

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

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 2006 calendar year, or tax year beginning 07/01, 2006, and ending 06/30/2007

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

C Name of organization: COVENANT HOUSE CALIFORNIA, INC.
Number and street (or P.O. box if mail is not delivered to street address) Room/suite: 1325 NORTH WESTERN AVENUE
City or town, state or country, and ZIP + 4: HOLLYWOOD, CA 90027

D Employer identification number: 13-3391210
E Telephone number: (323) 461-3131
F Accounting method: Cash [], Accrual [X]

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

H and I are not applicable to section 527 organizations.

H(a) Is this a group return for affiliates? Yes [], No [X]

H(b) If "Yes," enter number of affiliates

H(c) Are all affiliates included? Yes [], No [] (If "No," attach a list. See instructions.)

H(d) Is this a separate return filed by an organization covered by a group ruling? Yes [], No [X]

I Group Exemption Number

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

G Website: WWW.COVENANTHOUSECA.ORG

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

K Check here [] if the organization is not a 509(a)(3) supporting organization and its gross receipts are normally not more than \$25,000.

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 10,902,667.

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

Table with 21 rows and 3 columns: Description, Sub-rows, and Amount. Includes Revenue (lines 1-12), Expenses (lines 13-17), and Net Assets (lines 18-21). Total revenue: 10,692,020. Total expenses: 9,731,980. Net assets at end of year: 14,580,407.

For Privacy Act and Paperwork Reduction Act Notice, see the separate 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. (See the instructions.)

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22a Grants paid from donor advised funds (attach schedule) (cash \$ _____ noncash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>				
22b Other grants and allocations (attach schedule) (cash \$ _____ noncash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>				
23 Specific assistance to individuals (attach schedule)	645,279.	645,279.	STMT 5	
24 Benefits paid to or for members (attach schedule)				
25a Compensation of current officers, directors, key employees, etc. listed in Part V-A (attach schedule)	361,120.	250,257.	69,316.	41,547.
b Compensation of former officers, directors, key employees, etc. listed in Part V-B (attach schedule)				
c Compensation and other distributions, not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) (attach schedule)				
26 Salaries and wages of employees not included on lines 25a, b, and c	4,073,131.	3,759,295.	23,512.	290,324.
27 Pension plan contributions not included on lines 25a, b, and c	244,647.	222,390.	9,007.	13,250.
28 Employee benefits not included on lines 25a - 27	276,324.	251,184.	10,174.	14,966.
29 Payroll taxes	558,620.	519,734.	7,318.	31,568.
30 Professional fundraising fees	35,753.			35,753.
31 Accounting fees	39,118.		39,118.	
32 Legal fees	13,743.			13,743.
33 Supplies	84,288.	73,579.	2,004.	8,705.
34 Telephone	77,741.	70,519.	1,926.	5,296.
35 Postage and shipping	496,446.	14,320.	1,200.	480,926.
36 Occupancy	476,254.	468,238.	7,912.	104.
37 Equipment rental and maintenance	166,603.	157,762.	4,230.	4,611.
38 Printing and publications	623,243.	16,911.	238.	606,094.
39 Travel	71,901.	60,214.	3,055.	8,632.
40 Conferences, conventions, and meetings	40,478.	31,329.	2,847.	6,302.
41 Interest	36,391.		36,391.	
42 Depreciation, depletion, etc. (attach schedule)	526,648.	507,629.	1,654.	17,365.
43 Other expenses not covered above (itemize):				
a <u>INSURANCE & RE TAXES</u>	109,474.	105,359.	4,115.	
b <u>BANK CHARGES & FEES</u>	119,386.		119,386.	
c <u>BAD DEBT EXPENSE</u>	75,012.		75,012.	
d <u>STAFF RECRUITMENT</u>	32,838.	30,792.	1,584.	462.
e <u>OTHER PURCHASED SERVICES</u>	366,529.	296,470.	9,672.	60,387.
f <u>MISCELLANEOUS</u>	181,013.	91,237.	2,900.	86,876.
g _____				
44 Total functional expenses. Add lines 22a through 43g. (Organizations completing columns (B)-(D), carry these totals to lines 13-15).	9,731,980.	7,572,498.	432,571.	1,726,911.

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 \$ _____.