



How to Fund Your Adoption

There are many ways to find the monies needed to adopt. In addition to our help – through your non-profit adoption agency – there are many sources to consider.

There are always adoption fees that have to be paid. These fees pay for the people, procedures and safeguards necessary to insure the safety of the child that is being adopted. However, some countries are less expensive than others and some adoption agencies are more expensive than others. You have to find the right combination for you and your family.

Here is a list of the top 20 countries from where Americans adopted children in 2006, according to the US Department of State's Website. According to their site, 20,679 visas were issued to orphans entering the United States in 2006, compared to 22,728 in 2005, and 22,884 in 2004:

- 6,493 - China (Mainland)
- 4,135 - Guatemala
- 3,706 - Russia
- 1,376 - S. Korea
- 732 - Ethiopia
- 587 - Kazakhstan
- 460 - Ukraine
- 353 - Liberia
- 344 - Colombia
- 320 - India
- 309 - Haiti

- 245 - Philippines
- 187 - China (Taiwan Born)
- 163 - Vietnam
- 70 - Mexico
- 67 - Poland
- 66 - Brazil
- 66 - Nepal
- 62 - Nigeria
- 56 - Thailand

Here are some ideas on funding your adoption:

Adoption Tax Credit: If you pay US taxes, the current adoption tax credit is \$10,000 per child, effective December 31, 2001. Check with your tax preparer or the IRS for more information.

HELOC (Home Equity Line of Credit): Probably one of the most underutilized sources of funding is the equity in our own homes. Most people think of a home equity loan when it comes to home improvements, but actually, your home's equity can be used for anything.

So what is a HELOC, and how is that different from a home equity loan? They are both very similar, except that the HELOC is a pre-approved amount of money which you can write a check against – as you need it. Most banks provide you with a book of checks that can be used to withdraw the amounts needed as you go through the adoption process. As each check is written, you will see your monthly payment go up, to cover the new loan amount. You only pay for the money you borrowed. And the best part, you get to spread out the cost of the adoption over many years. For example, if you borrowed \$17,000 to cover the cost of an adoption, your rate per month could be well under \$100 depending on prevailing rates and your credit scores. And your interest is tax-deductible.

Some banks advertise adoption loans, but these are usually HELOC's called something else.

The Orphan Foundation was formed in December of 2006, and provides financial support and advice to adopting families,

through their licensed 501(c)3 adoption agencies. Collection boxes are our primary source of revenue, and we give priority use of collected monies to families in the cities where residents and businesses donate money to our program. (If you want to become a volunteer in our rapidly expanding program, or open up another city on our behalf, please contact us for more details.) In the very near future, we plan to raise monies in a variety of other ways - from individual contributions, corporate contributions, fund raisers, and grants - in order to expand our offerings and financial support without restrictions.

Federal laws currently prohibit our providing financial benefits directly to the adopting parents, in order to avoid possible abuse of the non-profit tax laws that allow us to receive tax-deductible donations from individuals and businesses. As a result, we make all of these monies available to adopting parents through their licensed non-profit 501(c)3 adoption agencies. Please ask your agency to contact us to start the process.

Based on the availability of our funds, we will either establish grants to qualified agencies, or provide grants to agencies where area families are in the process of adoption. We provide up to \$10,000 per child, or one-half of the adoption costs incurred through the agency, whichever is less. Our funding is limited to our available proceeds from donations. You can contact us at into@TheOrphanFoundation.org or by calling us at (805) 823-3552 to find out more.

Current cities we service in Southern California are:

- ↘ Agoura Hills
- ↘ Camarillo
- ↘ Moorpark
- ↘ Newbury Park
- ↘ Oxnard
- ↘ Simi Valley
- ↘ Thousand Oaks
- ↘ Ventura
- ↘ Westlake Village

Adoption Agency Payment Plans: Many agencies have payment plans or take credit cards. These will usually be at higher rates than a HELOC, but if you're not a homeowner, this is an excellent source of monies for an adoption. You can make monthly or quarterly payments, or your agency may offer other creative ways to make payments.

Borrow from your 401K or your life insurance policy. This is another source of funds that is usually overlooked. And when you pay back the money you borrowed, in essence, you are paying interest to yourself instead of a lending institution.

Employer Adoption Benefits: Many large employers have adoption benefits. Check with your benefits manager and at the Dave Thomas Foundation website list below to see what companies might offer adoption:

http://www.adoptionfriendlyworkplace.com/afw/adoption_friendly_employers.asp

The National Endowment for Financial Education: The NEFE has prepared a free 78-page booklet titled "How to Make Adoption an Affordable Option". The booklet was prepared to inform adoptive parents about the range of financial assistance options that may be available. You may view or download the booklet from the NEFE website located at: <http://www.nefe.org/adoption/default.htm>.

The Gift of Adoption Fund: This fund was established to assist adoptive parents by providing cash grants to subsidize a portion of the costs. Grants are awarded on a monthly basis. Grants of \$2000-\$5000 are based upon agency approval, financial need, childlessness and hardship. Visit their site at: <http://www.giftofadoption.org/> or call them at 877.905.2367.

Project Oz Adoptions, Inc.: This is a special grant offered to adopting parents utilizing their adoption services. Their grant application can be viewed at their website <http://www.projectoz.com/c/25/grant-application>.

The National Adoption Foundation: You can apply for grants ranging from \$500 to \$4000 at: <http://www.nafadopt.org/how-we-can-help/how-we-can-help.shtml>.

A Child Waits Foundation is a non-profit, charitable foundation that makes low-cost loans to families adopting internationally. Eligibility to obtain a loan is based on financial need and each case is judged individually.

“We want to fund families who have exhausted all other resources and who would not be able to continue with an adoption without our help.” A family may be approved for a loan after the home study course is complete but funds are not released until the final 2-3 weeks before travel. Currently, loans are for five years at 7% with a limit of \$7,000 for one child and \$10,000 for two children. The foundation does not make loans to families who could obtain funds from other places but at a higher interest rate.

Information about this foundation and application forms can be found on their website at: <http://www.achildwaits.org>, or by calling 413.499.3992.

The Funds4families Loan Program through American Home Loans offers a diversity of loan programs such as Debt Consolidation, Home Equity Line of Credit, Home Improvement, and Refinancing. Their email address is help@funds4families.com and their phone number is 1-800-451-3372.

Washington Mutual's Cori DiDonato at (617) 559-2529, or cori.didonato@wamu.net, will help you package your adoption financial needs as part of a larger home loan or through various home equity financial products. In many cases – and if your credit scores qualify - she may be able to lower your overall monthly payments, while at the same time creating the monies needed for your adoption. If you do not meet the current requirements, she will provide you with advice on how to get your finances in order to adopt in the near future. Cori is on the Board of Directors of The Orphan Foundation and The Wellness Community in Boston, MA.

The Hebrew Free Loan Society at: <http://www.hfls.org/> provides interest free loans to Jewish adults wanting to adopt internationally or domestically. A single person, or couple, after demonstrating additional need, may borrow up to \$10,000 toward the expenses incurred for the adoption of a child. (Further support may be available in special circumstances.) The repayment schedule for up to \$5,000 is over a three year period. The repayment period for \$5,001 to \$10,000 is over a five year period. They can be reached at (415) 546-9902. Also, check with your own religious organization about adoption financial assistance.

Military non-recurring program is a one-time subsidy program for full-time military personnel. Adopting couples or singles can receive up to \$2000 reimbursement on adoption expenses for one child or \$5,000 for siblings. Eligible personnel should complete DD Form 2675 (Reimbursement For Adoption Expense). The form can be obtained from this link:

<http://www.dtic.mil/whs/directives/infomgt/forms/eforms/dd2675.pdf>

Fund-raising activities: Sometimes we tend to overlook the obvious, and trust our ability to raise monies for an adoption to programs that other people control. But many times, we can take control of the situation by simply getting into fund raising activities ourselves. Below is a list of ideas to help you get started:

- Parents, relatives, and friends;
- Start a small part-time business;
- Garage sales;
- Car wash;
- TV and newspaper stories
- Raffles (check State rules with your State's Attorney General's office);
- Neighborhood yard sales;
- School projects;
- Bake sales;
- An Art and Craft festival;
- Collections at local grocery stores;
- Collections through your job; and/or
- A fund-raising dinner/lunch

And don't be afraid to ask us for our help at The Orphan Foundation! (805) 823-3552.