

Form 990
Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

OMB No 1545-0047

2008

Open to Public Inspection

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

A For the 2008 calendar year, or tax year beginning 07-01-2008 and ending 06-30-2009

- B Check if applicable
Address change
Name change
Initial return
Termination
Amended return
Application pending

Please use IRS label or print or type. See Specific Instructions.

C Name of organization
ALLIANCE CREDIT COUNSELING INC
Doing Business As
Number and street (or P O box if mail is not delivered to street address) Room/suite
13777 BALLANTYNE CORPORATE PLACE No 100
City or town, state or country, and ZIP + 4
CHARLOTTE, NC 282773433

D Employer identification number
56-2196261
E Telephone number
(704) 540-2477
G Gross receipts \$ 4,761,691

F Name and address of Principal Officer
KEVIN PORTER
13777 BALLANTYNE CORPORATE PLACE No 100
CHARLOTTE, NC 282773433

H(a) Is this a group return for affiliates?
H(b) Are all affiliates included?
H(c) Group Exemption Number

I Tax-exempt status 501(c) (3) (insert no) 4947(a)(1) or 527

J Web site: www.knowdebt.org

K Type of organization Corporation trust association other
L Year of Formation 2000
M State of legal domicile NC

Part I Summary

Table with 3 main sections: Activities & Governance, Revenue, and Expenses. Includes rows for mission, number of members, total revenue, and total expenses.

Part II Signature Block

Signature block containing declaration, officer signature (KEVIN PORTER), preparer signature (TOM R BLACKA CPA), and firm information (BLACKA JESSUP & HENDERSON LLP).

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

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

1 Briefly describe the organization's mission
 Charitable assistance for the poor and distressed, and financial education for the public

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

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

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

4a (Code) (Expenses \$ 4,350,938 including grants of \$) (Revenue \$ 1,888,675)
 Alliance Credit Counseling, Inc has four major financial education/counseling programs, which are coordinated to provide financial education and assistance to those in need. First, and historically the largest, of our programs is budget, credit, and debt counseling for those in financial distress. The second is specific financial counseling on bankruptcy and alternatives. The third is housing counseling, working with federal and state agencies' efforts to help those in the most severe financial straits and housing crises. Fourth is a comprehensive community financial literacy program, providing hundreds of seminars for thousands of area residents. CONTINUED ON SCHEDULE O













4b (Code) (Expenses \$ including grants of \$) (Revenue \$)

4c (Code) (Expenses \$ including grants of \$) (Revenue \$)




4d Other program services (Describe in Schedule O)
 (Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses \$ 4,350,938 *Must equal Part IX, Line 25, column (B).*

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i> 	Yes	
2 Is the organization required to complete Schedule B, Schedule of Contributors? 	Yes	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>		No
4 Section 501(c)(3) organizations Did the organization engage in lobbying activities? <i>If "Yes," complete Schedule C, Part II</i>		No
5 Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? <i>If "Yes," complete Schedule C, Part III</i>		
6 Did the organization maintain any donor advised funds or any accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i> 		No
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? <i>If "Yes," complete Schedule D, Part II</i>		No
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i> 		No
9 Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i> 	Yes	
10 Did the organization hold assets in term, permanent, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i> 		No
11 Did the organization report an amount in Part X, lines 10, 12, 13, 15, or 25? <i>If "Yes," complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable</i> 	Yes	
12 Did the organization receive an audited financial statement for the year for which it is completing this return that was prepared in accordance with GAAP? <i>If "Yes," complete Schedule D, Parts XI, XII, and XIII</i> 	Yes	
13 Is the organization a school as described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>		No
14a Did the organization maintain an office, employees, or agents outside of the U S ?		No
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the U S ? <i>If "Yes," complete Schedule F, Part I</i>		No
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? <i>If "Yes," complete Schedule F, Part II</i>		No
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? <i>If "Yes," complete Schedule F, Part III</i>		No
17 Did the organization report more than \$15,000 on Part IX, column (A), line 11e? <i>If "Yes," complete Schedule G, Part I</i>		No
18 Did the organization report more than \$15,000 total on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>		No
19 Did the organization report more than \$15,000 on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>		No
20 Did the organization operate one or more hospitals? <i>If "Yes," complete Schedule H</i>		No
21 Did the organization report more than \$5,000 on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>		No
22 Did the organization report more than \$5,000 on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>		No
23 Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5? <i>If "Yes," complete Schedule J</i>		No
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer questions 24b-24d and complete Schedule K. If "No," go to question 25</i>		No
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25a Section 501(c)(3) and 501(c)(4) organizations Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i> 		No
b Did the organization become aware that it had engaged in an excess benefit transaction with a disqualified person from a prior year? <i>If "Yes," complete Schedule L, Part I</i> 		No
26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II</i> 	Yes	
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, or substantial contributor, or to a person related to such an individual? <i>If "Yes," complete Schedule L, Part III</i> 		No

Part IV Checklist of Required Schedules *(Continued)*

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

Part V Statements Regarding Other IRS Filings and Tax Compliance

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096, <i>Annual Summary and Transmittal of U.S. Information Returns</i> . Enter -0- if not applicable		
	1a 7		
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable		
	1b 0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	Yes	
2a	Enter the number of employees reported on Form W-3, <i>Transmittal of Wage and Tax Statements</i> filed for the calendar year ending with or within the year covered by this return		
	2a 88		
b	If at least one is reported in 2a, did the organization file all required federal employment tax returns? Note: If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return.	Yes	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?		No
b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O		
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		No
b	If "Yes," enter the name of the foreign country _____ See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts .		
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		No
c	If "Yes," to 5a or 5b, did the organization file Form 8886-T, <i>Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction</i> ?		
6a	Did the organization solicit any contributions that were not tax deductible?		No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
7	<i>Organizations that may receive deductible contributions under section 170(c).</i>		
a	Did the organization provide goods or services in exchange for any quid pro quo contribution of \$75 or more?		No
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		No
d	If "Yes," indicate the number of Forms 8282 filed during the year		
	7d		
e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		No
g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?		
h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?		
8	<i>Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.</i> Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		No
9	<i>Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds.</i>		
a	Did the organization make any taxable distributions under section 4966?		No
b	Did the organization make a distribution to a donor, donor advisor, or related person?		No
10	<i>Section 501(c)(7) organizations.</i> Enter		
a	Initiation fees and capital contributions included on Part VIII, line 12		
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities		
11	<i>Section 501(c)(12) organizations.</i> 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)		
	11a		
	11b		
12a	<i>Section 4947(a)(1) non-exempt charitable trusts.</i> Is the organization filing Form 990 in lieu of Form 1041?		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year		
	12b		

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

Section A. Governing Body and Management

For each "Yes" response to lines 2-7 below, and for a "No" response to lines 8 or 9b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Table with 11 rows of questions and 3 columns: Question, Yes, No. Includes sub-questions 1a, 1b, 2, 3, 4, 5, 6, 7a, 7b, 8a, 8b, 9a, 9b, 10, 11.

Section B. Policies

Table with 12 rows of questions and 3 columns: Question, Yes, No. Includes sub-questions 12a, 12b, 12c, 13, 14, 15a, 15b, 16a, 16b.

Section C. Disclosure

- 17 List the States with which a copy of this Form 990 is required to be filed
18 Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection
19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public
20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization

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

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

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

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

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

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

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

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

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

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)					(D) Reportable compensation from the organization (W-2/1099MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual Trustee or Director	Institutional Trustee	Officer	Key employee	Highest compensated employee			
KEVIN PORTER , BOARD CHAIRMAN	2 00	X					0	0	
DOUGLASS C COLBERT JR , FORMER SECRETARY	1 00	X					0	0	
PAMELA R TURNER PHD , BOARD MEMBER	1 00	X					0	0	
CHARLES E OLIPHANT CPA , BOARD MEMBER	2 00	X					0	0	
J KEVIN TOOMB PHD , BOARD MEMBER	1 00	X					0	0	
CAROL HARDISON HUGHES , BOARD MEMBER	1 00	X					0	0	
PATRICK CAREY , BOARD MEMBER	1 00	X					0	0	
KEVIN PORTER , PRESIDENT	50 00			X			140,581	0	3,900
KERRY PORTER , CONTROLLER AND TREASURER	50 00			X			80,033	0	3,900
SCOTT HANNAY , CIO AND SECRETARY	50 00			X			95,209	0	3,900
DOUGLASS C COLBERT JR , BOARD MEMBER	2 00					X	0	0	0

Part VII Continued

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual Trustee or Director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
1b Total							315,823	0	11,700	

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

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation

2 Total number of independent contractors (including those in 1) who received more than \$100,000 in compensation from the organization **0**

Part VIII Statement of Revenue

			(A) Total Revenue	(B) Related or Exempt Function Revenue	(C) Unrelated Business Revenue	(D) Revenue Excluded from Tax under IRC 512, 513, or 514	
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns 1a					
	b	Membership dues 1b					
	c	Fundraising events 1c					
	d	Related organizations 1d 83,171					
	e	Government grants (contributions) 1e 86,511					
	f	All other contributions, gifts, grants, and similar amounts not included above 1f 2,702,966					
	g	Noncash contributions included in lines 1a-1f \$ 83,171					
	h	Total (Add lines 1a-1f)	2,872,648				
Program Service Revenue			Business Code				
	2a	BANKRUPTCY COUNSELING 900,099	1,570,662	1,570,662			
	b	HOMEOWNERSHIP EDUCATIO 900,099	128,295	128,295			
	c						
	d						
	e						
	f	All other program service revenue	189,718	189,718			
g	Total. Add lines 2a-2f						
			\$ 1,888,675				
Other Revenue	3	Investment income (including dividends, interest other similar amounts)	368			368	
	4	Income from investment of tax-exempt bond proceeds					
	5	Royalties					
	6a		(i) Real				
			(ii) Personal				
		b	Gross Rents				
		c	Less rental expenses				
	d	Rental income or (loss)					
	e	Net rental income or (loss)					
	7a		(i) Securities				
			(ii) Other				
		b	Gross amount from sales of assets other than inventory				
		c	Less cost or other basis and sales expenses				
	d	Gain or (loss)					
	e	Net gain or (loss)					
8a	Gross income from fundraising events (not including \$ of contributions reported on line 1c) See Part IV, line 18 Attach Schedule G if total exceeds \$15,000 a						
b	Less direct expenses b						
c	Net income or (loss) from fundraising events						
9a	Gross income from gaming activities See part IV, line 19 Complete Schedule G if total exceeds \$15,000 a						
b	Less direct expenses b						
c	Net income or (loss) from gaming activities						
10a	Gross sales of inventory, less returns and allowances a						
b	Less cost of goods sold b						
c	Net income or (loss) from sales of inventory						
		Miscellaneous Revenue	Business Code				
11a							
b							
c							
d	All other revenue						
e	Total. Add lines 11a-11d \$						
12	Total Revenue. Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e	4,761,691	1,888,675	0	368		

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.		(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to governments and organizations in the U S See Part IV, line 21				
2	Grants and other assistance to individuals in the U S See Part IV, line 22				
3	Grants and other assistance to governments, organizations and individuals outside the U S See Part IV, lines 15 and 16				
4	Benefits paid to or for members				
5	Compensation of current officers, directors, trustees, and key employees	315,823	159,615	153,558	2,650
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7	Other salaries and wages	2,115,077	2,051,451		42,782
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)				
9	Other employee benefits	165,766	150,733	15,033	
10	Payroll taxes	251,546	233,104	18,442	
11	Fees for services (non-employees)				
a	Management				
b	Legal	15,987	15,188	799	
c	Accounting	48,623	46,192	2,431	
d	Lobbying				
e	Professional fundraising See Part IV, line 17				
f	Investment management fees				
g	Other				
12	Advertising and promotion				
13	Office expenses	283,076	262,713	18,853	1,510
14	Information technology	6,798	6,458	340	
15	Royalties				
16	Occupancy	286,105	271,800	14,305	
17	Travel	37,163	35,305	1,858	
18	Payments of travel or entertainment expenses for any Federal, state or local public officials				
19	Conferences, conventions and meetings	7,811	7,811		
20	Interest	83,171	79,012	4,159	
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	205,039	194,787	10,252	
23	Insurance	45,272	30,273	14,999	
24	Other expenses—Itemize expenses not covered above (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below)				
a	PUBLIC AWARENESS	465,212	465,212	0	0
b	MARKETING	69,080	69,080	0	0
c	CREDIT REPORT EXPENSE	63,245	63,245	0	0
d	BANK CHARGES	59,229	56,565	2,664	0
e	MATERIALS AND TRAINING	49,337	48,818	519	0
f	All other expenses	116,595	103,576	13,019	
25	Total functional expenses. Add lines 1 through 24f	4,689,955	4,350,938	292,075	46,942
26	Joint Costs. Check <input type="checkbox"/> if following SOP 98-2 Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

		(A)		(B)	
		Beginning of year		End of year	
Assets	1 Cash—non-interest-bearing	650,055	1	471,918	
	2 Savings and temporary cash investments		2		
	3 Pledges and grants receivable, net		3	260,953	
	4 Accounts receivable, net		4		
	5 Receivables from current and former officers, directors, trustees, key employees or other related parties <i>Complete Part II of Schedule L</i>		5		
	6 Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) <i>Complete Part II of Schedule L</i>		6		
	7 Notes and loans receivable, net		7		
	8 Inventories for sale or use		8		
	9 Prepaid expenses and deferred charges	91,240	9	66,408	
	10a Land, buildings, and equipment cost basis	10a 2,713,201			
	b Less accumulated depreciation <i>Complete Part VI of Schedule D</i>	10b 870,816	1,999,772	10c 1,842,385	
	11 Investments—publicly traded securities		11		
	12 Investments—other securities See Part IV, line 11 <i>Complete Part VII of Schedule D</i>		12		
	13 Investments—program-related See Part IV, line 11 <i>Complete Part VIII of Schedule D</i>		13		
	14 Intangible assets		14		
	15 Other assets See Part IV, line 11 <i>Complete Part IX of Schedule D</i>	638,250	15	433,575	
16 Total assets. Add lines 1 through 15 (must equal line 34)	3,379,317	16	3,075,239		
Liabilities	17 Accounts payable and accrued expenses	602,535	17	498,255	
	18 Grants payable		18		
	19 Deferred revenue		19		
	20 Tax-exempt bond liabilities		20		
	21 Escrow account liability <i>Complete Part IV of Schedule D</i>	502,879	21	336,395	
	22 Payable to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons <i>Complete Part II of Schedule L</i>		22		
	23 Secured mortgages and notes payable to unrelated third parties		23		
	24 Unsecured notes and loans payable		24		
	25 Other liabilities <i>Complete Part X of Schedule D</i>	1,506,606	25	1,481,241	
	26 Total liabilities. Add lines 17 through 25	2,612,020	26	2,315,891	
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.				
	27 Unrestricted net assets	750,727	27	706,480	
	28 Temporarily restricted net assets	16,570	28	52,868	
	29 Permanently restricted net assets		29		
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 30 through 34.				
	30 Capital stock or trust principal, or current funds		30		
	31 Paid-in or capital surplus, or land, building or equipment fund		31		
	32 Retained earnings, endowment, accumulated income, or other funds		32		
33 Total net assets or fund balances	767,297	33	759,348		
34 Total liabilities and net assets/fund balances	3,379,317	34	3,075,239		

Part XI Financial Statements and Reporting

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

SCHEDULE A
(Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

OMB No 1545-0047

2008

Open to Public Inspection

To be completed by all section 501(c)(3) organizations and section 4947(a)(1) nonexempt charitable trusts.
Attach to Form 990 or Form 990-EZ. See separate instructions.

Name of the organization

ALLIANCE CREDIT COUNSELING INC

Employer identification number

56-2196261

Part I Reason for Public Charity Status (to be completed by all organizations) (See Instructions)

The organization is not a private foundation because it is (Please check only **one** organization)

- 1 A church, convention of churches, or association of churches described in **Section 170(b)(1)(A)(i)**.
- 2 A school described in **Section 170(b)(1)(A)(ii)**. (Attach Schedule E)
- 3 A hospital or a cooperative hospital service organization described in **Section 170(b)(1)(A)(iii)**. (Attach Schedule H)
- 4 A medical research organization operated in conjunction with a hospital described in **Section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state _____
- 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **Section 170(b)(1)(A)(iv)**. (Complete Part II)
- 6 A federal, state, or local government or governmental unit described in **Section 170(b)(1)(A)(v)**.
- 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **Section 170(b)(1)(A)(vi)** (Complete Part II)
- 8 A community trust described in **Section 170(b)(1)(A)(vi)** (Complete Part II)
- 9 An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **Section 509(a)(2)**. (Complete Part III)
- 10 An organization organized and operated exclusively to test for public safety See **Section 509(a)(4)**. (See instructions)
- 11 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2) See **Section 509(a)(3)**. Check the box that describes the type of supporting organization and complete lines 11e through 11h
 a Type I b Type II c Type III - Functionally Integrated d Type III - Other
- e By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)
- f If the organization received a written determination from the IRS that it is a Type I, Type II or Type III supporting organization, check this box
- g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

	Yes	No
11g(i)		
11g(ii)		
11g(iii)		

- (i) a person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the the supported organization?
- (ii) a family member of a person described in (i) above?
- (iii) a 35% controlled entity of a person described in (i) or (ii) above?

h Provide the following information about the organizations the organization supports

(i) Name of Supported Organization	(ii) EIN	(iii) Type of organization (described on lines 1- 9 above or IRC section (See Instructions))	(iv) Is the organization in col (i) listed in your governing document?		(v) Did you notify the organization in col (i) of your support?		(vi) Is the organization in col (i) organized in the U S ?		(vii) Amount of support?
			Yes	No	Yes	No	Yes	No	
Total									

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

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

Public Support

Calendar year (or fiscal year beginning in)	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants")	5,932,311	4,867,999	4,512,946	3,270,588	2,872,648	21,456,492
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add line 1-3	5,932,311	4,867,999	4,512,946	3,270,588	2,872,648	21,456,492
5 The portion of total contribution by each person (other than a government unit or publicly supported organization) included on line 1 that exceed 2% of the amount shown on line 11, column (f)						2,857,919
6 Public Support subtract line 5 from line 4						18,598,573

Total Support

Calendar year (or fiscal year beginning in)	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
7 Amounts from line 4	5,932,311	4,939	4,512,946	3,270,588	2,872,648	21,456,492
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	1,811	4,939	23,011	7,116	368	37,245
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
11 Total Support (Add lines 7 through 10)						21,493,737
12 Gross receipts from related activities, etc (See instructions)					12	3,478,526
13 First Five Years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here						<input checked="" type="checkbox"/>

Computation of Public Support Percentage

14 Public Support Percentage for 2008 (line 6 column (f) divided by line 11 column (f))	14	86.530 %
15 Public Support Percentage for 2007 Schedule A, Part IV-A, line 26f	15	87.550 %
16a 33 1/3% Test - 2008. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		<input checked="" type="checkbox"/>
b 33 1/3% Test - 2007. If the organization did not check the box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		<input type="checkbox"/>
17a 10% Facts and Circumstances Test - 2008. If the organization did not check a box on line 13, 16a, or 16b and line 14 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization		<input type="checkbox"/>
b 10% Facts and Circumstances Test - 2007. If the organization did not check a box on line 13, 16a, 16b, or 17a and line 15 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization		<input type="checkbox"/>
18 Private Foundation. If the organization did not check the box on line 13, 16a, 16b, 17a or 17b, check this box and see instructions		<input type="checkbox"/>

Part III Support Schedule for Organizations Described in IRC 509(a)(2)

(Complete only if you checked the box on line 9, of, Part I.)

Section A. Public Support

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

Total Support

Calendar year (or fiscal year beginning in)	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after 30 June, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total Support (Add lines 9, 10c, 11 and 12)						
14 First Five Years If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here <input type="checkbox"/>						

Computation of Public Support Percentage

15 Public Support Percentage for 2008 (line 8 column (f) divided by line 13 column (f))	15	
16 Public Support Percentage for 2007 Schedule A, Part IV-A, line 27g	16	

Computation of Investment Income Percentage

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

- 19a 33 1/3% Tests - 2008.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization
- b 33 1/3% Tests - 2007.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization
- 20 Private Foundation** If the organization did not check a box on line 14, 19a or 19b, check this box and see instructions

Part II **Supplemental Information.** Complete this part to provide the information required by Part II, line 10; Part II, line 17a or 17b, or Part III, line 12. Provide and any other additional information. (see instructions)

Facts and Circumstances Test

SCHEDULE D (Form 990)

OMB No 1545-0047

Supplemental Financial Statements

2008

Open to Public Inspection

Department of the Treasury Internal Revenue Service

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

Name of the organization

ALLIANCE CREDIT COUNSELING INC

Employer identification number

56-2196261

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

Table with 3 columns: Line number, (a) Donor advised funds, (b) Funds and other accounts. Includes rows for total number at end of year, aggregate contributions, aggregate grants, aggregate value, and questions about donor informed.

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

Table with 3 columns: Line number, Description, Held at the End of the Year. Includes rows for purpose of easements, number of easements, and monitoring expenses.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

Table with 3 columns: Line number, Description, Amount. Includes rows for art collections and monitoring expenses.

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

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

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

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

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

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

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

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

	Amount
1c	
1d	
1e	
1f	

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

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

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

	(a) Current Year	(b) Prior Year	(c) Two Years Back	(d) Three Years Back	(e) Four Years Back
1a Beginning of year balance					
b Contributions					
c Investment earnings or losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

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

- a** Board designated or quasi-endowment
- b** Permanent endowment
- c** Term endowment

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

	Yes	No
(i) unrelated organizations	3a(i)	
(ii) related organizations	3a(ii)	
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?	3b	

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

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

Description of investment	(a) Cost or other basis (Investment)	(b) Cost or other basis (other)	(c) Depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements				
d Equipment		389,892	277,081	112,811
e Other		2,323,309	593,735	1,729,574
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).)				1,842,385

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

Table with 3 columns: (a) Description of security or category, (b) Book value, (c) Method of valuation. Rows include Financial derivatives and other financial products, Closely-held equity interests, Other, and Total.

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

Table with 3 columns: (a) Description of investment type, (b) Book value, (c) Method of valuation. Rows include Total.

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

Table with 2 columns: (a) Description, (b) Book value. Rows include RESTRICTED CASH - HELD IN ESCROW FOR CLIENTS, DEPOSITS, RESTRICTED CASH - CERTIFICATES OF DEPOSIT, and Total.

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

Table with 2 columns: (a) Description of Liability, (b) Amount. Rows include Federal Income Taxes, DEFERRED RENT, NOTE PAYABLE, and Total.

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

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

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	4,761,691
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	4,689,955
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	71,736
4	Net unrealized gains (losses) on investments	4	
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	-79,685
9	Total adjustments (net) Add lines 4 - 8	9	-79,685
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	-7,949

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

1	Total revenue, gains, and other support per audited financial statements	1	4,761,323
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12		
a	Net unrealized gains on investments	2a	
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d	2e	0
3	Subtract line 2e from line 1	3	4,761,323
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1 :		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	368
c	Add lines 4a and 4b	4c	368
5	Total Revenue Add lines 3 and 4c . (This should equal Form 990, Part I, line 12)	5	4,761,691

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

1	Total expenses and losses per audited financial statements	1	4,689,955
2	Amounts included on line 1 but not on Form 990, Part IX, line 25		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Losses reported on Form 990, Part IX, line 25	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d	2e	0
3	Subtract line 2e from line 1	3	4,689,955
4	Amounts included on Form 990, Part IX, line 25, but not on line 1 :		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIV)	4b	
c	Add lines 4a and 4b	4c	0
5	Total expenses Add lines 3 and 4c . (This should equal Form 990, Part I, line 18)	5	4,689,955

Part XIV Supplemental Information

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

Identifier	Return Reference	Explanation
Part IV, Line 2b		CLIENT DEPOSIT LIABILITIES
		PART XII, LINE 4B - INTEREST INCOME ON CDS = 368

Schedule L (Form 990 or 990-EZ)

Transactions with Interested Persons

OMB No 1545-0047

2008

Open to Public Inspection

Department of the Treasury Internal Revenue Service

Attach to Form 990 or Form 990-EZ. To be completed by organizations that answered "Yes" on Form 990, Part IV, lines 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V lines 38b or 40b.

Name of the organization ALLIANCE CREDIT COUNSELING INC

Employer identification number 56-2196261

Part I Excess Benefit Transactions (section 501(c)(3) and section 501 (c)(4) organizations only).

To be completed by organizations that answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b

Table with 3 main columns: (a) Name of disqualified person, (b) Description of transaction, (c) Corrected? (Yes/No)

2 Enter the amount of tax imposed on the organization managers or disqualified persons during the year under section 4958. 3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization.

Part II Loans to and/or From Interested Persons

To be completed by organizations that answered "Yes" on Form 990, Part IV, line 26, or Form 990-EZ, Part V, line 38a

Table with 7 main columns: (a) Name of interested person and purpose, (b) Loan to or from the organization?, (c) Original principal amount, (d) Balance due, (e) In default?, (f) Approved by board or committee?, (g) Written agreement?

Part III Grants or Assistance Benefitting Interested Persons

To be completed by organizations that answered "Yes" on Form 990, Part IV, line 27.

Table with 3 main columns: (a) Name of interested person, (b) Relationship between interested person and the organization, (c) Amount of grant or type of assistance

Part IV Business Transactions Involving Interested Persons

To be completed by organizations that answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

Table with 5 main columns: (a) Name of interested person, (b) Relationship between interested person and the organization, (c) Amount of transaction, (d) Description of transaction, (e) Sharing of organization's revenues?

SCHEDULE O
(Form 990)

Supplemental Information to Form 990

OMB No 1545-0047
2008
Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

Name of the organization ALLIANCE CREDIT COUNSELING INC	Employer identification number 56-2196261
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Identifier	Return Reference	Explanation
Form 990, Part VI, Section A, line 2		KEVIN PORTER AND KERRY PORTER HAVE A FAMILY RELATIONSHIP

Identifier	Return Reference	Explanation
Form 990, Part VI, Section A, line 10		AFTER PREPARATION BY THE ORGANIZATION'S INDEPENDENT CERTIFIED PUBLIC ACCOUNTING FIRM, THE DRAFT 990 IS REVIEWED BEFORE FILING BY THE ORGANIZATION'S PRESIDENT, TREASURER, INDEPENDENT BOARD MEMBERS AND OUTSIDE LEGAL COUNSEL

Identifier	Return Reference	Explanation
Form 990, Part VI, Section B, line 12c		ALLIANCE REGULARLY AND CONSISTENTLY MONITORS ITS WRITTEN CONFLICT OF INTEREST POLICY ALL STAFF AND DIRECTORS ARE GIVEN A COPY OF THE POLICY WHICH IS EXPLAINED DURING TRAINING OR ORIENTATION ANY POTENTIAL TRANSACTION WHICH MIGHT REPRESENT A CONFLICT OF INTEREST OR AN EXCESS BENEFIT TRANSACTION MUST BE DISCLOSED UPON DISCLOSURE, AFTER RECUSAL BY THE INTERESTED PARTY, THE ISSUE IS REVIEWED BY A GROUP OF DISINTERESTED DIRECTORS IF NO DIRECTORS ARE DISINTERESTED, AN INDEPENDENT COMMITTEE IS APPOINTED THE GROUP OF DISINTERESTED DIRECTORS OR THE INDEPENDENT COMMITTEE, AS APPLICABLE, IS GRANTED FULL AUTHORITY TO REVIEW THE ISSUE AND TAKE ACTION NECESSARY TO COMPLY WITH THE SAFE HARBOR REQUIREMENTS OF IRS REGULATIONS

Identifier	Return Reference	Explanation
Form 990, Part VI, Section B, line 15		SALARIES OF THE ORGANIZATION'S OFFICERS AND OTHER MANAGEMENT OFFICIALS ARE DETERMINED BY INDEPENDENT DIRECTORS BASED ON COMPARABILITY DATA, A REASONED OPINION OF OUTSIDE LEGAL COUNSEL AND CONTEMPORANEOUS SUBSTANTIATION OF DELIBERATION AND DECISION

Identifier	Return Reference	Explanation
Form 990, Part VI, Section C, line 19		THE ORGANIZATION UPON REQUEST WILL PROVIDE TO THE REQUESTING PARTY A COPY OF ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, 990 AND/OR FINANCIAL STATEMENTS

Identifier	Return Reference	Explanation
FORM 990 PART XI - LINE 2C	STATEMENT RE AUDIT COMMITTEE PROCEDURES	The Organization's audit committee consists of the President, the Treasurer and the outside CPA Board Member These individuals plus outside legal counsel review the audit report before it is issued These procedures have not changed from the prior year

Identifier	Return Reference	Explanation
FORM 990 PART V - LINES 7G AND 7H NOT APPLICABLE		ALLIANCE HAD NO CONTRIBUTIONS DESCRIBED IN LINES 7G AND 7H THEREFORE THE ANSWER IS "NOT APPLICABLE"

Identifier	Return Reference	Explanation
FORM 990 PART III- STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS	CONTINUED	<p>Overall, our major and various smaller programs have assisted directly more than 82,000 persons in the past fiscal year, and we have distributed nearly one hundred thousand units of educational materials to consumers Credit Counseling Alliance's focus since inception has been the local community in North Carolina and underserved rural communities and smaller cities nationwide These markets are typically served by small local credit counseling agencies which require appointments to be made weeks or months ahead of time, and which do not usually have extended hours of operation, immediate access to counselors, internet and web technologies support, or teams of support personnel for quick access In the past Fiscal Year, we provided free and individually tailored assistance, education and counseling to approximately 24,700 families and individuals We assisted consumers with concerns regarding developing and maintaining budgets, obtaining and understanding credit reports, establishing a credit file, obtaining new credit, basic financial planning, savings programs for emergencies and opportunities, retirement programs, debt handling strategies, handling temporary or short term financial crisis, dealing with judgments and garnishments, obtaining mortgages or determining refinance options, dealing with delinquent mortgages and work out programs, obtaining, refinancing, and repaying student loans, dealing with delinquent secured debt such as vehicles, dealing with income reduction, debt negotiation and settlement issues and consequences, and bankruptcy Our initial consumer interview process involved detailed analysis of each person's situation, goals, budget, and options Counselors provided verbal counseling and education tailored to the individuals' situations and goals, and made each person aware of the various options to achieve those goals We worked with consumers to establish a workable financial plan and encouraged them with on-going support commitments, pertinent financial educational materials by mail or email, and appropriate referrals to other needed services Our unique software systems, developed and refined in-house, are designed to guide the counselors' discussions, and automatically provide publications and referral assistance tailored to the individual consumer's situation, as developed during the interview and counseling sessions To assure quality counseling, our counselors are certified by a nationally-recognized financial counselor program that includes training to deal with the psychological problems associated with persons unable to control their debt situations The counselors are also trained to refer consumers to other social service agencies and organizations that offer specific assistance with issues such as various community service organizations, counselors in areas such as personal education and training, substance abuse, employment & career, and to health and welfare organizations Ongoing group training sessions are held weekly, and managers and trainers audit individual counseling sessions for quality We provide comprehensive programs that work with some distressed consumers and their creditors to reduce interest rates, penalties and fees, and work out affordable plans to reduce debts These programs are not for every consumer who receives counseling, less than twenty percent of all persons who received credit counseling in the past fiscal year were offered one of these programs These "debt management programs" (DMP) are individualized to each consumer after a counselor works with the consumer on budget analysis and counseling After the initial consultations, enrollment and setup on the program, we provide each consumer with monthly educational materials, on-line materials, and behavior modification to instill consistent, long-term and financially-sound money management habits, as well as a team of dedicated "Program Counselors" who focus exclusively on DMP clients' ongoing counseling needs Our client financial literacy program is developed and maintained by dedicated staff with graduate level education, and others with expertise in financial counseling and assistance We frequently review and update our materials Throughout the life of the program, we utilize principles of behavior modification, a known educational method, because such modification is necessary to address the underlying causes of financial distress for our clients The community benefits from these programs because they permit the orderly working-out of consumer debt in a manner that strengthens the consumer, the family and the workplace Alliance has been able to reduce stress and debt for thousands of families This leads to better personal and family life, and reduces the negative effects of too much debt, such as distress, health problems, divorce, and other undesirable consequences Bankruptcy Counseling Alliance is one of few agencies to be approved to provide bankruptcy counseling in all 50 states This year, we have assisted approximately 44,909 consumers with pre-petition bankruptcy counseling, helping them understand their situation and options, reviewing their budget, and providing advice to improve their financial positions Additionally, more than 3,424 consumers also benefited from our pre-discharge debtor education program and counseling Housing Counseling Our third major set of counseling programs helped a significant number of persons avoid foreclosure and achieve more stable housing, or find other alternatives to foreclosure With the recent troubles in the housing markets, we significantly expanded our efforts to provide counseling to those in precarious housing situations We assisted more than 1400 families who were delinquent or faced with impending delinquency on their mortgages We provided pre-purchase counseling to assist new homebuyers to be prepared for sustainable home ownership Additionally, we provided reverse mortgage counseling to seniors In some cases, we were able to prevent foreclosure by educating them about the reverse mortgage solution Community Financial Literacy Programs Alliance provides very extensive financial literacy programs to the local community The activities of this program are grouped into two areas, referred to as the Financial Literacy Program and CharlotteSaves Together, these two programs provided 452 seminars and workshops, with over 14,000 attendees The Financial Literacy Program provides budget and resource seminars, proper use of credit, income reduction budgeting and similar topics We work regularly with more than 30 local nonprofit organizations, mostly human service agencies, such as the women's shelter and the county crisis assistance agency, or educational organizations, such as colleges and universities Most of these organizations host our seminars on a regular basis Additionally, we have made our resources available to government agencies such as the Employment Security Commission (the unemployed assistance agency) to provide needed financial information to the high number of unemployed, with frequent seminars on budgeting, dealing with income reduction, and working with creditors This program provided 174 free seminars on financial education topics to various organizations Because of our long-standing programs and relationships with many non-profits, our seminars have high attendance This year we had approximately 7,394 attendees, and placed over 25,000 units of free educational materials to attendees and other parties Most of the materials distributed have been developed in-house by our full time Education Director, over a period of several years, reflecting our experience with assisting many thousands of distressed consumers Alliance operates the CharlotteSaves program, an affiliate of the national "AmericaSaves" program started by the Consumer Federation of America The CharlotteSaves program promotes personal savings programs through educational seminars conducted by volunteer financial experts in local community, with specific individual counseling given by qualified counselors The purpose of the program is to prevent financial distress by teaching and encouraging saving and other strategies to provide financial reserves and the ability to withstand temporary financial setbacks The program teaches consumers how to avoid financial distress by presenting basic financial literacy concepts and financial plan drafting and implementation The program is designed to motivate low-income consumers to save, including special incentives, by local financial institutions, to open personal savings accounts In many cases, these are the first times many participants have been exposed to the actual techniques involved in saving and maintaining savings accounts</p>

Identifier	Return Reference	Explanation
		<p>Alliance has dedicated staff to manage this program, including recruiting and training our group of 50+ volunteers (local financial professionals) to conduct the majority of workshops and seminars. The Saves program also has its own Advisory Board, which includes prominent government officials and local businesspeople, as well as educators and others with an interest in community revitalization. The program also has its own publications, targeted more at the forward-looking and preventative strategies taught by this program than the remedial and maintenance efforts of most of our other programs. Within the scope of the Saves program, we presented 278 seminars and workshops, with 4,371 attendees this past year. To date, more than 7,167 personal savings accounts have been opened. We have had very positive feedback from consumers about our website, due to the ease of use and the extent of materials available. Most of our information guides and other educational materials are available for free from an extensive library of PDF files on our website. Additionally, consumers and the general public may request printed copies at no charge. The website has a learning section that covers topics such as money recommendations and ways to save, credit reports, consumer credit rights, how to deal with debt, loans and bankruptcy, articles on home mortgages, danger signals for credit card abuse and financial planning to reach worthy goals.</p>

Form 4562

Department of the Treasury Internal Revenue Service

Depreciation and Amortization (Including Information on Listed Property)

OMB No 1545-0172

2008

Attachment Sequence No 67

See separate instructions. Attach to your tax return.

Table with 3 columns: Name(s) shown on return, Business or activity to which this form relates, Identifying number.

Part I Election To Expense Certain Property Under Section 179

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

Table with 5 rows for Section 179 election details, including maximum amount, total cost, and dollar limitation.

Table with 13 rows for listed property details, including description, cost, elected cost, and tentative deduction.

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

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

Table with 4 rows for special depreciation allowance and other depreciation details.

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

Section A

Table with 2 rows for MACRS deductions and group election information.

Section B—Assets Placed in Service During 2008 Tax Year Using the General Depreciation System

Table with 7 columns: Classification, Month/year placed, Basis, Recovery period, Convention, Method, Depreciation deduction.

Section C—Assets Placed in Service During 2008 Tax Year Using the Alternative Depreciation System

Table with 3 rows for alternative depreciation system details.

Part IV Summary (See instructions)

Table with 3 rows for summary totals, including listed property amount and total depreciation.

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

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

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

24a Do you have evidence to support the business/investment use claimed? Yes No **24b** If "Yes," is the evidence written? Yes No

Table with 9 columns: (a) Type of property, (b) Date placed in service, (c) Business/investment use percentage, (d) Cost or other basis, (e) Basis for depreciation, (f) Recovery period, (g) Method/Convention, (h) Depreciation/deduction, (i) Elected section 179 cost. Includes rows 25-29 for special depreciation and business use percentages.

Section B—Information on Use of Vehicles

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

Table with 6 main columns: (a) Vehicle 1, (b) Vehicle 2, (c) Vehicle 3, (d) Vehicle 4, (e) Vehicle 5, (f) Vehicle 6. Rows 30-36 cover total miles driven and personal use availability.

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

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

Table with 2 columns: Yes, No. Rows 37-41 cover policy statements and requirements for vehicle use by employees.

Part VI Amortization

Table with 6 columns: (a) Description of costs, (b) Date amortization begins, (c) Amortizable amount, (d) Code section, (e) Amortization period or percentage, (f) Amortization for this year. Includes rows 42-44 for amortization details.