47</b> Total lobbying expenditures .....					
<b>48</b> Grassroots non-taxable amount .....					
<b>49</b> Grassroots ceiling amount (150% of line 48(e)) .....					
<b>50</b> Grassroots lobbying expenditures .....					

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

(For reporting only by organizations that did not complete Part VI-A) (See instructions.)

N/A

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

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

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

**Part VII** Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations (See instructions)

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

		Yes	No
<b>a</b> Transfers from the reporting organization to a noncharitable exempt organization of:			
(i)	Cash .....		X
(ii)	Other assets .....		X
<b>b</b> Other transactions:			
(i)	Sales or exchanges of assets with a noncharitable exempt organization .....		X
(ii)	Purchases of assets from a noncharitable exempt organization .....		X
(iii)	Rental of facilities, equipment, or other assets .....		X
(iv)	Reimbursement arrangements .....		X
(v)	Loans or loan guarantees .....		X
(vi)	Performance of services or membership or fundraising solicitations .....		X
<b>c</b>	Sharing of facilities, equipment, mailing lists, other assets, or paid employees .....		X

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

(a) Line no.	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements

**52a** Is the organization directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527?  Yes  No

**b** If 'Yes,' complete the following schedule:

(a) Name of organization	(b) Type of organization	(c) Description of relationship

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

Schedule of Contributors

OMB No. 1545-0047

2004

Department of the Treasury  
Internal Revenue Service

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

Name of organization

THE GLADNEY CENTER FOR ADOPTION

Employer identification number

75-0917409

Organization type (check one):

Filers of:

Form 990 or 990-EZ

Section:

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

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

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

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

501(c)(3) taxable private foundation

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

General Rule —

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

Special Rules —

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

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

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

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

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

Schedule B (Form 990, 990-EZ, or 990-PF) (2004)

Name of organization

Employer identification number

THE GLADNEY CENTER FOR ADOPTION

75-0917409

**Part I** Contributors (See Specific Instructions.)

(a) Number	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1	THE GLADNEY FUND 6300 JOHN RYAN DR FORT WORTH TX 76132-4122	\$ 2,024,530.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
---	----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
---	----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
---	----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
---	----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
---	----- ----- -----	\$ -----	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)



Form 990, Page 3, Part IV, Lines 57a &amp; 57b

**Land, Buildings and Equipment Statement**

	(a) Cost/Other Basis	(b) Accumulated Depreciation	(c) Book Value
LAND	1,335,252.	0.	1,335,252.
BUILDINGS	15,276,676.	1,274,069.	14,002,607.
FURNITURE & EQUIPMENT	2,048,074.	1,181,276.	866,798.
AUTOMOBILES	144,263.	73,672.	70,591.
Total	<u>18,804,265.</u>	<u>2,529,017.</u>	<u>16,275,248.</u>

Form 990, Page 3, Part IV, Line 58

**Other Assets Statement**

Line 58 - Other Assets:	Beginning of Year	End of Year
DEBT ISSUANCE COSTS NET OF AMORTIZATION	85,615.	78,390.
PLAZA STATUES	63,185.	63,185.
Total	<u>148,800.</u>	<u>141,575.</u>

Form 990, Page 3, Part IV, Line 65

**Other Liabilities Statement**

Line 65 - Other Liabilities:	Beginning of Year	End of Year
INTEREST RATE SWAP PAYABLE	849,626.	675,206.
DESIGNATED AND INTERNATIONAL ESCROW DEPOSIT ACCOUNTS	131,915.	100,707.
DEFERRED INSURANCE PROCEEDS		192,375.
Total	<u>981,541.</u>	<u>968,288.</u>

**Supporting Statement of:**

Form 990 p 3/Line 64a, column (A)

Description	Amount
LOAN FROM CITY OF DAINGERFIELD, TX HEALTH FACILITIES DEVELOPMENT CORP	8,306,566.
Total	<u>8,306,566.</u>

**Supporting Statement of:**

Form 990 p 3/Line 64b, column (A)

Description	Amount
AUTO LOANS	31,088.
Total	<u>31,088.</u>

**Supporting Statement of:**

Form 990 p 3/Line 64a, column (B)

Description	Amount
LOAN FROM CITY OF DAINGERFIELD, TX HEALTH FACILITIES DEVELOPMENT CORP	7,797,789.
Total	<u>7,797,789.</u>

**Supporting Statement of:**

Form 990 p 3/Line 64b, column (B)

Description	Amount
AUTO LOANS	22,798.
Total	<u>22,798.</u>

**Supporting Statement of:**

Sch. A, 990 p 3/Line 15-a

Description	Amount
THE GLADNEY FUND	2,158,810.
EDNA GLADNEY HOME ENDOWMENT FUND	31,036.
SPROESSOR WYNN ENDOWMENT FUND	48,073.

Continued

**Supporting Statement of:**

Sch. A, 990 p 3/Line 15-a

Description	Amount
Total	<u>2,237,919.</u>

**Supporting Statement of:**

Sch. A, 990 p 3/Line 15-b

Description	Amount
THE GLADNEY FUND	3,467,899.
EDNA GLADNEY HOME ENDOWMENT FUND	39,113.
SPROESSOR WYNN ENDOWMENT FUND	52,989.
OTHERS	36,885.
Total	<u>3,596,886.</u>

**Supporting Statement of:**

Sch. A, 990 p 3/Line 15-c

Description	Amount
THE GLADNEY FUND	4,678,058.
EDNA GLADNEY HOME ENDOWMENT FUND	43,157.
SPROESSOR WYNN ENDOWMENT FUND	82,291.
OTHERS	11,130.
Total	<u>4,814,636.</u>

**Supporting Statement of:**

Sch. A, 990 p 3/Line 27a, Column 4

Description	Amount
THE GLADNEY FUND	2,510,554.
EDNA GLADNEY HOME ENDOWMENT FND	49,479.
SPROESSOR WYNN ENDOWMENT FUND	107,615.
Total	<u>2,667,648.</u>

THE GLADNEY CENTER FOR ADOPTION

75-0917409  
 Supporting Schedule to Form 990  
 8/31/2005

Part II, Line 43 - Other Expenses

	(A)	(B)	(C)
	<u>Total</u>	<u>Program Services</u>	<u>Management and General</u>
a. Personnel costs	\$3,981,853	\$2,841,842	\$1,140,011
b. Medical Services	172,298	172,045	253
c. Office expenses	144,265	132,425	11,840
d. Utilities and grounds	356,808	306,483	50,325
e. Leases and rentals	151,551	146,929	4,622
f. Insurance expense	375,869	329,558	46,311
g. Other expense	676,911	637,210	39,701
h. Professional fees	421,235	386,194	35,041
i. Outreach education	839,094	808,965	30,129
j. Unrealized <Gain> Loss on interest rate swap	<u>169,278</u>	<u>0</u>	<u>169,278</u>
	<u>\$7,289,162</u>	<u>\$5,761,651</u>	<u>\$1,527,511</u>

Part IV-A, Line b(4) - Other

Total Revenue reported on the following entities Form 990:

The Gladney Fund	75-2414153
Edna Gladney Home Endowment	75-6013896
Sproesser Wynn Endowment	75-6009179

Part IV-B, Line b(4) - Other

Total Expenses reported on the following entities Form 990:

The Gladney Fund	75-2414153
Edna Gladney Home Endowment	75-6013896
Sproesser Wynn Endowment	75-6009179

Part VIII, Line No.

Relationship of Activities to the Accomplishment of Exempt Purposes

93a	Adoptive parents reimburse the center for room, board, medical care and counseling services for the birth mother and help support on-campus health clinic. This furthers exempt purpose of furnishing maternity hospitalization , service, care and assistance to the expectant mothers.
93b	Insurance and Medicaid reimbursement for birth mother's prenatal care and obstetrical services. This furthers exempt purpose of furnishing maternity hospitalization , service, care and assistance to the expectant mothers.
93c	Adoptive parents reimburse the center for expenses related to facilitating the adoption of children from foreign countries. This furthers the exempt purpose by providing caring and loving homes for children abandoned and in orphanages in countries outside of the United States.
93d	Adoptive parents, adult adoptees and birth parents reimburse the center for expenses related to adoption registration service, birth parent search fees and post adoption counseling. This furthers exempt purpose by providing continuity in the adoption process through correspondence between the adoptive parents, birth parents and the adult adoptee.

THE GLADNEY CENTER FOR ADOPTION

75-0917409  
 Supporting Schedule to Form 990  
 8/31/2005

Part V - List of Officers, Directors & Trustees  
 (A)

<u>Name and Address</u>	<u>(B) Title and Time</u>	<u>(C) Compensation</u>	<u>(D) Benefit Plans</u>	<u>(E) Expense Account</u>
Michael J. McMahon 6300 John Ryan Drive Fort Worth, TX 76132-4122	President 40 hr/wk	241,937	18,000	-0-
Phillip Bankhead 6300 John Ryan Drive Fort Worth, TX 76132-4122	Director Part-time	-0-	-0-	-0-
Kenneth Barr 6300 John Ryan Drive Fort Worth, TX 76132-4122	Director Part-time	-0-	-0-	-0-
Kenneth Lockyer 6300 John Ryan Drive Fort Worth, TX 76132-4122	Director Part-time	-0-	-0-	-0-
Sally Dunning 6300 John Ryan Drive Fort Worth, TX 76132-4122	Immediate Past Chairman Part-time	-0-	-0-	-0-
Jana Moore 6300 John Ryan Drive Fort Worth, TX 76132-4122	Director Part-time	-0-	-0-	-0-
Robert Kolba 6300 John Ryan Drive Fort Worth, TX 76132-4122	Director Part-time	-0-	-0-	-0-
Steve Boma 6300 John Ryan Drive Fort Worth, TX 76132-4122	Director Part-time	-0-	-0-	-0-
Bonnie Blackman 6300 John Ryan Drive Fort Worth, TX 76132-4122	Director Part-time	-0-	-0-	-0-
Suzanne Banfield 6300 John Ryan Drive Fort Worth, TX 76132-4122	Director Part-time	-0-	-0-	-0-
Robert Jameson 6300 John Ryan Drive Fort Worth, TX 76132-4122	Director Part-time	-0-	-0-	-0-
Paula Burford 6300 John Ryan Drive Fort Worth, TX 76132-4122	Director Part-time	-0-	-0-	-0-
Meg Henderson 6300 John Ryan Drive Fort Worth, TX 76132-4122	Director Part-time	-0-	-0-	-0-
Joel Eastman 6300 John Ryan Drive Fort Worth, TX 76132-4122	Director Part-time	-0-	-0-	-0-
Tamara Hilliard 6300 John Ryan Drive Fort Worth, TX 76132-4122	Director Part-time	-0-	-0-	-0-

THE GLADNEY CENTER FOR ADOPTION

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Gary Randle 6300 John Ryan Drive Fort Worth, TX 76132-4122	Director Part-time	-0-	-0-	-0-
Mark Hoy 6300 John Ryan Drive Fort Worth, TX 76132-4122	Director Part-time	-0-	-0-	-0-
Debbie Robinson 6300 John Ryan Drive Fort Worth, TX 76132-4122	Treasurer Part-time	-0-	-0-	-0-
Lyle Mayeaux 6300 John Ryan Drive Fort Worth, TX 76132-4122	Director Part-time	-0-	-0-	-0-
Wm. David Simmons 6300 John Ryan Drive Fort Worth, TX 76132-4122	Chairman Part-time	-0-	-0-	-0-
Beverly Yates 6300 John Ryan Drive Fort Worth, TX 76132-4122	Chair-Elect & Secretary Part-time	-0-	-0-	-0-
Dennis Withers 6300 John Ryan Drive Fort Worth, TX 76132-4122	Treasurer Part-time	-0-	-0-	-0-
Carl Roland 6300 John Ryan Drive Fort Worth, TX 76132-4122	Director Part-time	-0-	-0-	-0-
Ann Louden 6300 John Ryan Drive Fort Worth, TX 76132-4122	Director Part-time	-0-	-0-	-0-
Lynn Rossi Scott 6300 John Ryan Drive Fort Worth, TX 76132-4122	Director Part-time	-0-	-0-	-0-
Laura Wheat 6300 John Ryan Drive Fort Worth, TX 76132-4122	Director Part-time	-0-	-0-	-0-
Tanya Henderson 6300 John Ryan Drive Fort Worth, TX 76132-4122	Director Part-time	-0-	-0-	-0-
Jean McClung 6300 John Ryan Drive Fort Worth, TX 76132-4122	Director Part-time	-0-	-0-	-0-
Eileen Peterson 6300 John Ryan Drive Fort Worth, TX 76132-4122	Director Part-time	-0-	-0-	-0-
Beth Riggs 6300 John Ryan Drive Fort Worth, TX 76132-4122	Director Part-time	-0-	-0-	-0-
Becky Wilkins 6300 John Ryan Drive Fort Worth, TX 76132-4122	Director Part-time	-0-	-0-	-0-
Michael Steadman 6300 John Ryan Drive Fort Worth, TX 76132-4122	Director Part-time	-0-	-0-	-0-

## THE GLADNEY CENTER DEPRECIATION EXPENSE REPORT

as of 08/31/2005

SYS No Ext	In Svc Date	Acquired Value	Dep Meth	P Est T Life	Salvage 168(k)/179	Depreciable Basis	Prev Thru	Prior Accum Depreciation	Depreciation This Run	Current Year to Date	Curr Accum Depreciation Key
<b>Book: Internal FY: August</b>											
Count=	6	-----			-----						
Class: AU											
		144263.05			0.00	144263.05		55689.98	2012.63	17924.65	73614.63
Less disposals and transfers		0.00			0.00	0.00		0.00			0.00
Net		144263.05			0.00	144263.05		55689.98	2012.63	17924.65	73614.63
Count=	14	-----			-----						
Class: BD											
		15276676.07			0.00	15276676.07		890434.25	31879.42	382552.21	1272986.46
Less disposals and transfers		0.00			0.00	0.00		0.00			0.00
Net		15276676.07			0.00	15276676.07		890434.25	31879.42	382552.21	1272986.46
Count=	459	-----			-----						
Class: FE											
		2048073.97			0.00	2048073.97		1040458.91	15559.04	141939.46	1182398.37
Less disposals and transfers		0.00			0.00	0.00		0.00			0.00
Net		2048073.97			0.00	2048073.97		1040458.91	15559.04	141939.46	1182398.37
Count=	1	-----			-----						
Class: LD											
		1335252.24			0.00	1335252.24		0.00	0.00	0.00	0.00
Less disposals and transfers		0.00			0.00	0.00		0.00			0.00
Net		1335252.24			0.00	1335252.24		0.00	0.00	0.00	0.00
Count=	480	-----			-----						
Grand Total											
		18804265.33			0.00	18804265.33		1986583.14	49451.09	542416.32	2528999.46
Less disposals and transfers		0.00			0.00	0.00		0.00			0.00
Net		18804265.33			0.00	18804265.33		1986583.14	49451.09	542416.32	2528999.46

----- Calculation Assumptions -----

Book      Short Years      Midquarter Convention      Adjustment Convention      Include Sec 168(k) Allow & Sec 179

# THE GLADNEY CENTER DEPRECIATION EXPENSE REPORT

as of 08/31/2005

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Internal            [N]                            [N]                            None                            [N]  
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----- Asset Grouping/Sorting -----

Group: Asset by Class

Include Assets that meet the following conditions:

ASSET CATEGORY is between A/V and VIDEO  
Activity is currently A,D,F,J,K,L,M,N

Sort Assets by:

Class in ascending order and report subtotals