

Form **990**

Return of Organization Exempt From Income Tax

OMB No. 1545-0047

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

2005

Department of the Treasury
Internal Revenue Service

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

Open to Public Inspection

A For the 2005 calendar year, or tax year beginning and ending

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

C Name of organization
BOARDSOURCE
 Number and street (or P.O. box if mail is not delivered to street address) Room/suite
1828 L STREET, NW 900
 City or town, state or country, and ZIP + 4
WASHINGTON, DC 20036

D Employer identification number
52-1681375

E Telephone number
202-452-6262

F Accounting method: Cash Accrual
 Other (specify) ▶

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

G Website: ▶ **WWW.BOARDSOURCE.ORG**

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

K Check here ▶ if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS; but if the organization chooses to file a return, be sure to file a complete return. **Some states require a complete return.**

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 ▶ **5,129,609.**

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

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances

Revenue	1	Contributions, gifts, grants, and similar amounts received:			
	a	Direct public support	1a	1,758,950.	
	b	Indirect public support	1b		
	c	Government contributions (grants)	1c		
	d	Total (add lines 1a through 1c) (cash \$ 1,758,950. noncash \$)	1d		1,758,950.
	2	Program service revenue including government fees and contracts (from Part VII, line 93)	2		807,783.
	3	Membership dues and assessments	3		643,318.
	4	Interest on savings and temporary cash investments	4		12,623.
	5	Dividends and interest from securities	5		148,988.
	6a	Gross rents	6a		
	b	Less: rental expenses	6b		
	c	Net rental income or (loss) (subtract line 6b from line 6a)	6c		
7	Other investment income (describe)	7			
8a	Gross amount from sales of assets other than inventory	(A) Securities		(B) Other	
		8a			
		8b			
		8c			
d	Net gain or (loss) (combine line 8c, columns (A) and (B))	8d			
9	Special events and activities (attach schedule). If any amount is from gaming, check here <input type="checkbox"/>				
a	Gross revenue (not including \$ of contributions reported on line 1a)	9a			
b	Less: direct expenses other than fundraising expenses	9b			
c	Net income or (loss) from special events (subtract line 9b from line 9a)	9c			
10a	Gross sales of inventory, less returns and allowances	10a	1,384,925.		
		10b	279,882.		
		10c	STMT 1	1,105,043.	
11	Other revenue (from Part VII, line 103)	11		373,022.	
12	Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	12		4,849,727.	
Expenses	13	Program services (from line 44, column (B))	13		4,027,119.
	14	Management and general (from line 44, column (C))	14		1,154,011.
	15	Fundraising (from line 44, column (D))	15		556,039.
	16	Payments to affiliates (attach schedule)	16		
	17	Total expenses (add lines 16 and 44, column (A))	17		5,737,169.
Net Assets	18	Excess or (deficit) for the year (subtract line 17 from line 12)	18		<887,442.>
	19	Net assets or fund balances at beginning of year (from line 73, column (A))	19		7,596,427.
	20	Other changes in net assets or fund balances (attach explanation) SEE STATEMENT 2	20		73,104.
	21	Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21		6,782,089.

523001 02-03-06

LHA For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

Form 990 (2005)

Part II Statement of Functional Expenses

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

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22 Grants and allocations (attach schedule) ... (cash \$ <u>0</u> • noncash \$ <u>0</u> .) If this amount includes foreign grants, check here <input type="checkbox"/>	22			
23 Specific assistance to individuals (attach schedule)	23			
24 Benefits paid to or for members (attach schedule)	24			
25 Compensation of officers, directors, etc. **	25	407,494.	95,835.	229,515.
26 Other salaries and wages	26	1,272,157.	903,434.	189,486.
27 Pension plan contributions	27	87,285.	66,285.	9,147.
28 Other employee benefits	28	666,797.	405,669.	159,043.
29 Payroll taxes	29	139,668.	84,431.	33,698.
30 Professional fundraising fees	30			
31 Accounting fees	31	22,137.	0.	22,137.
32 Legal fees	32	34,271.	0.	34,271.
33 Supplies	33	42,626.	20,884.	21,705.
34 Telephone	34	71,936.	22,624.	48,962.
35 Postage and shipping	35	236,904.	239,666.	<4,102.>
36 Occupancy	36	754,754.	369,714.	290,724.
37 Equipment rental and maintenance	37	54,998.	19,042.	35,956.
38 Printing and publications	38	183,754.	177,645.	6,056.
39 Travel	39	127,045.	113,567.	2,161.
40 Conferences, conventions, and meetings ...	40	10,528.	6,941.	2,844.
41 Interest	41			
42 Depreciation, depletion, etc. (attach schedule)	42	277,581.	0.	277,581.
43 Other expenses not covered above (itemize):				
a	43a			
b	43b			
c	43c			
d	43d			
e	43e			
f	43f			
g SEE STATEMENT 3	43g	1,347,234.	1,501,382.	<205,173.>
44 Total functional expenses. Add lines 22 through 43. (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	44	5,737,169.	4,027,119.	1,154,011.
				556,039.

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 \$ N/A ; (ii) the amount allocated to Program services \$ N/A ;
 (iii) the amount allocated to Management and general \$ N/A ; and (iv) the amount allocated to Fundraising \$ N/A

** SEE STATEMENT 4

Part III Statement of Program Service Accomplishments (See the instructions.)

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

What is the organization's primary exempt purpose? ► SEE STATEMENT 9	Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)
All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)	
a SEE STATEMENT 5	
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>	1,289,024.
b SEE STATEMENT 6	
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>	887,959.
c SEE STATEMENT 7	
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>	855,247.
d SEE STATEMENT 8	
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>	458,484.
e Other program services (attach schedule) SEE STATEMENT 10	
(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/>	536,405.
f Total of Program Service Expenses (should equal line 44, column (B), Program services) ►	4,027,119.

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Part IV Balance Sheets (See the instructions.)

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

		(A) Beginning of year	(B) End of year
Assets	45 Cash - non-interest-bearing	200.	200.
	46 Savings and temporary cash investments	2,102,403.	1,988,582.
	47 a Accounts receivable	238,196.	
	b Less: allowance for doubtful accounts		
	48 a Pledges receivable		
	b Less: allowance for doubtful accounts		
	49 Grants receivable	1,284,000.	549,000.
	50 Receivables from officers, directors, trustees, and key employees		
	51 a Other notes and loans receivable		
	b Less: allowance for doubtful accounts		
	52 Inventories for sale or use	343,606.	345,510.
	53 Prepaid expenses and deferred charges	31,105.	47,399.
	54 Investments - securities STMT 11 <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV	4,106,762.	4,361,094.
	55 a Investments - land, buildings, and equipment: basis		
	b Less: accumulated depreciation		
56 Investments - other			
57 a Land, buildings, and equipment: basis	3,156,803.		
b Less: accumulated depreciation	2,410,873.		
58 Other assets (describe ▶ DEPOSITS)	22,830.	22,830.	
59 Total assets (must equal line 74). Add lines 45 through 58	8,936,659.	8,298,741.	
Liabilities	60 Accounts payable and accrued expenses	213,777.	291,949.
	61 Grants payable		
	62 Deferred revenue	401,014.	580,881.
	63 Loans from officers, directors, trustees, and key employees		
	64 a Tax-exempt bond liabilities		
	b Mortgages and other notes payable		
	65 Other liabilities (describe ▶ SEE STATEMENT 12)	725,441.	643,822.
66 Total liabilities. Add lines 60 through 65)	1,340,232.	1,516,652.	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.		
	67 Unrestricted	5,532,742.	5,282,413.
	68 Temporarily restricted	1,861,835.	1,288,276.
	69 Permanently restricted	201,850.	211,400.
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74.		
	70 Capital stock, trust principal, or current funds		
	71 Paid-in or capital surplus, or land, building, and equipment fund		
	72 Retained earnings, endowment, accumulated income, or other funds		
73 Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72; column (A) must equal line 19; column (B) must equal line 21)	7,596,427.	6,782,089.	
74 Total liabilities and net assets/fund balances. Add lines 66 and 73	8,936,659.	8,298,741.	

Part VI Other Information (continued)		Yes	No	
82 a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value? b If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.)	82a	X	
	82b	17,000.		
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	83a	X	
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	83b	X	
84 a	Did the organization solicit any contributions or gifts that were not tax deductible? b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	84a		
	N/A	84b		
85	501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members? b Did the organization make only in-house lobbying expenditures of \$2,000 or less? If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.	85a		
	N/A	85b		
c	Dues, assessments, and similar amounts from members	85c		N/A
d	Section 162(e) lobbying and political expenditures	85d		N/A
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85e		N/A
f	Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f		N/A
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	85g		N/A
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85h		N/A
86	501(c)(7) organizations. Enter: a Initiation fees and capital contributions included on line 12 b Gross receipts, included on line 12, for public use of club facilities	86a		N/A
		86b		N/A
87	501(c)(12) organizations. Enter: a Gross income from members or shareholders b Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)	87a		N/A
		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
89 a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 0.; section 4912 0.; section 4955 0.			
b	501(c)(3) and 501(c)(4) 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			0.
90 a	List the states with which a copy of this return is filed DC			
b	Number of employees employed in the pay period that includes March 12, 2005	90b		33
91 a	The books are in care of THE ORGANIZATION Telephone no. 202-452-6262 Located at 1828 L ST., NW, SUITE 900, WASHINGTON, DC, WASHI ZIP + 4 20036			
b	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If "Yes," enter the name of the foreign country N/A See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.	91b		X
c	At any time during the calendar year, did the organization maintain an office outside of the United States? If "Yes," enter the name of the foreign country N/A	91c		X
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		N/A

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

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclu- sion code	(D) Amount	
93 Program service revenue:					
a <u>CONSULTING AND TRAINING</u>					807,783.
b _____					
c _____					
d _____					
e _____					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					643,318.
95 Interest on savings and temporary cash investments			14	12,623.	
96 Dividends and interest from securities			14	148,988.	
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					1,105,043.
103 Other revenue:					
a <u>ADMINISTRATIVE FEES</u>					60,000.
b <u>SUBLEASE INCOME</u>			16	313,022.	
c _____					
d _____					
e _____					
104 Subtotal (add columns (B), (D), and (E))		0.		474,633.	2,616,144.
105 Total (add line 104, columns (B), (D), and (E))					3,090,777.

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 the instructions.)

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
▼	SEE STATEMENT 14

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

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

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

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

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

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 _____ Type or print name and title _____

Paid Preparer's Use Only Preparer's signature _____ Date _____ Check if self-employed Preparer's SSN or PTIN _____

Firm's name (or yours if self-employed), address, and ZIP + 4: **RAFFA, P.C.**
1899 L STREET, NW, SUITE 600
WASHINGTON, DC 20036

EIN _____ Phone no. **(202) 822-5000**

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Organization Exempt Under Section 501(c)(3)

(Except Private Foundation) and Section 501(e), 501(f), 501(k),
501(n), or 4947(a)(1) Nonexempt Charitable Trust

Supplementary Information-(See separate instructions.)

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

OMB No. 1545-0047

2005

Name of the organization BOARDSOURCE	Employer identification number 52 1681375
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Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees

(See page 1 of the instructions. List each one. If there are none, enter "None.")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
ANGELA SAKELL, 1828 L ST., NW SUITE 900, WASHINGTON, DC 20036	VP-MARKETING 50.00	130,152.	10,632.	0.
MARLA BOBOWICK, 1828 L ST., NW SUITE 900, WASHINGTON, DC 20036	VP-PRODUCTS 50.00	99,766.	16,592.	0.
SUSAN MEIER, 1828 L ST., NW SUITE 900, WASHINGTON, DC 20036	VP-CONSULT/TRAINING 50.00	97,148.	11,398.	0.
KATHLEEN HEDGE, 1828 L ST., NW SUITE 900, WASHINGTON, DC 20036	VP-DEVELOPMENT 20.00	92,400.	0.	0.
ROSEMARY TENUTA, 1828 L ST., NW SUITE 900, WASHINGTON, DC 20036	DIRECTOR-EPRODUCTS 50.00	74,332.	9,288.	0.
Total number of other employees paid over \$50,000 ▶	10			

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

(See page 2 of the instructions. List each one (whether individuals or firms). If there are none, enter "None.")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
COOPER CONSULTING 11321 BEDFORDSHIRE AVE., POTOMAC, MD 20854-2007	IT CONSULTING	160,824.
JERI ECKHART QUEENAN 6619 JILL COURT, MCLEAN, VA 22101	CONSULTING SERVICES	112,752.
BERIT LAKEY 10200 RIDGEMOOR DRIVE, SILVER SPRING, MD 20901	CONSULTING SERVICES	102,109.
HUGHES CONSULTING GROUP, INC. 1748 INDEPENDENCE BLVD, SARASOTA, FL 34234	CONSULTING SERVICES	69,754.
Total number of others receiving over \$50,000 for professional services ▶	0	

Part II-B Compensation of the Five Highest Paid Independent Contractors for Other Services

(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter "None." See page 2 of the instructions.)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
INNOVATIVE TECHNOLOGIES IN PRINT 200 S. CHESTNUT STREET, ELIZABETHTOWN, PA 17022	PRINTING/MAILING SERVICES	318,340.
TOOD ALLAN PRINTING 5760 SUNNYSIDE AVENUE, BELTSVILLE, MD 20705	PRINTING/MAILING SERVICES	83,891.
THE STAUBACH COMPANY 575 7TH STREET, NW, WASHINGTON, DC 20004	LEASING COMMISSION	61,164.
Total number of other contractors receiving over \$50,000 for other services ▶	0	

Part III Statements About Activities (See page 2 of the instructions.)		Yes	No
1	During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ▶ \$ _____ \$ _____ (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.) Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes" must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.		X
2	During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)		
a	Sale, exchange, or leasing of property?		X
b	Lending of money or other extension of credit?		X
c	Furnishing of goods, services, or facilities?		X
d	Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? SEE PART V-A, FORM 990	X	
e	Transfer of any part of its income or assets?		X
3 a	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	Do you have a section 403(b) annuity plan for your employees?		X
c	During the year, did the organization receive a contribution of qualified real property interest under section 170(h)?		X
4 a	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	Do you provide credit counseling, debt management, credit repair, or debt negotiation services?		X

Part IV Reason for Non-Private Foundation Status (See pages 3 through 6 of the instructions.)

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

Provide the following information about the supported organizations. (See page 6 of the instructions.)

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

14 An organization organized and operated to test for public safety. Section 509(a)(4). (See page 6 of the instructions.)

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12.) **Use cash method of accounting.**
 Note: You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.

Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2003	(c) 2002	(d) 2001	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	3,427,904.	1,642,296.	2,259,963.	5,466,827.	12,796,990.
16 Membership fees received				0.	
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose	2,964,803.	2,932,142.	2,854,040.	3,075,632.	11,826,617.
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	110,300.	344,104.	335,609.	382,212.	1,172,225.
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets	234,846.	70,029.	SEE STATEMENT 15 12,780.	6,679.	324,334.
23 Total of lines 15 through 22	6,737,853.	4,988,571.	5,462,392.	8,931,350.	26,120,166.
24 Line 23 minus line 17	3,773,050.	2,056,429.	2,608,352.	5,855,718.	14,293,549.
25 Enter 1% of line 23	67,379.	49,886.	54,624.	89,314.	
26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24					26a N/A
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 2001 through 2004 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts					26b N/A
c Total support for section 509(a)(1) test: Enter line 24, column (e)					26c N/A
d Add: Amounts from column (e) for lines: 18 _____ 19 _____ 22 _____ 26b _____					26d N/A
e Public support (line 26c minus line 26d total)					26e N/A
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					26f N/A %
27 Organizations described on line 12: a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." Do not file this list with your return. Enter the sum of such amounts for each year: (2004) 2,872,500. (2003) 762,500. (2002) 1,626,000. (2001) 4,525,000.					
b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11b, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year: (2004) 23,657. (2003) 30,746. (2002) 0. (2001) 0.					
c Add: Amounts from column (e) for lines: 15 12,796,990. 16 _____ 17 11,826,617. 20 _____ 21 _____					27c 24,623,607.
d Add: Line 27a total 9,786,000. and line 27b total 54,403.					27d 9,840,403.
e Public support (line 27c total minus line 27d total)					27e 14,783,204.
f Total support for section 509(a)(2) test: Enter amount on line 23, column (e)					27f 26,120,166.
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))					27g 56.5969%
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					27h 4.4878%

28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2001 through 2004, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.

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

N/A

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

		Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?		
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves?		
If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.)			

32	Does the organization maintain the following:		
a	Records indicating the racial composition of the student body, faculty, and administrative staff?	32a	
b	Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	32b	
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32c	
d	Copies of all material used by the organization or on its behalf to solicit contributions?	32d	
If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.)			

33	Does the organization discriminate by race in any way with respect to:		
a	Students' rights or privileges?	33a	
b	Admissions policies?	33b	
c	Employment of faculty or administrative staff?	33c	
d	Scholarships or other financial assistance?	33d	
e	Educational policies?	33e	
f	Use of facilities?	33f	
g	Athletic programs?	33g	
h	Other extracurricular activities?	33h	
If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.)			

34 a	Does the organization receive any financial aid or assistance from a governmental agency?	34a	
b	Has the organization's right to such aid ever been revoked or suspended?	34b	
If you answered "Yes" to either 34a or b, please explain using an attached statement.			
35	Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation	35	

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

N/A

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

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

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

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

4-Year Averaging Period Under Section 501(h)

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

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				N/A
	(a) 2005	(b) 2004	(c) 2003	(d) 2002	(e) Total
45 Lobbying nontaxable amount					0.
46 Lobbying ceiling amount (150% of line 45(e))					0.
47 Total lobbying expenditures					0.
48 Grassroots nontaxable amount					0.
49 Grassroots ceiling amount (150% of line 48(e))					0.
50 Grassroots lobbying expenditures					0.

Part VI-B Lobbying Activity by Nonelecting Public Charities

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

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:	Yes	No	Amount
a Volunteers		X	
b Paid staff or management (Include compensation in expenses reported on lines c through h.)		X	
c Media advertisements		X	
d Mailings to members, legislators, or the public		X	
e Publications, or published or broadcast statements		X	
f Grants to other organizations for lobbying purposes		X	
g Direct contact with legislators, their staffs, government officials, or a legislative body		X	
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means		X	
i Total lobbying expenditures (Add lines c through h.)			0.

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

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

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

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

OMB No. 1545-0047

2005

Name of organization

BOARDSOURCE

Employer identification number

52-1681375

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

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

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

527 political organization

Form 990-PF

501(c)(3) exempt private foundation

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

501(c)(3) taxable private foundation

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

General Rule-

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

Special Rules-

For a section 501(c)(3) organization filing Form 990, or Form 990-EZ, that met the 33 1/3% support test under Regulations sections 1.509(a)-3/1.170A-9(e) 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).

LHA 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) (2005)

Name of organization BOARDSOURCE	Employer identification number 52-1681375
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Part I Contributors (See Specific Instructions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
1		\$ <u>50,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
2		\$ <u>10,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
3		\$ <u>10,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
4		\$ <u>100,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
5		\$ <u>25,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
6		\$ <u>100,000.</u>	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization BOARDSOURCE	Employer identification number 52-1681375
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Part I Contributors (See Specific Instructions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
7	<hr/> <hr/> <hr/> <hr/>	\$ 100,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
8	<hr/> <hr/> <hr/> <hr/>	\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
9	<hr/> <hr/> <hr/> <hr/>	\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
10	<hr/> <hr/> <hr/> <hr/>	\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
11	<hr/> <hr/> <hr/> <hr/>	\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
12	<hr/> <hr/> <hr/> <hr/>	\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization BOARDSOURCE	Employer identification number 52-1681375
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Part I Contributors (See Specific Instructions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
13	<hr/> <hr/> <hr/> <hr/>	\$ 25,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
14	<hr/> <hr/> <hr/> <hr/>	\$ 80,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
15	<hr/> <hr/> <hr/> <hr/>	\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
16	<hr/> <hr/> <hr/> <hr/>	\$ 75,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
17	<hr/> <hr/> <hr/> <hr/>	\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
18	<hr/> <hr/> <hr/> <hr/>	\$ 40,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization BOARDSOURCE	Employer identification number 52-1681375
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Part I Contributors (See Specific Instructions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
19	<hr/> <hr/> <hr/> <hr/>	\$ 845,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
20	<hr/> <hr/> <hr/> <hr/>	\$ 25,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
21	<hr/> <hr/> <hr/> <hr/>	\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
22	<hr/> <hr/> <hr/> <hr/>	\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
23	<hr/> <hr/> <hr/> <hr/>	\$ 50,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
24	<hr/> <hr/> <hr/> <hr/>	\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization BOARDSOURCE	Employer identification number 52-1681375
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Part I Contributors (See Specific Instructions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
25	 <hr/> <hr/> <hr/>	\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
26	 <hr/> <hr/> <hr/>	\$ 17,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
27	 <hr/> <hr/> <hr/>	\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
28	 <hr/> <hr/> <hr/>	\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
29	 <hr/> <hr/> <hr/>	\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
30	 <hr/> <hr/> <hr/>	\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Name of organization BOARDSOURCE	Employer identification number 52-1681375
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Part I Contributors (See Specific Instructions.)

(a) No.	(b) Name, address, and ZIP + 4	(c) Aggregate contributions	(d) Type of contribution
31	<hr/> <hr/> <hr/> <hr/>	\$ 50,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
32	<hr/> <hr/> <hr/> <hr/>	\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
33	<hr/> <hr/> <hr/> <hr/>	\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
34	<hr/> <hr/> <hr/> <hr/>	\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
35	<hr/> <hr/> <hr/> <hr/>	\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)
36	<hr/> <hr/> <hr/> <hr/>	\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.)

Statement 1

BoardSource

**Form 990, Part I, Line 10b - Cost of Goods Sold
Year Ended December 31, 2005**

52-1681375

Gross Receipts reported on Line 10a		\$ 1,384,925
Less: Cost of Goods Sold reported on Line 10b		
Inventory at beginning of year	\$ (343,606)	
Materials and supplies	(281,786)	
Ending Inventory	<u>345,510</u>	
		<u>(279,882)</u>
Gross Profit reported on Line 10c		\$ 1,105,043
Less: Other expenses included in Part II		<u>(1,289,024) *</u>
Net Loss - Production Activity		<u><u>\$ (183,981)</u></u>

* Additional costs of approximately \$1,289,024 (funded by customers and program grants) were incurred in order that BoardSource could deliver low-cost publications to its customers.

FORM 990 OTHER CHANGES IN NET ASSETS OR FUND BALANCES STATEMENT 2

<u>DESCRIPTION</u>	<u>AMOUNT</u>
UNREALIZED GAINS ON INVESTMENTS	73,104.
TOTAL TO FORM 990, PART I, LINE 20	73,104.

FORM 990	OTHER EXPENSES			STATEMENT 3
DESCRIPTION	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT AND GENERAL	(D) FUNDRAISING
OTHER PROFESSIONAL SERVICES	869,073.	853,148.	6,963.	8,962.
DESIGN AND ARTWORK	46,029.	42,029.	0.	4,000.
LIST RENTAL	45,401.	45,401.	0.	0.
EDITING FEES	32,996.	32,939.	43.	14.
SUBSCRIPTIONS AND DUES	14,131.	5,115.	6,657.	2,359.
TEMPORARY HELP	182,503.	155,529.	26,974.	0.
OVERHEAD ALLOCATION	0.	273,770.	<309,460.>	35,690.
OTHER	102,727.	39,083.	63,644.	0.
LICENSES, TAXES AND PERMITS	54,374.	54,368.	6.	0.
TOTAL TO FM 990, LN 43	1,347,234.	1,501,382.	<205,173.>	51,025.

FORM 990

OFFICER COMPENSATION ALLOCATION
PART II, LINE 25

STATEMENT 4

NAME OF OFFICER, ETC.	COMPENSATION	EMPLOYEE BEN. PLANS	EXPENSE ACCOUNTS	TOTALS
DEBORAH HECHINGER	243,149.	30,665.	0.	273,814.
A. PROGRAM SERVICES	85,102.	10,733.		95,835.
B. MANAGEMENT AND GENERAL	85,102.	10,733.		95,835.
C. FUNDRAISING	72,945.	9,199.		82,144.

NAME OF OFFICER, ETC.	COMPENSATION	EMPLOYEE BEN. PLANS	EXPENSE ACCOUNTS	TOTALS
TERESA O'BRIEN	119,954.	13,726.	0.	133,680.
A. PROGRAM SERVICES				
B. MANAGEMENT AND GENERAL	119,954.	13,726.		133,680.
C. FUNDRAISING				

TOTAL PROGRAM SERVICES				95,835.
TOTAL MANAGEMENT AND GENERAL				229,515.
TOTAL FUNDRAISING				82,144.
TOTAL OFFICER, ETC., COMPENSATION INCLUDED ON PARTS V-A AND V-B				407,494.

FORM 990 STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS STATEMENT 5

DESCRIPTION OF PROGRAM SERVICE ONE

PRODUCTS - BOARDSOURCE, THE MOST COMPREHENSIVE PUBLISHER OF MATERIALS ON NONPROFIT GOVERNANCE, CONTINUES TO DISSEMINATE PRACTICAL AND FUNDAMENTAL INFORMATION TO THE SECTOR. BOARDSOURCE PRODUCTS COVER A WIDE VARIETY OF TOPICS, INCLUDING LEGAL AND FIDUCIARY RESPONSIBILITIES, FUNDRAISING, BOARD MEETINGS, BOARD COMPOSITION, AND BOARD/STAFF RELATIONS. IN 2005, BOARDSOURCE PUBLISHED EIGHT NEW PRODUCTS TO ADD TO ITS INVENTORY OF OVER 80 BOOKS, VIDEOS/DVDS, AND CD-ROMS AND SOLD OVER 45,000 UNITS.

BOARDSOURCE ALSO INTRODUCED "THE SOURCE: TWELVE PRINCIPLES OF GOVERNANCE THAT POWER EXCEPTIONAL BOARDS", WHICH QUICKLY BECAME A BESTSELLER. BOARDSOURCE DEVELOPED "THE SOURCE" IN CONJUNCTION WITH A PANEL OF GOVERNANCE EXPERTS, AND IT WAS REVIEWED AND ENHANCED BY A BLUE-RIBBON PANEL OF MORE THAN 27 DISTINGUISHED LEADERS FROM ACROSS THE NONPROFIT AND CORPORATE SECTORS.

THE GOVERNANCE SERIES, WHICH FEATURES "TEN BASIC RESPONSIBILITIES OF NONPROFIT BOARDS", AND THE COMMITTEE SERIES REMAIN THE MOST POPULAR AND WIDELY SUCCESSFUL PUBLICATIONS. IN 2005, SALES OF ONLINE ASSESSMENT TOOLS INCREASED OVER PREVIOUS YEARS. BOARDSOURCE RELEASED AN UPDATED VERSION OF ITS CHIEF EXECUTIVE ASSESSMENT AS AN ONLINE TOOL AND CONTINUES TO SUPPORT BOARD SELF-ASSESSMENT AND CUSTOMIZED VERSIONS FOR TWO TRADE ASSOCIATIONS.

	GRANTS	EXPENSES
TO FORM 990, PART III, LINE A		1,289,024.

DESCRIPTION OF PROGRAM SERVICE TWO

MARKETING AND COMMUNICATIONS - GIVEN THE LARGE NUMBER OF NONPROFITS IN THE UNITED STATES AND THE WIDE DISPARITY IN SIZE AND MISSION, BOARDSOURCE RELIES ON ITS MARKETING AND COMMUNICATIONS PROGRAMS TO DISSEMINATE MATERIALS ABOUT BOARD ROLES AND RESPONSIBILITIES AND GOOD GOVERNANCE PRACTICES, AS WELL AS UPDATES ON CURRENT ISSUES OF INTEREST AND CONCERN TO BOARD MEMBERS AND NONPROFIT STAFF. COMMUNICATION AND MARKETING STRATEGIES INCLUDES A COMPREHENSIVE AND INFORMATIVE WEBSITE, E-NEWSLETTERS, IN-PERSON CONTACTS, EVENTS AND CONFERENCES, MEDIA OUTREACH, AND DIRECT MAIL. THESE STRATEGIES ARE AUGMENTED BY E-PROMOTIONS AND OTHER EFFORTS DESIGNED TO MARKET AND SELL BOARDSOURCE PRODUCTS SUCH AS OUR PUBLICATIONS, E-TOOLS AND MEMBERSHIP, AND BOARDSOURCE SERVICES, INCLUDING TRAINING AND CONSULTING.

HIGHLIGHTS FROM 2005 INCLUDE:

-DISSEMINATING OVER 500 FREE COPIES OF "THE SOURCE: TWELVE PRINCIPLES OF GOVERNANCE THAT POWER EXCEPTIONAL BOARDS", A POWERFUL ARTICULATION OF THE CHARACTERISTICS OF EXCEPTIONAL BOARDS AND THE DISCERNIBLE DIFFERENCES THEY MAKE IN THEIR ORGANIZATIONS;

-PROVIDING OVER 200,000 NONPROFIT PROFESSIONALS AND BOARD MEMBERS, MANY FROM SMALL ORGANIZATIONS WITH LIMITED BUDGETS, ACCESS TO THOUSANDS OF PAGES OF FREE GOVERNANCE CONTENT VIA WWW.BOARDSOURCE.ORG;

-ALERTING 9,000 MEMBERS THROUGH MONTHLY E-NEWSLETTERS TO GOVERNANCE RESOURCES, INFORMATION, AND NEW THINKING CULLED FROM SOURCES WITHIN THE NONPROFIT SECTOR, ACADEMIA, AND THE FOR-PROFIT SECTOR;

-PROVIDING UPDATES ON ACTIVITIES OF THE NONPROFIT GOVERNANCE AND FIDUCIARY RESPONSIBILITIES WORK GROUP CONVENED TO MAKE RECOMMENDATIONS TO THE PANEL ON THE NONPROFIT SECTOR WHICH REPORTED BACK TO THE SENATE FINANCE COMMITTEE ON TRUSTEE COMPENSATION, BOARD SIZE, FOUNDATION MANAGER LIABILITY AND OTHER ISSUES REFLECTED IN THE PANEL'S FINAL REPORT, "STRENGTHENING TRANSPARENCY, GOVERNANCE, AND ACCOUNTABILITY OF CHARITABLE ORGANIZATIONS";

-EDUCATING 30,000 BOARD MEMBERS AND CHIEF EXECUTIVES THROUGH
 E-COMMUNICATIONS ABOUT NEW RESOURCES AVAILABLE; AND

-INTERACTING WITH HUNDREDS OF NONPROFIT ORGANIZATIONS
 ONE-ON-ONE ABOUT THEIR GOVERNANCE NEEDS.

TO FORM 990, PART III, LINE B

GRANTS

EXPENSES

	887,959.
--	----------

DESCRIPTION OF PROGRAM SERVICE THREE

CONSULTING AND TRAINING - BOARDSOURCE PROVIDES THE KNOWLEDGE, EXPERTISE, TRAINING AND TECHNICAL ASSISTANCE BOARDS NEEDS TO PROVIDE OVERSIGHT AND ENSURE MISSION SUCCESS. IN 2005, BOARDSOURCE PROVIDED CONSULTING AND TRAINING SERVICES TO MORE THAN 5,500 NONPROFIT BOARD MEMBERS AND CEOS IN MORE THAN 200 ENGAGEMENTS. WE ADDRESS A HOST OF GOVERNANCE NEEDS, INCLUDING: SUCCESSION PLANNING, STRATEGIC THINKING AND STRATEGIC FRAMEWORKS, SUSTAINING RESOURCES AND FUNDRAISING, BOARD ROLES AND RESPONSIBILITIES, GOVERNANCE STRUCTURE DESIGN, AND MEETING FACILITATION. TWO OF THE MOST REQUESTED SERVICES ARE THE FACILITATION OF BOARD SELF ASSESSMENTS AND BOARD ASSESSMENTS OF THE CEO.

IN ADDITION, BOARDSOURCE OFFERS SPEAKERS AND WORKSHOPS ON A WIDE VARIETY OF GOVERNANCE TOPICS. WE DELIVER WORKSHOPS AT CONFERENCES, MEETINGS, AND EVENTS. WE WILL CUSTOMIZE CONTENT OR DEVELOP NEW CURRICULUM TO MEET THE SPECIFIC NEEDS OF AUDIENCES AND ORGANIZATIONS. WE CONDUCT PROFESSIONAL DEVELOPMENT PROGRAMS FOR CONSULTANTS, FIELD STAFF, AND TECHNICAL ASSISTANCE PROVIDERS TO SERVE AS EFFECTIVE RESOURCES FOR STRENGTHENING NONPROFIT GOVERNANCE. BOARDSOURCE ALSO OFFERS A NATIONAL CONFERENCE FOR BOARD MEMBERS, EXECUTIVES, SENIOR STAFF, AND CONSULTANTS TO DISCUSS KEY GOVERNANCE ISSUES.

TO FORM 990, PART III, LINE C

GRANTS	EXPENSES
_____	_____
_____	855,247.
=====	=====

DESCRIPTION OF PROGRAM SERVICE FOUR

MEMBERSHIP - THE BOARDSOURCE MEMBERSHIP PROGRAM OFFERS NONPROFIT LEADERS CUTTING-EDGE THINKING AND UP-TO-DATE RESOURCES FROM NONPROFIT GOVERNANCE EXPERTS. CURRENT MEMBER BENEFITS INCLUDE: UP TO A 25 PERCENT DISCOUNT ON BOARDSOURCE PUBLICATIONS AND SELECT PRODUCTS, SIX YEARLY ISSUES OF THE MEMBERS' ONLY PERIODICAL, "BOARD MEMBER", ONLINE MEMBERS' ONLY PAGES THAT INCLUDE SEARCHABLE ARCHIVES OF FULL LENGTH BOARD MEMBER ARTICLES, SEARCHABLE E-BOOKS AND TOPIC PAPERS, E-NEWSLETTER ARCHIVES, MONTHLY E-NEWSLETTERS WITH THE LATEST NEWS ABOUT GOVERNANCE TOPICS, DISCOUNTED REGISTRATION TO THE ANNUAL BOARDSOURCE LEADERSHIP FORUM, AND AN OPPORTUNITY TO BECOME A GROUP MEMBERSHIP SPONSOR.

IN 2005, MORE THAN 9,150 MEMBERS USED OUR RESOURCES AND SERVICES. HIGHLIGHTS OF THE PROGRAM IN 2005 INCLUDED, REDESIGNING AND EXPANDING "BOARD MEMBER" TO 16 PAGES (THE FIRST ISSUE FEATURING THE NEW FORMAT WAS PUBLISHED IN AUGUST/SEPTEMBER), HIRING A DEDICATED MEMBERSHIP MANAGER TO OVERSEE THE PROGRAM, AND DROPPING INDIVIDUAL RATES TO ACCOMMODATE MARKET DEMAND. ACTIVITIES FOR 2006 INCLUDE MEMBER RESEARCH, A NEW WEB SITE, AND AN INCREASE IN MEMBERSHIP TO 12,000.

TO FORM 990, PART III, LINE D

GRANTS

EXPENSES

458,484.

FORM 990 STATEMENT OF ORGANIZATION'S PRIMARY EXEMPT PURPOSE STATEMENT 9
PART III

EXPLANATION

BOARDSOURCE OPERATES FOR THE PRIMARY CHARITABLE AND EDUCATIONAL PURPOSE OF IMPROVING THE EFFECTIVENESS OF NONPROFIT ORGANIZATIONS BY STRENGTHENING THEIR GOVERNING BOARDS.

FORM 990

OTHER PROGRAM SERVICES

STATEMENT 10

DESCRIPTION	GRANTS AND ALLOCATIONS	EXPENSES
MANAGEMENT INFORMATION SYSTEMS INTERNATIONAL		439,265. 97,140.
TOTAL TO FORM 990, PART III, LINE E		536,405.

FORM 990

NON-GOVERNMENT SECURITIES

STATEMENT 11

SECURITY DESCRIPTION	COST/FMV	CORPORATE STOCKS	CORPORATE BONDS	OTHER PUBLICLY TRADED SECURITIES	TOTAL NON-GOV'T SECURITIES
MUTUAL FUNDS	FMV			4,361,094.	4,361,094.
TO FORM 990, LINE 54, COL B				4,361,094.	4,361,094.

FORM 990

OTHER LIABILITIES

STATEMENT 12

DESCRIPTION

AMOUNT

DEFERRED CONSTRUCTION ALLOWANCE

275,839.

DEFERRED RENT

314,741.

SUBLEASE DEPOSIT

53,242.

TOTAL TO FORM 990, PART IV, LINE 65, COLUMN B

643,822.

BOARDSOURCE

52-1681375

ROXANNE SPILLETT
1828 L STREET, NW, SUITE 900
WASHINGTON, DC 20036

MEMBER
1.00

0. 0. 0.

RIEN VAN GENDT
1828 L STREET, NW, SUITE 900
WASHINGTON, DC 20036

MEMBER
1.00

0. 0. 0.

TOTALS INCLUDED ON FORM 990, PART V-A

363,103. 44,391. 0.

SCHEDULE A	OTHER INCOME			STATEMENT 15
DESCRIPTION	2004 AMOUNT	2003 AMOUNT	2002 AMOUNT	2001 AMOUNT
MISCELLANEOUS	234,846.	70,029.	12,780.	6,679.
TOTAL TO SCHEDULE A, LINE 22	234,846.	70,029.	12,780.	6,679.

BoardSource
Form 990, Part II, Line 42 - Depreciation
Form 990, Part IV, Line 57 - Land, Buildings, and Equipment
Year Ended December 31, 2005

52-1681375

ASSETS

	<u>Beginning of Year</u>	<u>Additions</u>	<u>Disposals</u>	<u>End of Year</u>
Buildings and Improvements	\$ 987,993	\$ 61,164	\$ -	\$ 1,049,157
Web Site Development Costs	322,089	40,243	-	362,332
Office Furniture and Equipment	<u>1,639,474</u>	<u>110,334</u>	<u>(4,494)</u>	<u>1,745,314</u>
Total	<u>\$ 2,949,556</u>	<u>\$ 211,741</u>	<u>\$ (4,494)</u>	<u>\$ 3,156,803</u>

ACCUMULATED
DEPRECIATION

	<u>Beginning of Year</u>	<u>Current Year Depreciation</u>	<u>Disposals</u>	<u>End of Year</u>
Total	<u>\$ 2,133,292</u>	<u>\$ 277,581</u>	<u>\$ -</u>	<u>\$ 2,410,873</u>

Note: Property, equipment and web site development costs are stated at cost and are depreciated or amortized on a straight-line basis over the estimated useful lives of the respective assets that range from three to ten years. Leasehold improvements are amortized over the lease period or useful life of the improvements, whichever is shorter.

Application for Extension of Time To File an Exempt Organization Return

▶ 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.

Type or print	Name of Exempt Organization BOARDSOURCE	Employer Identification number 52-1681375
File by the due date for filing your return. See instructions	Number, street, and room or suite no. If a P.O. box, see instructions. 1828 L STREET, NW, NO. 900	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. WASHINGTON, DC 20036	

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 ▶ **THE ORGANIZATION**
 Telephone No. ▶ **202-452-6262** FAX No. ▶ _____
- If the organization does not have an office or place of business in the United States, check this box
- If this is for a **Group Return**, enter the organization's four digit Group Exemption Number (GEN) _____. If this is for the whole group, check this box . If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension will cover.

- 1** I request an automatic 3-month (6-months for a **Form 990-T corporation**) extension of time until **AUGUST 15, 2006** to file the exempt organization return for the organization named above. The extension is for the organization's return for:
 ▶ calendar year **2005** or
 ▶ tax year beginning _____, and ending _____.
- 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 \$ **N/A**

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.

- If you are filing for an Additional (not automatic) 3-Month Extension, complete only Part II and check this box **X**
- 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. File by the extended due date for filing the return. See instructions.	Name of Exempt Organization BOARDSOURCE	Employer Identification number 52-1681375
	Number, street, and room or suite no. If a P.O. box, see instructions. 1828 L STREET, NW, NO. 900	For IRS use only
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. WASHINGTON, DC 20036	

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

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

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 **THE ORGANIZATION**
Telephone No. **202-452-6262** FAX No. _____
- If the organization does not have an office or place of business in the United States, check this box
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____. If this is for the whole group, check this box . If it is for part of the group, check this box and attach a list with the names and EINs of all members the extension is for.

- 4 I request an additional 3-month extension of time until **NOVEMBER 15, 2006.**
- 5 For calendar year **2005**, or other tax year beginning _____ and ending _____.
- 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 GATHER 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 _____ \$ **N/A**

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 *[Signature]* Title **CPA** Date **8/14/06**

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 RAFFA, P.C.
	Number and street (include suite, room, or apt. no.) or a P.O. box number 1899 L STREET, NW, SUITE 600
	City or town, province or state, and country (including postal or ZIP code) WASHINGTON, DC 20036

521332 05-01-05