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**MARKS PANETH**

ACCOUNTANTS & ADVISORS

ACACIA NETWORK HOUSING, INC.  
1064 FRANKLIN AVENUE  
BRONX, NY 10456

ACACIA NETWORK HOUSING, INC.:

ENCLOSED ARE THE 2014 EXEMPT ORGANIZATION RETURNS, AS  
FOLLOWS...

2014 FORM 990

2014 NEW YORK ANNUAL FILING FOR CHARITABLE ORGANIZATIONS

EACH ORIGINAL SHOULD BE DATED, SIGNED AND FILED IN ACCORDANCE  
WITH THE FILING INSTRUCTIONS. THE COPY SHOULD BE RETAINED  
FOR YOUR FILES.

VERY TRULY YOURS,

MARKS PANETH LLP



An independent member of  
**Morison** International

# TAX RETURN FILING INSTRUCTIONS

FORM 990

FOR THE YEAR ENDING  
DECEMBER 31, 2014

<b>Prepared for</b>	ACACIA NETWORK HOUSING, INC. 1064 FRANKLIN AVENUE BRONX, NY 10456
<b>Prepared by</b>	MARKS PANETH LLP 685 THIRD AVENUE NEW YORK, NY 10017
<b>Amount due or refund</b>	NOT APPLICABLE
<b>Make check payable to</b>	NOT APPLICABLE
<b>Mail tax return and check (if applicable) to</b>	NOT APPLICABLE
<b>Return must be mailed on or before</b>	NOT APPLICABLE
<b>Special Instructions</b>	IRS FORM 990 WAS E-FILED. PLEASE KEEP THE ENCLOSED COPY FOR YOUR RECORDS.

**Exempt Organization Declaration and Signature for Electronic Filing**

For calendar year 2014, or tax year beginning \_\_\_\_\_, 2014, and ending \_\_\_\_\_, 20\_\_\_\_

**2014**

Department of the Treasury  
Internal Revenue Service

**For use with Forms 990, 990-EZ, 990-PF, 1120-POL, and 8868**

Name of exempt organization <b>ACACIA NETWORK HOUSING, INC.</b>	Employer identification number <b>26-0076866</b>
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**Part I Type of Return and Return Information** (Whole Dollars Only)

Check the box for the type of return being filed with Form 8453-EO and enter the applicable amount, if any, from the return. If you check the box on line 1a, 2a, 3a, 4a, or 5a below and the amount on that line of the return being filed with this form was blank, then leave line 1b, 2b, 3b, 4b, or 5b, whichever is applicable, blank (do not enter -0-). If you entered -0- on the return, then enter -0- on the applicable line below. **Do not** complete more than one line in Part I.

1a Form 990 check here <input checked="" type="checkbox"/>	b Total revenue, if any (Form 990, Part VIII, column (A), line 12)	1b	<u>76,818,959.</u>
2a Form 990-EZ check here <input type="checkbox"/>	b Total revenue, if any (Form 990-EZ, line 9)	2b	
3a Form 1120-POL check here <input type="checkbox"/>	b Total tax (Form 1120-POL, line 22)	3b	
4a Form 990-PF check here <input type="checkbox"/>	b Tax based on investment income (Form 990-PF, Part VI, line 5)	4b	
5a Form 8868 check here <input type="checkbox"/>	b Balance due (Form 8868, Part I, line 3c or Part II, line 8c)	5b	

**Part II Declaration of Officer**

6  I authorize the U.S. Treasury and its designated Financial Agent to initiate an Automated Clearing House (ACH) electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the organization's federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment.

If a copy of this return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I certify that I executed the electronic disclosure consent contained within this return allowing disclosure by the IRS of this Form 990/990-EZ/990-PF (as specifically identified in Part I above) to the selected state agency(ies).

Under penalties of perjury, I declare that I am an officer of the above named organization and that I have examined a copy of the organization's 2014 electronic return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that the amount in Part I above is the amount shown on the copy of the organization's electronic return. I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send the organization's return to the IRS and to receive from the IRS (a) an acknowledgement of receipt or reason for rejection of the transmission, (b) the reason for any delay in processing the return or refund, and (c) the date of any refund.

<b>Sign Here</b>	Signature of officer _____	Date _____	<b>CHIEF FINANCIAL OFFICER</b>

**Part III Declaration of Electronic Return Originator (ERO) and Paid Preparer** (see instructions)

I declare that I have reviewed the above organization's return and that the entries on Form 8453-EO are complete and correct to the best of my knowledge. If I am only a collector, I am not responsible for reviewing the return and only declare that this form accurately reflects the data on the return. The organization officer will have signed this form before I submit the return. I will give the officer a copy of all forms and information to be filed with the IRS, and have followed all other requirements in Pub. 4163, Modernized e-file (MeF) Information for Authorized IRS e-file Providers for Business Returns. If I am also the Paid Preparer, under penalties of perjury I declare that I have examined the above organization's return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. This Paid Preparer declaration is based on all information of which I have any knowledge.

<b>ERO's Use Only</b>	ERO's signature <input type="checkbox"/>	Date _____	Check if also paid preparer <input checked="" type="checkbox"/>	Check if self-employed <input type="checkbox"/>	ERO's SSN or PTIN <b>P00227472</b>
	Firm's name (or yours if self-employed), address, and ZIP code	<b>MARKS PANETH LLP</b>			EIN <b>11-3518842</b>
		<b>685 THIRD AVENUE</b>			Phone no. <b>212-503-8800</b>
	<b>NEW YORK, NY 10017</b>				

Under penalties of perjury, I declare that I have examined the above return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer is based on all information of which the preparer has any knowledge.

<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name				Firm's EIN
	Firm's address				Phone no.

**Return of Organization Exempt From Income Tax**  
Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

Do not enter social security numbers on this form as it may be made public.  
Information about Form 990 and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

**A For the 2014 calendar year, or tax year beginning and ending**

<b>B</b> Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return/terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	<b>C</b> Name of organization <b>ACACIA NETWORK HOUSING, INC.</b>		<b>D</b> Employer identification number <b>26-0076866</b>
	Doing business as		<b>E</b> Telephone number <b>718-861-5650</b>
	Number and street (or P.O. box if mail is not delivered to street address)	Room/suite	
	<b>1064 FRANKLIN AVENUE</b>		<b>G</b> Gross receipts \$ <b>76,818,959.</b>
	City or town, state or province, country, and ZIP or foreign postal code <b>BRONX, NY 10456</b>		<b>H(a)</b> Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<b>F</b> Name and address of principal officer: <b>RAUL RUSSI</b> <b>SAME AS C ABOVE</b>		<b>H(b)</b> Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No	
<b>I</b> Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) ( ) (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527		If "No," attach a list. (see instructions)	
<b>J</b> Website: <b>WWW.ACACIANETWORK.ORG</b>		<b>H(c)</b> Group exemption number	
<b>K</b> Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other		<b>L</b> Year of formation: <b>2003</b>	<b>M</b> State of legal domicile: <b>NY</b>

**Part I Summary**

<b>Activities &amp; Governance</b>	<b>1</b> Briefly describe the organization's mission or most significant activities: <b>PROVIDES TEMPORARY HOUSING AND HOUSING ASSISTANCE TO HOMELESS FAMILIES IN NYC; PROVIDES ANCILLARY</b>		
	<b>2</b> Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	<b>3</b> Number of voting members of the governing body (Part VI, line 1a)	<b>3</b>	<b>5</b>
	<b>4</b> Number of independent voting members of the governing body (Part VI, line 1b)	<b>4</b>	<b>5</b>
	<b>5</b> Total number of individuals employed in calendar year 2014 (Part V, line 2a)	<b>5</b>	<b>435</b>
	<b>6</b> Total number of volunteers (estimate if necessary)	<b>6</b>	<b>5</b>
	<b>7a</b> Total unrelated business revenue from Part VIII, column (C), line 12	<b>7a</b>	<b>0.</b>
<b>b</b> Net unrelated business taxable income from Form 990-T, line 34	<b>7b</b>	<b>0.</b>	
<b>Revenue</b>	<b>8</b> Contributions and grants (Part VIII, line 1h)	<b>Prior Year</b> 56,152,469.	<b>Current Year</b> 75,618,262.
	<b>9</b> Program service revenue (Part VIII, line 2g)	583,012.	1,101,060.
	<b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d)	83,141.	29,963.
	<b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	172,939.	69,674.
	<b>12</b> Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	56,991,561.	76,818,959.
<b>Expenses</b>	<b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1-3)	0.	0.
	<b>14</b> Benefits paid to or for members (Part IX, column (A), line 4)	0.	0.
	<b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	11,359,491.	13,385,962.
	<b>16a</b> Professional fundraising fees (Part IX, column (A), line 11e)	0.	0.
	<b>b</b> Total fundraising expenses (Part IX, column (D), line 25)	0.	
	<b>17</b> Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	46,072,942.	62,808,577.
<b>18</b> Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	57,432,433.	76,194,539.	
<b>19</b> Revenue less expenses. Subtract line 18 from line 12	-440,872.	624,420.	
<b>Net Assets or Fund Balances</b>	<b>20</b> Total assets (Part X, line 16)	<b>Beginning of Current Year</b> 14,793,706.	<b>End of Year</b> 15,744,825.
	<b>21</b> Total liabilities (Part X, line 26)	11,167,119.	11,493,818.
	<b>22</b> Net assets or fund balances. Subtract line 21 from line 20	3,626,587.	4,251,007.

**Part II Signature Block**

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.

<b>Sign Here</b>	Signature of officer		Date		
	<b>TOMAS DEL RIO, CHIEF FINANCIAL OFFICER</b> Type or print name and title				
<b>Paid Preparer Use Only</b>	Print/Type preparer's name <b>LYONS, ROBERT</b>	Preparer's signature <i>Robert Lyons</i>	Date <b>11/16/15</b>	Check if self-employed <input type="checkbox"/>	PTIN <b>P00227472</b>
	Firm's name <b>MARKS PANETH LLP</b>	Firm's EIN <b>11-3518842</b>			
	Firm's address <b>685 THIRD AVENUE NEW YORK, NY 10017</b>		Phone no. <b>212-503-8800</b>		

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

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III [X]

1 Briefly describe the organization's mission: PROVIDED TEMPORARY HOUSING AND HOUSING ASSISTANCE TO HOMELESS FAMILIES IN NEW YORK CITY; PROVIDED ANCILLARY SOCIAL SERVICES, FOOD, CLOTHING, ACCESS TO MEDICAL SERVICES AND FIND PERMANENT HOUSING AND JOBS TO THOSE FAMILIES.

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 [X] No

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? [ ] Yes [X] No

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses.

4a (Code: ) (Expenses \$ 70,923,179. including grants of \$ ) (Revenue \$ 1,101,060.) ACACIA NETWORK HOUSING, INC. IS A DYNAMIC AND GROWING NOT FOR PROFIT ORGANIZATION THAT PROVIDES TRANSITIONAL HOUSING FOR THE HOMELESS AND THE ASSISTANCE TO HELP THESE INDIVIDUALS FIND PERMANENT RESIDENCES. WHILE CLIENTS ARE WITH ANH, FAMILIES AND INDIVIDUALS RECEIVE NUMEROUS INTEGRATED SUPPORTIVE SERVICES TO HELP THEM ATTAIN THEIR GOAL OF PERMANENT HOUSING. THESE SERVICES INCLUDE INDIVIDUAL ASSESSMENTS OF IMPEDIMENTS THAT PEOPLE MAY HAVE IN ACHIEVING THEIR HOUSING GOALS AND REFERRALS TO MEDICAL, PSYCHOLOGICAL, EDUCATIONAL, DAY CARE AND EMPLOYMENT RESOURCES TO HELP PEOPLE RECEIVE NEEDED MEDICAL CARE, AND DEVELOP THE SKILLS AND MOTIVATION TO FIND JOBS AND HOMES. CASE WORKERS MEET WITH CLIENTS FREQUENTLY TO GAUGE THEIR PROGRESS AND TO PROVIDE ADDITIONAL SUPPORTS AS NECESSARY.

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 70,923,179.

**Part IV Checklist of Required Schedules**

	Yes	No
<b>1</b> 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> .....	X	
<b>2</b> Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> ? .....	X	
<b>3</b> 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> .....		X
<b>4</b> <b>Section 501(c)(3) organizations.</b> Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i> .....	X	
<b>5</b> Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i> .....		X
<b>6</b> Did the organization maintain any donor advised funds or any similar funds or accounts for which 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> .....		X
<b>7</b> 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> .....		X
<b>8</b> Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i> .....		X
<b>9</b> Did the organization report an amount in Part X, line 21, for escrow or custodial account liability; 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> .....		X
<b>10</b> Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i> .....		X
<b>11</b> If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
<b>a</b> Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i> .....	X	
<b>b</b> Did the organization report an amount for investments - other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i> .....	X	
<b>c</b> Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i> .....		X
<b>d</b> Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i> .....	X	
<b>e</b> Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i> .....	X	
<b>f</b> Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i> .....	X	
<b>12a</b> Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i> .....		X
<b>b</b> Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i> .....	X	
<b>13</b> Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i> .....		X
<b>14a</b> Did the organization maintain an office, employees, or agents outside of the United States? .....		X
<b>b</b> Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV</i> .....		X
<b>15</b> Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? <i>If "Yes," complete Schedule F, Parts II and IV</i> .....		X
<b>16</b> Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? <i>If "Yes," complete Schedule F, Parts III and IV</i> .....		X
<b>17</b> Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I</i> .....		X
<b>18</b> Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i> .....		X
<b>19</b> Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i> .....		X
<b>20a</b> Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i> .....		X
<b>b</b> If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return? .....		

**Part IV Checklist of Required Schedules** (continued)

	Yes	No
<b>21</b> Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i> .....		X
<b>22</b> Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i> .....		X
<b>23</b> Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i> .....	X	
<b>24a</b> 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 lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i> .....		X
<b>b</b> Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? .....		
<b>c</b> Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? .....		
<b>d</b> Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? .....		
<b>25a Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations.</b> 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> .....		X
<b>b</b> Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i> .....		X
<b>26</b> Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? <i>If "Yes," complete Schedule L, Part II</i> .....		X
<b>27</b> Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i> .....		X
<b>28</b> Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
<b>a</b> A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i> .....		X
<b>b</b> A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i> .....		X
<b>c</b> An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i> .....		X
<b>29</b> Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i> .....		X
<b>30</b> Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i> .....		X
<b>31</b> Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i> .....		X
<b>32</b> 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> .....		X
<b>33</b> Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i> .....		X
<b>34</b> Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i> .....	X	
<b>35a</b> Did the organization have a controlled entity within the meaning of section 512(b)(13)? .....	X	
<b>b</b> If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i> .....		X
<b>36 Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i> .....		X
<b>37</b> Did the organization conduct more than 5% 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> .....		X
<b>38</b> Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? .....	X	

**Note.** All Form 990 filers are required to complete Schedule O .....

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V

Input box for Schedule O check

Main table with columns for question number, description, and Yes/No checkboxes. Includes rows 1a-14b with numerical inputs like 108, 0, 435.

**Part VI Governance, Management, and Disclosure** For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response or note to any line in this Part VI

**Section A. Governing Body and Management**

		Yes	No
<b>1a</b>	Enter the number of voting members of the governing body at the end of the tax year If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.		
<b>1b</b>	Enter the number of voting members included in line 1a, above, who are independent		
<b>2</b>	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		X
<b>3</b>	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person?		X
<b>4</b>	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		X
<b>5</b>	Did the organization become aware during the year of a significant diversion of the organization's assets?		X
<b>6</b>	Did the organization have members or stockholders?		X
<b>7a</b>	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?		X
<b>7b</b>	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?		X
<b>8</b>	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
<b>8a</b>	The governing body?	X	
<b>8b</b>	Each committee with authority to act on behalf of the governing body?	X	
<b>9</b>	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O		X

**Section B. Policies** (This Section B requests information about policies not required by the Internal Revenue Code.)

		Yes	No
<b>10a</b>	Did the organization have local chapters, branches, or affiliates?		X
<b>10b</b>	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?		
<b>11a</b>	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	X	
<b>11b</b>	Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
<b>12a</b>	Did the organization have a written conflict of interest policy? If "No," go to line 13	X	
<b>12b</b>	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
<b>12c</b>	Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	X	
<b>13</b>	Did the organization have a written whistleblower policy?	X	
<b>14</b>	Did the organization have a written document retention and destruction policy?	X	
<b>15</b>	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
<b>15a</b>	The organization's CEO, Executive Director, or top management official	X	
<b>15b</b>	Other officers or key employees of the organization	X	
	If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).		
<b>16a</b>	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?		X
<b>16b</b>	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?		

**Section C. Disclosure**

- 17** List the states with which a copy of this Form 990 is required to be filed **NY**
- 18** Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.  
 Own website     Another's website     Upon request     Other (explain in Schedule O)
- 19** Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
- 20** State the name, address, and telephone number of the person who possesses the organization's books and records: **GLENN BELLITO - 718-861-5650**  
**1064 FRANKLIN AVENUE, BRONX, NY 10456**

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

Check if Schedule O contains a response or note to any line in this Part VII

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

**1a** Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- 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, and 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 neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(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			
(1) EDUARDO ALAYON CHAIR	1.00	X		X				0.	0.	0.
(2) PEDRO FALCON VICE CHAIR	1.00	X		X				0.	0.	0.
(3) THOMAS HIGGINS SECRETARY	1.00	X		X				0.	0.	0.
(4) MILAGROS BAEZ O'TOOLE MEMBER	1.00	X						0.	0.	0.
(5) INGLE STEPHENS MEMBER (FORMER)	1.00	X						0.	0.	0.
(6) CARLOS LABOY DIAZ TREASURER	1.00	X						0.	0.	0.
(7) HON. HECTOR DIAZ PRESIDENT	2.00 33.00			X				0.	217,381.	10,896.
(8) RAUL RUSSI CHIEF EXECUTIVE OFFICER	1.00 34.00			X				0.	504,208.	22,000.
(9) PAMELA MATTEL CHIEF OPERATING OFFICER	1.00 34.00			X				0.	296,449.	49,252.
(10) TOMAS DEL RIO CHIEF FINANCIAL OFFICER	2.00 33.00			X				0.	310,477.	34,377.
(11) ROBERT GONZALEZ PROGRAM DIRECTOR	35.00					X		145,920.	0.	11,279.
(12) GLENN BELLITTO ASSISTANT CONTROLLER	35.00					X		123,402.	0.	8,141.



**Part VIII Statement of Revenue**

Check if Schedule O contains a response or note to any line in this Part VIII

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512 - 514	
<b>Contributions, Gifts, Grants and Other Similar Amounts</b>	<b>1 a</b> Federated campaigns .....	<b>1a</b>					
	<b>b</b> Membership dues .....	<b>1b</b>					
	<b>c</b> Fundraising events .....	<b>1c</b>					
	<b>d</b> Related organizations .....	<b>1d</b>					
	<b>e</b> Government grants (contributions) .....	<b>1e</b>	75,613,262.				
	<b>f</b> All other contributions, gifts, grants, and similar amounts not included above .....	<b>1f</b>	5,000.				
	<b>g</b> Noncash contributions included in lines 1a-1f: \$ .....						
	<b>h Total.</b> Add lines 1a-1f .....		75,618,262.				
<b>Program Service Revenue</b>	<b>2 a</b> PROGRAM SERVICE FEES .....	<b>Business Code</b> 900099	1,101,060.	1,101,060.			
	<b>b</b> .....						
	<b>c</b> .....						
	<b>d</b> .....						
	<b>e</b> .....						
	<b>f</b> All other program service revenue .....						
	<b>g Total.</b> Add lines 2a-2f .....		1,101,060.				
<b>Other Revenue</b>	<b>3</b> Investment income (including dividends, interest, and other similar amounts) .....		29,963.			29,963.	
	<b>4</b> Income from investment of tax-exempt bond proceeds .....						
	<b>5</b> Royalties .....						
	<b>6 a</b> Gross rents .....	(i) Real	(ii) Personal				
		<b>b</b> Less: rental expenses .....					
		<b>c</b> Rental income or (loss) .....					
		<b>d</b> Net rental income or (loss) .....					
	<b>7 a</b> Gross amount from sales of assets other than inventory .....	(i) Securities	(ii) Other				
		<b>b</b> Less: cost or other basis and sales expenses .....					
		<b>c</b> Gain or (loss) .....					
		<b>d</b> Net gain or (loss) .....					
	<b>8 a</b> Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18 .....	<b>a</b>					
		<b>b</b> Less: direct expenses .....	<b>b</b>				
		<b>c</b> Net income or (loss) from fundraising events .....					
	<b>9 a</b> Gross income from gaming activities. See Part IV, line 19 .....	<b>a</b>					
<b>b</b> Less: direct expenses .....		<b>b</b>					
<b>c</b> Net income or (loss) from gaming activities .....							
<b>10 a</b> Gross sales of inventory, less returns and allowances .....	<b>a</b>						
	<b>b</b> Less: cost of goods sold .....	<b>b</b>					
	<b>c</b> Net income or (loss) from sales of inventory .....						
Miscellaneous Revenue		<b>Business Code</b>					
<b>11 a</b> MISCELLANEOUS INCOME .....	900099	69,674.			69,674.		
	<b>b</b> .....						
	<b>c</b> .....						
	<b>d</b> All other revenue .....						
	<b>e Total.</b> Add lines 11a-11d .....		69,674.				
<b>12 Total revenue.</b> See instructions. ....		76,818,959.	1,101,060.	0.	99,637.		

**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).

Check if Schedule O contains a response or note to any line in this Part IX

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 domestic organizations and domestic governments. See Part IV, line 21				
2 Grants and other assistance to domestic individuals. See Part IV, line 22				
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	311,302.	181,613.	129,689.	
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	9,807,792.	9,117,778.	690,014.	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	56,770.	56,530.	240.	
9 Other employee benefits	1,915,770.	1,761,232.	154,538.	
10 Payroll taxes	1,294,328.	1,190,782.	103,546.	
11 Fees for services (non-employees):				
a Management				
b Legal	25,705.		25,705.	
c Accounting	60,000.		60,000.	
d Lobbying	5,979.		5,979.	
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch O.)	255,607.		255,607.	
12 Advertising and promotion				
13 Office expenses	4,047,026.	3,701,794.	345,232.	
14 Information technology				
15 Royalties				
16 Occupancy	47,392,477.	47,082,684.	309,793.	
17 Travel	327,633.	327,517.	116.	
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest	82,897.		82,897.	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	367,856.	367,856.		
23 Insurance	759,394.	751,800.	7,594.	
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a <b>HOUSE./FAC/MED SUPPLIES</b>	4,656,863.	4,531,703.	125,160.	
b <b>ADMINISTRATIVE FEES</b>	2,967,155.		2,967,155.	
c <b>FOOD</b>	1,706,024.	1,706,024.		
d <b>TELEPHONE</b>	147,336.	145,866.	1,470.	
e All other expenses	6,625.		6,625.	
25 <b>Total functional expenses.</b> Add lines 1 through 24e	76,194,539.	70,923,179.	5,271,360.	0.
26 <b>Joint costs.</b> Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation.				

Check here  if following SOP 98-2 (ASC 958-720)

**Part X Balance Sheet**

Check if Schedule O contains a response or note to any line in this Part X

		(A) Beginning of year		(B) End of year
<b>Assets</b>	<b>1</b> Cash - non-interest-bearing .....		<b>1</b>	
	<b>2</b> Savings and temporary cash investments .....	8,795,609.	<b>2</b>	9,530,732.
	<b>3</b> Pledges and grants receivable, net .....	2,128,648.	<b>3</b>	52,496.
	<b>4</b> Accounts receivable, net .....		<b>4</b>	
	<b>5</b> Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L .....		<b>5</b>	
	<b>6</b> Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instr). Complete Part II of Sch L .....		<b>6</b>	
	<b>7</b> Notes and loans receivable, net .....		<b>7</b>	
	<b>8</b> Inventories for sale or use .....		<b>8</b>	
	<b>9</b> Prepaid expenses and deferred charges .....	116,928.	<b>9</b>	426,791.
	<b>10a</b> Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D .....	<b>10a</b> 5,871,321.		
	<b>b</b> Less: accumulated depreciation .....	<b>10b</b> 2,003,052.	<b>10c</b>	3,868,269.
	<b>11</b> Investments - publicly traded securities .....		<b>11</b>	
	<b>12</b> Investments - other securities. See Part IV, line 11 .....		<b>12</b>	1,002,000.
	<b>13</b> Investments - program-related. See Part IV, line 11 .....		<b>13</b>	
	<b>14</b> Intangible assets .....		<b>14</b>	
	<b>15</b> Other assets. See Part IV, line 11 .....	845,512.	<b>15</b>	864,537.
<b>16 Total assets.</b> Add lines 1 through 15 (must equal line 34) .....	14,793,706.	<b>16</b>	15,744,825.	
<b>Liabilities</b>	<b>17</b> Accounts payable and accrued expenses .....	7,111,815.	<b>17</b>	7,178,080.
	<b>18</b> Grants payable .....		<b>18</b>	
	<b>19</b> Deferred revenue .....		<b>19</b>	
	<b>20</b> Tax-exempt bond liabilities .....		<b>20</b>	
	<b>21</b> Escrow or custodial account liability. Complete Part IV of Schedule D .....		<b>21</b>	
	<b>22</b> Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L .....		<b>22</b>	
	<b>23</b> Secured mortgages and notes payable to unrelated third parties .....		<b>23</b>	
	<b>24</b> Unsecured notes and loans payable to unrelated third parties .....		<b>24</b>	
	<b>25</b> Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D .....	4,055,304.	<b>25</b>	4,315,738.
	<b>26 Total liabilities.</b> Add lines 17 through 25 .....	11,167,119.	<b>26</b>	11,493,818.
<b>Net Assets or Fund Balances</b>	<b>Organizations that follow SFAS 117 (ASC 958), check here</b> <input checked="" type="checkbox"/> <b>and complete lines 27 through 29, and lines 33 and 34.</b>			
	<b>27</b> Unrestricted net assets .....	3,626,587.	<b>27</b>	4,251,007.
	<b>28</b> Temporarily restricted net assets .....		<b>28</b>	
	<b>29</b> Permanently restricted net assets .....		<b>29</b>	
	<b>Organizations that do not follow SFAS 117 (ASC 958), check here</b> <input type="checkbox"/> <b>and complete lines 30 through 34.</b>			
	<b>30</b> Capital stock or trust principal, or current funds .....		<b>30</b>	
	<b>31</b> Paid-in or capital surplus, or land, building, or equipment fund .....		<b>31</b>	
	<b>32</b> Retained earnings, endowment, accumulated income, or other funds .....		<b>32</b>	
<b>33</b> Total net assets or fund balances .....	3,626,587.	<b>33</b>	4,251,007.	
<b>34</b> Total liabilities and net assets/fund balances .....	14,793,706.	<b>34</b>	15,744,825.	

**Part XI Reconciliation of Net Assets**

Check if Schedule O contains a response or note to any line in this Part XI

<b>1</b>	Total revenue (must equal Part VIII, column (A), line 12)	<b>1</b>	76,818,959.
<b>2</b>	Total expenses (must equal Part IX, column (A), line 25)	<b>2</b>	76,194,539.
<b>3</b>	Revenue less expenses. Subtract line 2 from line 1	<b>3</b>	624,420.
<b>4</b>	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	<b>4</b>	3,626,587.
<b>5</b>	Net unrealized gains (losses) on investments	<b>5</b>	
<b>6</b>	Donated services and use of facilities	<b>6</b>	
<b>7</b>	Investment expenses	<b>7</b>	
<b>8</b>	Prior period adjustments	<b>8</b>	
<b>9</b>	Other changes in net assets or fund balances (explain in Schedule O)	<b>9</b>	0.
<b>10</b>	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	<b>10</b>	4,251,007.

**Part XII Financial Statements and Reporting**

Check if Schedule O contains a response or note to any line in this Part XII

		Yes	No
<b>1</b>	Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other		
If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.			
<b>2a</b>	Were the organization's financial statements compiled or reviewed by an independent accountant?		X
If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both:			
<input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis			
<b>b</b>	Were the organization's financial statements audited by an independent accountant?	X	
If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both:			
<input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis			
<b>c</b>	If "Yes" to line 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?	X	
If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.			
<b>3a</b>	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?	X	
<b>b</b>	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	X	



**Part II Support Schedule for Organizations Described in Sections 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 or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(f) Total
<b>1</b> Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") .....	21142458.	34661165.	40684273.	56152469.	75613262.	228253627
<b>2</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf .....						
<b>3</b> The value of services or facilities furnished by a governmental unit to the organization without charge .....						
<b>4 Total.</b> Add lines 1 through 3 .....	21142458.	34661165.	40684273.	56152469.	75613262.	228253627
<b>5</b> The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f) .....						
<b>6 Public support.</b> Subtract line 5 from line 4.						228253627

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ▶	(a) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(f) Total
<b>7</b> Amounts from line 4 .....	21142458.	34661165.	40684273.	56152469.	75613262.	228253627
<b>8</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources .....	31,136.	11,476.	32,678.	83,141.	29,963.	188,394.
<b>9</b> Net income from unrelated business activities, whether or not the business is regularly carried on .....						
<b>10</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.) .....	75,028.	120,167.	179,985.	172,939.	69,674.	617,793.
<b>11 Total support.</b> Add lines 7 through 10						229059814
<b>12</b> Gross receipts from related activities, etc. (see instructions) .....					12	3,600,904.
<b>13 First five years.</b> If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and <b>stop here</b> .....						<input type="checkbox"/>

**Section C. Computation of Public Support Percentage**

<b>14</b> Public support percentage for 2014 (line 6, column (f) divided by line 11, column (f)) .....	<b>14</b>	99.65 %
<b>15</b> Public support percentage from 2013 Schedule A, Part II, line 14 .....	<b>15</b>	99.57 %
<b>16a 33 1/3% support test - 2014.</b> If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization .....		<input checked="" type="checkbox"/>
<b>b 33 1/3% support test - 2013.</b> If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization .....		<input type="checkbox"/>
<b>17a 10% -facts-and-circumstances test - 2014.</b> 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 <b>stop here.</b> Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization .....		<input type="checkbox"/>
<b>b 10% -facts-and-circumstances test - 2013.</b> 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 <b>stop here.</b> Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization .....		<input type="checkbox"/>
<b>18 Private foundation.</b> If the organization did not check a 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 Section 509(a)(2)**

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

**Section A. Public Support**

Calendar year (or fiscal year beginning in) ►	(a) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(f) Total
<b>1</b> Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") .....						
<b>2</b> 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						
<b>3</b> Gross receipts from activities that are not an unrelated trade or business under section 513 .....						
<b>4</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf .....						
<b>5</b> The value of services or facilities furnished by a governmental unit to the organization without charge ...						
<b>6 Total.</b> Add lines 1 through 5 .....						
<b>7a</b> Amounts included on lines 1, 2, and 3 received from disqualified persons						
<b>b</b> Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year .....						
<b>c</b> Add lines 7a and 7b .....						
<b>8 Public support.</b> (Subtract line 7c from line 6.)						

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ►	(a) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(f) Total
<b>9</b> Amounts from line 6 .....						
<b>10a</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources ...						
<b>b</b> Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975 .....						
<b>c</b> Add lines 10a and 10b .....						
<b>11</b> Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on .....						
<b>12</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.) .....						
<b>13 Total support.</b> (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 section 501(c)(3) organization, check this box and **stop here** .....

**Section C. Computation of Public Support Percentage**

<b>15</b> Public support percentage for 2014 (line 8, column (f) divided by line 13, column (f)) .....	<b>15</b>	%
<b>16</b> Public support percentage from 2013 Schedule A, Part III, line 15 .....	<b>16</b>	%

**Section D. Computation of Investment Income Percentage**

<b>17</b> Investment income percentage for 2014 (line 10c, column (f) divided by line 13, column (f)) .....	<b>17</b>	%
<b>18</b> Investment income percentage from 2013 Schedule A, Part III, line 17 .....	<b>18</b>	%

**19a 33 1/3% support tests - 2014.** 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% support tests - 2013.** 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 IV Supporting Organizations**

(Complete only if you checked a box on line 11 of Part I. If you checked 11a of Part I, complete Sections A and B. If you checked 11b of Part I, complete Sections A and C. If you checked 11c of Part I, complete Sections A, D, and E. If you checked 11d of Part I, complete Sections A and D, and complete Part V.)

**Section A. All Supporting Organizations**

	Yes	No
<b>1</b> Are all of the organization's supported organizations listed by name in the organization's governing documents? <i>If "No" describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.</i>		
<b>2</b> Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? <i>If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).</i>		
<b>3a</b> Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? <i>If "Yes," answer (b) and (c) below.</i>		
<b>b</b> Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? <i>If "Yes," describe in Part VI when and how the organization made the determination.</i>		
<b>c</b> Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2) (B) purposes? <i>If "Yes," explain in Part VI what controls the organization put in place to ensure such use.</i>		
<b>4a</b> Was any supported organization not organized in the United States ("foreign supported organization")? <i>If "Yes" and if you checked 11a or 11b in Part I, answer (b) and (c) below.</i>		
<b>b</b> Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? <i>If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.</i>		
<b>c</b> Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? <i>If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.</i>		
<b>5a</b> Did the organization add, substitute, or remove any supported organizations during the tax year? <i>If "Yes," answer (b) and (c) below (if applicable). Also, provide detail in Part VI, including (i) the names and EIN numbers of the supported organizations added, substituted, or removed, (ii) the reasons for each such action, (iii) the authority under the organization's organizing document authorizing such action, and (iv) how the action was accomplished (such as by amendment to the organizing document).</i>		
<b>b Type I or Type II only.</b> Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		
<b>c Substitutions only.</b> Was the substitution the result of an event beyond the organization's control?		
<b>6</b> Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (a) its supported organizations; (b) individuals that are part of the charitable class benefited by one or more of its supported organizations; or (c) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? <i>If "Yes," provide detail in Part VI.</i>		
<b>7</b> Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (defined in IRC 4958(c)(3)(C)), a family member of a substantial contributor, or a 35-percent controlled entity with regard to a substantial contributor? <i>If "Yes," complete Part I of Schedule L (Form 990).</i>		
<b>8</b> Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? <i>If "Yes," complete Part I of Schedule L (Form 990).</i>		
<b>9a</b> Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? <i>If "Yes," provide detail in Part VI.</i>		
<b>b</b> Did one or more disqualified persons (as defined in line 9(a)) hold a controlling interest in any entity in which the supporting organization had an interest? <i>If "Yes," provide detail in Part VI.</i>		
<b>c</b> Did a disqualified person (as defined in line 9(a)) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? <i>If "Yes," provide detail in Part VI.</i>		
<b>10a</b> Was the organization subject to the excess business holdings rules of IRC 4943 because of IRC 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? <i>If "Yes," answer (b) below.</i>		
<b>b</b> Did the organization have any excess business holdings in the tax year? <i>(Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)</i>		

**Part IV Supporting Organizations** (continued)

	Yes	No
<b>11</b> Has the organization accepted a gift or contribution from any of the following persons?		
<b>a</b> A person who directly or indirectly controls, either alone or together with persons described in (b) and (c) below, the governing body of a supported organization?		
<b>b</b> A family member of a person described in (a) above?		
<b>c</b> A 35% controlled entity of a person described in (a) or (b) above? If "Yes" to a, b, or c, provide detail in <b>Part VI</b> .		

**Section B. Type I Supporting Organizations**

	Yes	No
<b>1</b> Did the directors, trustees, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's directors or trustees at all times during the tax year? If "No," describe in <b>Part VI</b> how the supported organization(s) effectively operated, supervised, or controlled the organization's activities. If the organization had more than one supported organization, describe how the powers to appoint and/or remove directors or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax year.		
<b>2</b> Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization? If "Yes," explain in <b>Part VI</b> how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised, or controlled the supporting organization.		

**Section C. Type II Supporting Organizations**

	Yes	No
<b>1</b> Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)? If "No," describe in <b>Part VI</b> how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s).		

**Section D. Type III Supporting Organizations**

	Yes	No
<b>1</b> Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (1) a written notice describing the type and amount of support provided during the prior tax year, (2) a copy of the Form 990 that was most recently filed as of the date of notification, and (3) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided?		
<b>2</b> Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? If "No," explain in <b>Part VI</b> how the organization maintained a close and continuous working relationship with the supported organization(s).		
<b>3</b> By reason of the relationship described in (2), did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? If "Yes," describe in <b>Part VI</b> the role the organization's supported organizations played in this regard.		

**Section E. Type III Functionally-Integrated Supporting Organizations**

<b>1</b> Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions):		
<b>a</b> <input type="checkbox"/> The organization satisfied the Activities Test. Complete <b>line 2</b> below.		
<b>b</b> <input type="checkbox"/> The organization is the parent of each of its supported organizations. Complete <b>line 3</b> below.		
<b>c</b> <input type="checkbox"/> The organization supported a governmental entity. Describe in <b>Part VI</b> how you supported a government entity (see instructions).		
<b>2</b> Activities Test. Answer (a) and (b) below.		
<b>a</b> Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? If "Yes," then in <b>Part VI</b> identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.		
<b>b</b> Did the activities described in (a) constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? If "Yes," explain in <b>Part VI</b> the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.		
<b>3</b> Parent of Supported Organizations. Answer (a) and (b) below.		
<b>a</b> Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? Provide details in <b>Part VI</b> .		
<b>b</b> Did the organization exercise a substantial degree of direction over the policies, programs, and activities of each of its supported organizations? If "Yes," describe in <b>Part VI</b> the role played by the organization in this regard.		

**Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations**

1  Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov. 20, 1970. See instructions. All other Type III non-functionally integrated supporting organizations must complete Sections A through E.

Section A - Adjusted Net Income		(A) Prior Year	(B) Current Year (optional)
1	Net short-term capital gain	1	
2	Recoveries of prior-year distributions	2	
3	Other gross income (see instructions)	3	
4	Add lines 1 through 3	4	
5	Depreciation and depletion	5	
6	Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	6	
7	Other expenses (see instructions)	7	
8	<b>Adjusted Net Income</b> (subtract lines 5, 6 and 7 from line 4)	8	

Section B - Minimum Asset Amount		(A) Prior Year	(B) Current Year (optional)
1	Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year):		
a	Average monthly value of securities	1a	
b	Average monthly cash balances	1b	
c	Fair market value of other non-exempt-use assets	1c	
d	<b>Total</b> (add lines 1a, 1b, and 1c)	1d	
e	<b>Discount</b> claimed for blockage or other factors (explain in detail in Part VI):		
2	Acquisition indebtedness applicable to non-exempt-use assets	2	
3	Subtract line 2 from line 1d	3	
4	Cash deemed held for exempt use. Enter 1-1/2% of line 3 (for greater amount, see instructions).	4	
5	Net value of non-exempt-use assets (subtract line 4 from line 3)	5	
6	Multiply line 5 by .035	6	
7	Recoveries of prior-year distributions	7	
8	<b>Minimum Asset Amount</b> (add line 7 to line 6)	8	

Section C - Distributable Amount		(A) Prior Year	Current Year
1	Adjusted net income for prior year (from Section A, line 8, Column A)	1	
2	Enter 85% of line 1	2	
3	Minimum asset amount for prior year (from Section B, line 8, Column A)	3	
4	Enter greater of line 2 or line 3	4	
5	Income tax imposed in prior year	5	
6	<b>Distributable Amount.</b> Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions)	6	
7	<input type="checkbox"/> Check here if the current year is the organization's first as a non-functionally-integrated Type III supporting organization (see instructions).		

**Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations** (continued)

Section D - Distributions	Current Year
<b>1</b> Amounts paid to supported organizations to accomplish exempt purposes	
<b>2</b> Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	
<b>3</b> Administrative expenses paid to accomplish exempt purposes of supported organizations	
<b>4</b> Amounts paid to acquire exempt-use assets	
<b>5</b> Qualified set-aside amounts (prior IRS approval required)	
<b>6</b> Other distributions (describe in <b>Part VI</b> ). See instructions.	
<b>7 Total annual distributions.</b> Add lines 1 through 6.	
<b>8</b> Distributions to attentive supported organizations to which the organization is responsive (provide details in <b>Part VI</b> ). See instructions.	
<b>9</b> Distributable amount for 2014 from Section C, line 6	
<b>10</b> Line 8 amount divided by Line 9 amount	

Section E - Distribution Allocations (see instructions)	(i) Excess Distributions	(ii) Underdistributions Pre-2014	(iii) Distributable Amount for 2014
<b>1</b> Distributable amount for 2014 from Section C, line 6			
<b>2</b> Underdistributions, if any, for years prior to 2014 (reasonable cause required-see instructions)			
<b>3</b> Excess distributions carryover, if any, to 2014:			
<b>a</b>			
<b>b</b>			
<b>c</b>			
<b>d</b>			
<b>e</b> From 2013			
<b>f Total</b> of lines 3a through e			
<b>g</b> Applied to underdistributions of prior years			
<b>h</b> Applied to 2014 distributable amount			
<b>i</b> Carryover from 2009 not applied (see instructions)			
<b>j</b> Remainder. Subtract lines 3g, 3h, and 3i from 3f.			
<b>4</b> Distributions for 2014 from Section D, line 7: \$			
<b>a</b> Applied to underdistributions of prior years			
<b>b</b> Applied to 2014 distributable amount			
<b>c</b> Remainder. Subtract lines 4a and 4b from 4.			
<b>5</b> Remaining underdistributions for years prior to 2014, if any. Subtract lines 3g and 4a from line 2 (if amount greater than zero, see instructions).			
<b>6</b> Remaining underdistributions for 2014. Subtract lines 3h and 4b from line 1 (if amount greater than zero, see instructions).			
<b>7 Excess distributions carryover to 2015.</b> Add lines 3j and 4c.			
<b>8</b> Breakdown of line 7:			
<b>a</b>			
<b>b</b>			
<b>c</b>			
<b>d</b> Excess from 2013			
<b>e</b> Excess from 2014			



**Schedule B**

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

Department of the Treasury  
Internal Revenue Service

**Schedule of Contributors**

▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.  
▶ Information about Schedule B (Form 990, 990-EZ, or 990-PF) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No. 1545-0047

**2014**

Name of the organization

ACACIA NETWORK HOUSING, INC.

Employer identification number

26-0076866

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 an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II. See instructions for determining a contributor's total contributions.

**Special Rules**

For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h, or (ii) Form 990-EZ, line 1. Complete Parts I and II.

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

For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc., purposes, but no such contributions totaled 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 totaling \$5,000 or more during the year ..... ▶ \$ \_\_\_\_\_

**Caution.** An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it does 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, 990-EZ, or 990-PF. Schedule B (Form 990, 990-EZ, or 990-PF) (2014)

Name of organization  <b>ACACIA NETWORK HOUSING, INC.</b>	Employer identification number  <b>26-0076866</b>
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**Part I Contributors** (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	NYC DEPARTMENT OF HOMELESS SERVICES  33 BEAVER STREET  NEW YORK, NY 10004	\$ 75,613,262.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$ _____	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization  <b>ACACIA NETWORK HOUSING, INC.</b>	Employer identification number  <b>26-0076866</b>
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**Part II Noncash Property** (see instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (see instructions)	(d) Date received
		\$ _____	
		\$ _____	
		\$ _____	
		\$ _____	
		\$ _____	
		\$ _____	
		\$ _____	

Name of organization  <b>ACACIA NETWORK HOUSING, INC.</b>	Employer identification number  <b>26-0076866</b>
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**Part III** Exclusively religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than \$1,000 for the year from any one contributor. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of \$1,000 or less for the year. (Enter this info. once.) ▶ \$ \_\_\_\_\_  
Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
<b>(e) Transfer of gift</b>			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
<b>(e) Transfer of gift</b>			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
<b>(e) Transfer of gift</b>			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
<b>(e) Transfer of gift</b>			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
<b>(e) Transfer of gift</b>			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	

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

**Political Campaign and Lobbying Activities**

OMB No. 1545-0047

**2014**

**Open to Public Inspection**

Department of the Treasury  
Internal Revenue Service

For Organizations Exempt From Income Tax Under section 501(c) and section 527

▶ **Complete if the organization is described below.** ▶ **Attach to Form 990 or Form 990-EZ.**

▶ **Information about Schedule C (Form 990 or 990-EZ) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).**

**If the organization answered "Yes," to Form 990, Part IV, line 3, or Form 990-EZ, Part V, line 46 (Political Campaign Activities), then**

- Section 501(c)(3) organizations: Complete Parts I-A and B. Do not complete Part I-C.
- Section 501(c) (other than section 501(c)(3)) organizations: Complete Parts I-A and C below. Do not complete Part I-B.
- Section 527 organizations: Complete Part I-A only.

**If the organization answered "Yes," to Form 990, Part IV, line 4, or Form 990-EZ, Part VI, line 47 (Lobbying Activities), then**

- Section 501(c)(3) organizations that have filed Form 5768 (election under section 501(h)): Complete Part II-A. Do not complete Part II-B.
- Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)): Complete Part II-B. Do not complete Part II-A.

**If the organization answered "Yes," to Form 990, Part IV, line 5 (Proxy Tax) (see separate instructions) or Form 990-EZ, Part V, line 35c (Proxy Tax) (see separate instructions), then**

- Section 501(c)(4), (5), or (6) organizations: Complete Part III.

Name of organization <b>ACACIA NETWORK HOUSING, INC.</b>	Employer identification number <b>26-0076866</b>
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**Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.**

- 1 Provide a description of the organization's direct and indirect political campaign activities in Part IV.
- 2 Political expenditures ..... ▶ \$ \_\_\_\_\_
- 3 Volunteer hours ..... \_\_\_\_\_

**Part I-B Complete if the organization is exempt under section 501(c)(3).**

- 1 Enter the amount of any excise tax incurred by the organization under section 4955 ..... ▶ \$ \_\_\_\_\_
- 2 Enter the amount of any excise tax incurred by organization managers under section 4955 ..... ▶ \$ \_\_\_\_\_
- 3 If the organization incurred a section 4955 tax, did it file Form 4720 for this year? .....  Yes  No
- 4a Was a correction made? .....  Yes  No
- b If "Yes," describe in Part IV.

**Part I-C Complete if the organization is exempt under section 501(c), except section 501(c)(3).**

- 1 Enter the amount directly expended by the filing organization for section 527 exempt function activities ..... ▶ \$ \_\_\_\_\_
- 2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities ..... ▶ \$ \_\_\_\_\_
- 3 Total exempt function expenditures. Add lines 1 and 2. Enter here and on Form 1120-POL, line 17b ..... ▶ \$ \_\_\_\_\_
- 4 Did the filing organization file **Form 1120-POL** for this year? .....  Yes  No
- 5 Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments. For each organization listed, enter the amount paid from the filing organization's funds. Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC). If additional space is needed, provide information in Part IV.

(a) Name	(b) Address	(c) EIN	(d) Amount paid from filing organization's funds. If none, enter -0-.	(e) Amount of political contributions received and promptly and directly delivered to a separate political organization. If none, enter -0-.

For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ. Schedule C (Form 990 or 990-EZ) 2014

**Part II-A Complete if the organization is exempt under section 501(c)(3) and filed Form 5768 (election under section 501(h)).**

- A** Check  if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures).
- B** Check  if the filing organization checked box A and "limited control" provisions apply.

<b>Limits on Lobbying Expenditures</b> (The term "expenditures" means amounts paid or incurred.)	(a) Filing organization's totals	(b) Affiliated group totals												
<b>1a</b> Total lobbying expenditures to influence public opinion (grass roots lobbying) .....														
<b>b</b> Total lobbying expenditures to influence a legislative body (direct lobbying) .....														
<b>c</b> Total lobbying expenditures (add lines 1a and 1b) .....														
<b>d</b> Other exempt purpose expenditures .....														
<b>e</b> Total exempt purpose expenditures (add lines 1c and 1d) .....														
<b>f</b> Lobbying nontaxable amount. Enter the amount from the following table in both columns.														
<table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width:35%;">If the amount on line 1e, column (a) or (b) is:</th> <th style="width:65%;">The lobbying nontaxable amount is:</th> </tr> </thead> <tbody> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 1e.</td> </tr> <tr> <td>Over \$500,000 but not over \$1,000,000</td> <td>\$100,000 plus 15% of the excess over \$500,000.</td> </tr> <tr> <td>Over \$1,000,000 but not over \$1,500,000</td> <td>\$175,000 plus 10% of the excess over \$1,000,000.</td> </tr> <tr> <td>Over \$1,500,000 but not over \$17,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000.</td> </tr> <tr> <td>Over \$17,000,000</td> <td>\$1,000,000.</td> </tr> </tbody> </table>	If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:	Not over \$500,000	20% of the amount on line 1e.	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.	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.		
If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:													
Not over \$500,000	20% of the amount on line 1e.													
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.													
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.													
Over \$17,000,000	\$1,000,000.													
<b>g</b> Grassroots nontaxable amount (enter 25% of line 1f) .....														
<b>h</b> Subtract line 1g from line 1a. If zero or less, enter -0- .....														
<b>i</b> Subtract line 1f from line 1c. If zero or less, enter -0- .....														
<b>j</b> If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year? .....	<input type="checkbox"/> Yes	<input type="checkbox"/> No												

**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 separate instructions for lines 2a through 2f.)

<b>Lobbying Expenditures During 4-Year Averaging Period</b>					
Calendar year (or fiscal year beginning in)	(a) 2011	(b) 2012	(c) 2013	(d) 2014	(e) Total
<b>2a</b> Lobbying nontaxable amount					
<b>b</b> Lobbying ceiling amount (150% of line 2a, column(e))					
<b>c</b> Total lobbying expenditures					
<b>d</b> Grassroots nontaxable amount					
<b>e</b> Grassroots ceiling amount (150% of line 2d, column (e))					
<b>f</b> Grassroots lobbying expenditures					

**Part II-B Complete if the organization is exempt under section 501(c)(3) and has NOT filed Form 5768 (election under section 501(h)).**

For each "Yes," response to lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.	(a)		(b)
	Yes	No	Amount
<b>1</b> During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:			
<b>a</b> Volunteers? .....		X	
<b>b</b> Paid staff or management (include compensation in expenses reported on lines 1c through 1i)? ..		X	
<b>c</b> Media advertisements? .....		X	
<b>d</b> Mailings to members, legislators, or the public? .....		X	
<b>e</b> Publications, or published or broadcast statements? .....		X	
<b>f</b> Grants to other organizations for lobbying purposes? .....		X	
<b>g</b> Direct contact with legislators, their staffs, government officials, or a legislative body? .....	X		5,979.
<b>h</b> Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means? .....		X	
<b>i</b> Other activities? .....		X	
<b>j</b> Total. Add lines 1c through 1i .....			5,979.
<b>2a</b> Did the activities in line 1 cause the organization to be not described in section 501(c)(3)? .....		X	
<b>b</b> If "Yes," enter the amount of any tax incurred under section 4912 .....			
<b>c</b> If "Yes," enter the amount of any tax incurred by organization managers under section 4912 .....			
<b>d</b> If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year? .....			

**Part III-A Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6).**

	Yes	No
<b>1</b> Were substantially all (90% or more) dues received nondeductible by members? .....	1	
<b>2</b> Did the organization make only in-house lobbying expenditures of \$2,000 or less? .....	2	
<b>3</b> Did the organization agree to carry over lobbying and political expenditures from the prior year? .....	3	

**Part III-B Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) and if either (a) BOTH Part III-A, lines 1 and 2, are answered "No," OR (b) Part III-A, line 3, is answered "Yes."**

<b>1</b> Dues, assessments and similar amounts from members .....	1	
<b>2</b> Section 162(e) nondeductible lobbying and political expenditures (do not include amounts of political expenses for which the section 527(f) tax was paid).		
<b>a</b> Current year .....	2a	
<b>b</b> Carryover from last year .....	2b	
<b>c</b> Total .....	2c	
<b>3</b> Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues .....	3	
<b>4</b> If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditure next year? .....	4	
<b>5</b> Taxable amount of lobbying and political expenditures (see instructions) .....	5	

**Part IV Supplemental Information**

Provide the descriptions required for Part I-A, line 1; Part I-B, line 4; Part I-C, line 5; Part II-A (affiliated group list); Part II-A, lines 1 and 2 (see instructions); and Part II-B, line 1. Also, complete this part for any additional information.

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**SCHEDULE D**  
**(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Supplemental Financial Statements**

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.  
▶ Attach to Form 990.

▶ Information about Schedule D (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No. 1545-0047

**2014**

Open to Public Inspection

Name of the organization **ACACIA NETWORK HOUSING, INC.** Employer identification number **26-0076866**

**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.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year .....		
2 Aggregate value of contributions to (during year) .....		
3 Aggregate value of grants from (during year) .....		
4 Aggregate value at end of year .....		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? .....		<input type="checkbox"/> Yes <input type="checkbox"/> No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? .....		<input type="checkbox"/> Yes <input type="checkbox"/> No

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

- 1 Purpose(s) of conservation easements held by the organization (check all that apply).  
 Preservation of land for public use (e.g., recreation or education)  Preservation of a historically important land area  
 Protection of natural habitat  Preservation of a certified historic structure  
 Preservation of open space
- 2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.
- |  | Held at the End of the Tax Year |
|--|---------------------------------|
| a Total number of conservation easements .....   | 2a                              |
| b Total acreage restricted by conservation easements .....   | 2b                              |
| c Number of conservation easements on a certified historic structure included in (a) .....   | 2c                              |
| d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register ..... | 2d                              |
- 3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ \_\_\_\_\_
- 4 Number of states where property subject to conservation easement is located ▶ \_\_\_\_\_
- 5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? .....
- 6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶ \_\_\_\_\_
- 7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ \$ \_\_\_\_\_
- 8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? .....
- 9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

**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.

- 1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items.
- b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:
- (i) Revenue included in Form 990, Part VIII, line 1 .....
- (ii) Assets included in Form 990, Part X .....
- 2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:
- a Revenue included in Form 990, Part VIII, line 1 .....
- b Assets included in Form 990, Part X .....

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

3 Using the organization's acquisition, 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 XIII.

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 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 the arrangement in Part XIII and complete the following table:

	Amount
c Beginning balance	1c
d Additions during the year	1d
e Distributions during the year	1e
f Ending balance	1f

2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability?  Yes  No

b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII

**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 Net investment earnings, gains, and 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 current year end balance (line 1g, column (a)) held as:

- a Board designated or quasi-endowment \_\_\_\_\_ %
- b Permanent endowment \_\_\_\_\_ %
- c Temporarily restricted endowment \_\_\_\_\_ %

The percentages in lines 2a, 2b, and 2c should equal 100%.

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 XIII the intended uses of the organization's endowment funds.

**Part VI Land, Buildings, and Equipment.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements		868,276.	25,933.	842,343.
d Equipment		1,193,272.	568,675.	624,597.
e Other		3,809,773.	1,408,444.	2,401,329.
<b>Total.</b> Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.)				3,868,269.

**Part VII Investments - Other Securities.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives .....		
(2) Closely-held equity interests .....		
(3) Other		
(A) INV. REAL ESTATE	1,002,000.	COST
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
<b>Total.</b> (Col. (b) must equal Form 990, Part X, col. (B) line 12.) ▶	1,002,000.	

**Part VIII Investments - Program Related.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
<b>Total.</b> (Col. (b) must equal Form 990, Part X, col. (B) line 13.) ▶		

**Part IX Other Assets.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1) SECURITY DEPOSITS	210,294.
(2) DUE FROM AFFILIATE	654,243.
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶	864,537.

**Part X Other Liabilities.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) DUE TO AFFILIATES	2,203,137.
(3) DUE TO FUNDING SOURCES	2,112,601.
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	4,315,738.

2. Liability for uncertain tax positions. In Part XIII, 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 (ASC 740). Check here if the text of the footnote has been provided in Part XIII

**Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 12a.

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

**Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.**

Complete if the organization answered "Yes" to Form 990, Part IV, line 12a.

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

**Part XIII Supplemental Information.**

Provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, lines 2d and 4b; and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

**PART X, LINE 2:**

THE ORGANIZATION HAS NO UNCERTAIN TAX POSITIONS AS OF DECEMBER 31, 2014 AND 2013 IN ACCORDANCE WITH ACCOUNTING STANDARDS CODIFICATION ("ASC") TOPIC 740, WHICH PROVIDES STANDARDS FOR ESTABLISHING AND CLASSIFYING ANY TAX PROVISIONS FOR UNCERTAIN TAX POSITIONS. THE ORGANIZATION IS NO LONGER SUBJECT TO FEDERAL OR STATE AND LOCAL INCOME TAX EXAMINATIONS BY TAX AUTHORITIES FOR YEAR ENDED DECEMBER 31, 2011 AND PRIOR YEARS.

**SCHEDULE J  
(Form 990)**

**Compensation Information**

OMB No. 1545-0047

**2014**

Open to Public Inspection

Department of the Treasury  
Internal Revenue Service

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees  
▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 23.  
▶ Attach to Form 990.

▶ Information about Schedule J (Form 990) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

Name of the organization **ACACIA NETWORK HOUSING, INC.** Employer identification number **26-0076866**

**Part I Questions Regarding Compensation**

	Yes	No
<b>1a</b> Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items. <input type="checkbox"/> First-class or charter travel <input type="checkbox"/> Travel for companions <input type="checkbox"/> Tax indemnification and gross-up payments <input type="checkbox"/> Discretionary spending account <input type="checkbox"/> Housing allowance or residence for personal use <input type="checkbox"/> Payments for business use of personal residence <input type="checkbox"/> Health or social club dues or initiation fees <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)		
<b>b</b> If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain .....	<b>1b</b>	
<b>2</b> Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, and officers, including the CEO/Executive Director, regarding the items checked in line 1a? .....	<b>2</b>	
<b>3</b> Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III. <input type="checkbox"/> Compensation committee <input checked="" type="checkbox"/> Independent compensation consultant <input checked="" type="checkbox"/> Form 990 of other organizations <input type="checkbox"/> Written employment contract <input type="checkbox"/> Compensation survey or study <input checked="" type="checkbox"/> Approval by the board or compensation committee		
<b>4</b> During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:		
<b>a</b> Receive a severance payment or change-of-control payment? .....	<b>4a</b>	<b>X</b>
<b>b</b> Participate in, or receive payment from, a supplemental nonqualified retirement plan? .....	<b>4b</b>	<b>X</b>
<b>c</b> Participate in, or receive payment from, an equity-based compensation arrangement? .....	<b>4c</b>	<b>X</b>
If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.		
<b>Only section 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.</b>		
<b>5</b> For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:		
<b>a</b> The organization? .....	<b>5a</b>	<b>X</b>
<b>b</b> Any related organization? .....	<b>5b</b>	<b>X</b>
If "Yes" to line 5a or 5b, describe in Part III.		
<b>6</b> For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:		
<b>a</b> The organization? .....	<b>6a</b>	<b>X</b>
<b>b</b> Any related organization? .....	<b>6b</b>	<b>X</b>
If "Yes" to line 6a or 6b, describe in Part III.		
<b>7</b> For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III .....	<b>7</b>	<b>X</b>
<b>8</b> Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III .....	<b>8</b>	<b>X</b>
<b>9</b> If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)? .....	<b>9</b>	

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule J (Form 990) 2014

**Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.** Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

**Note.** The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred in prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) HON. HECTOR DIAZ PRESIDENT	(i)	0.	0.	0.	0.	0.	0.	0.
	(ii)	186,601.	18,672.	12,108.	10,497.	399.	228,277.	0.
(2) RAUL RUSSI CHIEF EXECUTIVE OFFICER	(i)	0.	0.	0.	0.	0.	0.	0.
	(ii)	447,847.	45,075.	11,286.	19,500.	2,500.	526,208.	0.
(3) PAMELA MATTEL CHIEF OPERATING OFFICER	(i)	0.	0.	0.	0.	0.	0.	0.
	(ii)	261,175.	27,300.	7,974.	12,574.	36,678.	345,701.	0.
(4) TOMAS DEL RIO CHIEF FINANCIAL OFFICER	(i)	0.	0.	0.	0.	0.	0.	0.
	(ii)	275,100.	27,563.	7,814.	12,750.	21,627.	344,854.	0.
(5) ROBERT GONZALEZ PROGRAM DIRECTOR	(i)	141,644.	0.	4,276.	7,003.	4,276.	157,199.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							



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

Department of the Treasury  
Internal Revenue Service

**Supplemental Information to Form 990 or 990-EZ**

Complete to provide information for responses to specific questions on  
Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at [www.irs.gov/form990](http://www.irs.gov/form990).

OMB No. 1545-0047

**2014**

Open to Public  
Inspection

Name of the organization

ACACIA NETWORK HOUSING, INC.

Employer identification number

26-0076866

FORM 990, PART I, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

SOCIAL SERVICES, FOOD, CLOTHING, ACCESS TO MEDICAL SERVICES AND FIND  
PERMANENT HOUSING AND JOBS FOR THOSE FAMILIES.

FORM 990, PART III, LINE 4A, PROGRAM SERVICE ACCOMPLISHMENTS:

THE GROWTH OF ACACIA NETWORK HOUSING, INC. HAS BEEN EXTRAORDINARY. FROM  
AN INITIAL \$5 MILLION CONTRACT WITH THE NYC DEPARTMENT OF HOMELESS  
SERVICES IN 2005, THE ORGANIZATION HAD REVENUE OF APPROXIMATELY \$34  
MILLION IN 2011 AND \$41 MILLION IN 2012. REVENUE FOR 2013 WAS TO BE \$54  
MILLION, AND 2014 REVENUE WAS \$77 MILLION. THESE RECENT SIZEABLE  
REVENUE INCREASES HAVE RESULTED IN AN APPROXIMATELY 32% GROWTH RATE  
ANNUALLY.

ACACIA NETWORK HOUSING, INC'S LASER FOCUS, HOWEVER, IS NOT ON MONEY,  
BUT ON INDIVIDUALS, FAMILIES AND COMMUNITIES IN NEED. CURRENTLY, THE  
ORGANIZATION HOUSES 1,326 FAMILIES AND 745 SINGLE INDIVIDUALS IN THE  
BRONX, MANHATTAN, BROOKLYN AND QUEENS. FACILITIES RANGE FROM  
INDIVIDUAL APARTMENTS TO CONGREGATE CARE BUILDINGS.

OUR VALUES OF EXCELLENCE, COMMITMENT, CUSTOMER SERVICES AND LEADERSHIP  
GUIDE US TO DO WHATEVER IT TAKES TO HELP THE PEOPLE WE SERVE ACHIEVE  
SELF SUFFICIENCY, HEALTH AND REALIZATION OF THEIR POTENTIAL.

FORM 990, PART VI, SECTION B, LINE 11:

THE FINANCE COMMITTEE OF THE BOARD MEETS WITH MANAGEMENT AND THE

Name of the organization ACACIA NETWORK HOUSING, INC.	Employer identification number 26-0076866
--	--

INDEPENDENT AUDITOR TO GO OVER THE FORM 990. THE DRAFT FORM 990 IS MADE AVAILABLE TO THE BOARD FOR COMMENTS.

FORM 990, PART VI, SECTION B, LINE 12C:

EACH DIRECTOR, PRINCIPAL OFFICER AND MEMBER OF A COMMITTEE WITH GOVERNING BOARD DELEGATED POWERS SHALL ANNUALLY SIGN A STATEMENT WHICH AFFIRMS SUCH PERSON:

HAS RECEIVED A COPY OF THE CONFLICT OF INTEREST POLICY.

HAS READ AND UNDERSTANDS THE POLICY.

HAS AGREED TO COMPLY WITH THE POLICY.

FORM 990, PART VI, SECTION B, LINE 15:

THE FINANCE COMMITTEE COMPILES AND ANALYZES DATA ABOUT THE TYPES AND LEVELS OF COMPENSATION PACKAGES PROVIDED BY ORGANZIATIONS IN BASICS'S PEER GROUP TO INDIVIDUALS IN POSITIONS SIMILAR TO THE OFFICERS OF BASICS.

FORM 990, PART VI, SECTION C, LINE 19:

THE WEBSITE IS BEING UPDATED AND WE PLAN TO PROVIDE THE INFORMATION REFERRED TO ABOVE ON THE WEBSITE. THIS INFORMATION IS ALSO AVAILABLE UPON REQUEST.

FORM 990, PART XII, LINE 2C:

HAS NOT BEEN CHANGED FROM THE PRIOR YEAR.



**Part II** Continuation of Identification of Related Tax-Exempt Organizations

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization?	
						Yes	No
PROMESA ADMINISTRATIVE SERVICES ORGANIZATION, INC. - 13-3653276, 1776 CLAY AVENUE, BRONX, NY 10457	MANAGEMENT CO. FOR PROMESA SYSTEMS INC & SUBSIDIARIES	NEW YORK	501(C)(3)	LINE 11A, I	N/A		X
PROMESA FOUNDATION, INC - 13-3411787 1776 CLAY AVENUE BRONX, NY 10457	DEVELOPMENT ARM FOR PROMESA SYSTEMS	NEW YORK	501(C)(3)	LINE 7	N/A		X
PROMESA RESIDENTIAL HEALTH CARE FACILITY - 13-3676681, 308 EAST 175TH STREET, BRONX, NY 10457	HEALTH CARE	NEW YORK	501(C)(3)	LINE 7	N/A		X
ACACIA NETWORK, INC. - 13-4014082 1776 CLAY AVENUE BRONX, NY 10457	PARENT ORG. OF PROMESA CONTINNUM OF HEALTHCARE, ADD., EDU. & HOUSING SRVS.	NEW YORK	501(C)(3)	LINE 11A, I	N/A		X
CORPORATION FOR YOUTH ENERGY CORPS INC - 13-3072640, 1776 CLAY AVENUE, BRONX, NY 10457	YOUTH CORP PROGRAM	NEW YORK	501(C)(3)	LINE 7	N/A		X
PROMESA HOUSING DEVELOPMENT FUND CORPORATION INC - 13-3608906, 1776 CLAY AVENUE, BRONX, NY 10457	HOUSING COMPANY	NEW YORK	501(C)(3)	LINE 7	N/A		X
EAST HARLEM COUNCIL FOR COMMUNITY IMPROVEMENT INC - 13-2969933, 1776 CLAY AVENUE, NEW YORK, NY 10457	SUPERVISED HOUSING SERVICES	NEW YORK	501(C)(3)	LINE 7	N/A		X
1068 FRANKLIN AVE HOUSING DEVELOPMENT FUND CORP. - 20-8317595, 300 E. 175TH ST., BRONX, NY 10457	HOUSING COMPANY	NEW YORK	501(C)(3)	LINE 7	N/A		X



**Part V Transactions With Related Organizations** Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35b, or 36.

**Note.** Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.

	Yes	No
<b>1</b> During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?		
<b>a</b> Receipt of (i) interest, (ii) annuities, (iii) royalties, or (iv) rent from a controlled entity .....		X
<b>b</b> Gift, grant, or capital contribution to related organization(s) .....		X
<b>c</b> Gift, grant, or capital contribution from related organization(s) .....		X
<b>d</b> Loans or loan guarantees to or for related organization(s) .....		X
<b>e</b> Loans or loan guarantees by related organization(s) .....		X
<b>f</b> Dividends from related organization(s) .....		X
<b>g</b> Sale of assets to related organization(s) .....		X
<b>h</b> Purchase of assets from related organization(s) .....		X
<b>i</b> Exchange of assets with related organization(s) .....		X
<b>j</b> Lease of facilities, equipment, or other assets to related organization(s) .....		X
<b>k</b> Lease of facilities, equipment, or other assets from related organization(s) .....	X	
<b>l</b> Performance of services or membership or fundraising solicitations for related organization(s) .....		X
<b>m</b> Performance of services or membership or fundraising solicitations by related organization(s) .....	X	
<b>n</b> Sharing of facilities, equipment, mailing lists, or other assets with related organization(s) .....		X
<b>o</b> Sharing of paid employees with related organization(s) .....		X
<b>p</b> Reimbursement paid to related organization(s) for expenses .....	X	
<b>q</b> Reimbursement paid by related organization(s) for expenses .....		X
<b>r</b> Other transfer of cash or property to related organization(s) .....		X
<b>s</b> Other transfer of cash or property from related organization(s) .....		X

**2** If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1) 1068 FRANKLIN HDFC	K	623,790.	FMV
(2) PROMESA ADMIN. SERV. ORGANIZATION	P	2,451,668.	CASH
(3) PROMESA HOUSING CORP	K	1,181,940.	FMV
(4) SERA SECURITY SERVICES INC	M	5,131,844.	FMV
(5) BRONX ADDICTION SERV. INTEGRATED CONCEPTS SYS.	P	2,414,083.	CASH
(6) PROMESA FOUNDATION	K	283,990.	FMV





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

Department of the Treasury  
Internal Revenue Service

▶ **File a separate application for each return.**  
▶ **Information about Form 8868 and its instructions is at [www.irs.gov/form8868](http://www.irs.gov/form8868).**

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box  **X**
- 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.

**Electronic filing (e-file)** - You can electronically file Form 8868 if you need a 3-month automatic extension of time to file (6 months for a corporation required to file Form 990-T), or an additional (not automatic) 3-month extension of time. You can electronically file Form 8868 to request an extension of time to file any of the forms listed in Part I or Part II with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, which must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit [www.irs.gov/efile](http://www.irs.gov/efile) and click on *e-file for Charities & Nonprofits*.

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

A corporation required to file Form 990-T and requesting an automatic 6-month extension - check this box and complete

Part I only

All other corporations (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

**Enter filer's identifying number**

<b>Type or print</b>  <small>File by the due date for filing your return. See instructions.</small>	Name of exempt organization or other filer, see instructions. <b>ACACIA NETWORK HOUSING, INC.</b>	Employer identification number (EIN) or <b>26-0076866</b>
	Number, street, and room or suite no. If a P.O. box, see instructions. <b>1064 FRANKLIN AVENUE</b>	Social security number (SSN)
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. <b>BRONX, NY 10456</b>	

Enter the Return code for the return that this application is for (file a separate application for each return)

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720 (other than individual)	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

**GLENN BELLITO**

- The books are in the care of ▶ **1064 FRANKLIN AVENUE - BRONX, NY 10456**  
Telephone No. ▶ **718-861-5650** 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.

**1** I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until **AUGUST 15, 2015**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:  
▶  calendar year **2014** or  
▶  tax year beginning \_\_\_\_\_, and ending \_\_\_\_\_.

**2** If the tax year entered in line 1 is for less than 12 months, check reason:  Initial return  Final return  Change in accounting period

<b>3a</b> If this application is for Forms 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	<b>3a</b>	\$	0.
<b>b</b> If this application is for Forms 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.	<b>3b</b>	\$	0.
<b>c Balance due.</b> Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	<b>3c</b>	\$	0.

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

# TAX RETURN FILING INSTRUCTIONS

NEW YORK FORM CHAR500

FOR THE YEAR ENDING

DECEMBER 31, 2014

<b>Prepared for</b>	ACACIA NETWORK HOUSING, INC. 1064 FRANKLIN AVENUE BRONX, NY 10456
<b>Prepared by</b>	MARKS PANETH LLP 685 THIRD AVENUE NEW YORK, NY 10017
<b>Mail tax return to</b>	NYS OFFICE OF ATTORNEY GENERAL CHARITIES BUREAU REGISTRATION SECTION 120 BROADWAY NEW YORK, NY 10271
<b>Return must be mailed on or before</b>	PLEASE MAIL AS SOON AS POSSIBLE.
<b>Special Instructions</b>	NEW YORK FORM CHAR500 MUST BE SIGNED AND DATED BY BOTH OF THE AUTHORIZED INDIVIDUALS. ALSO BE SURE THAT THE ATTACHED COPY OF FEDERAL FORM 990 HAS BEEN PROPERLY SIGNED AND DATED.  ENCLOSE A CHECK FOR \$275 MADE PAYABLE TO NYS DEPARTMENT OF LAW. INCLUDE THE ORGANIZATION'S STATE REGISTRATION NUMBER ON THE REMITTANCE.

# CHAR500

NYS Annual Filing for Charitable Organizations  
www.CharitiesNYS.com

Send with fee and attachments to:  
NYS Office of the Attorney General  
Charities Bureau Registration Section  
120 Broadway  
New York, NY 10271

**2014**  
**Open to Public Inspection**

## 1. General Information

For Fiscal Year Beginning (mm/dd/yyyy) <b>01/01/2014</b> and Ending (mm/dd/yyyy) <b>12/31/2014</b>		
Check if Applicable: <input type="checkbox"/> Address Change <input type="checkbox"/> Name Change <input type="checkbox"/> Initial Filing <input type="checkbox"/> Final Filing <input type="checkbox"/> Amended Filing <input type="checkbox"/> Reg ID Pending	Name of Organization: <b>ACACIA NETWORK HOUSING, INC.</b>	Employer Identification Number (EIN): <b>26-0076866</b>
	Mailing Address: <b>1064 FRANKLIN AVENUE</b>	NY Registration Number: <b>20-98-59</b>
	City / State / ZIP: <b>BRONX, NY 10456</b>	Telephone: <b>718 861-5650</b>
	Website: <b>WWW.ACACIANETWORK.ORG</b>	Email:
Check your organization's registration category: <input type="checkbox"/> 7A only <input type="checkbox"/> EPTL only <input checked="" type="checkbox"/> DUAL (7A & EPTL) <input type="checkbox"/> EXEMPT            Find your registration category in the Charities Registry at <a href="http://www.CharitiesNYS.com">www.CharitiesNYS.com</a>		

## 2. Certification

See instructions for certification requirements. Improper certification is a violation of law that may be subject to penalties.

*We certify under penalties of perjury that we reviewed this report, including all attachments, and to the best of our knowledge and belief, they are true, correct and complete in accordance with the laws of the State of New York applicable to this report.*

President or Authorized Officer:	<b>RAUL RUSSI</b>		
	_____ Signature	Print Name and Title	Date
		<b>TOMAS DEL RIO</b>	
		_____ Signature	Date
Chief Financial Officer or Treasurer:	<b>CFO</b>		

## 3. Annual Reporting Exemption

Check the exemption(s) that apply to your filing. If your organization is claiming an exemption under the category (7A and EPTL only filers) or both categories (DUAL filers) that apply to your registration, complete only parts 1, 2, and 3, and submit the certified Char500. No fee, schedules, or additional attachments are required. If you cannot claim an exemption or are a DUAL filer that claims only one exemption, you must file applicable schedules and attachments and pay applicable fees.

3a. 7A filing exemption: Total contributions from NY State including residents, foundations, government agencies, etc, did not exceed \$25,000 and the organization did not engage a professional fund raiser (PFR) or fund raising counsel (FRC) to solicit contributions during the fiscal year. Or the organization qualifies for another 7A exemption (see instructions).

3b. EPTL filing exemption: Gross receipts did not exceed \$25,000 and the market value of assets did not exceed \$25,000 at any time during the fiscal year.

## 4. Schedules and Attachments

See the following page for a checklist of schedules and attachments to complete your filing.	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No	4a. Did your organization use a professional fund raiser, fund raising counsel or commercial co-venturer for fund raising activity in NY State? If yes, complete Schedule 4a.
	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No	4b. Did the organization receive government grants? If yes, complete Schedule 4b.

## 5. Fee

See the checklist on the next page to calculate your fee(s). Indicate fee(s) you are submitting here:	7A filing fee: \$ <u>25.</u>	EPTL filing fee: \$ <u>250.</u>	Total fee: \$ <u>275.</u>	Make a single-check or money order payable to: <b>"Department of Law"</b>
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# CHAR500

## Annual Filing Checklist

Simply submit the certified CHAR500 with no fee, schedule, or additional attachments IF:

- Your organization is registered as 7A only and you marked the 7A filing exemption in Part 3.
- Your organization is registered as EPTL only and marked the EPTL filing exemption in Part 3.
- Your organization is registered as DUAL and you marked both the 7A and EPTL filing exemption in Part 3.

### Checklist of Schedules and Attachments

Check the schedules you must submit with your CHAR500 as described in Part 4:

- If you answered "yes" in Part 4a, submit Schedule 4a: Professional Fund Raisers (PFR), Fund Raising Counsel (FRC), Commercial Co-Venturers (CCV)
- If you answered "yes" in Part 4b, submit Schedule 4b: Government Grants

Check the financial attachments you must submit with your CHAR500:

- IRS Form 990, 990-EZ, or 990-PF, and 990-T if applicable
- All additional IRS Form 990 Schedules including Schedule B (Schedule of Contributors).
- IRS Form 990-T if applicable

If you are a 7A only or DUAL filer, submit the applicable independent Certified Public Accountant's Review or Audit Report:

- Review Report if you received total revenue and support greater than \$250,000 and up to \$500,000.
- Audit Report if you received total revenue and support greater than \$500,000
- No Review Report or Audit Report is required because total revenue and support is less than \$250,000

Note: The Audit and Review requirements are set to change in 2017 and 2021 in accordance with the Non Profit Revitalization Act of 2013. For more details, visit [www.CharitiesNYS.com](http://www.CharitiesNYS.com).

### Calculate Your Fee

For 7A and DUAL filers, calculate the 7A fee:

- \$0, if you marked the 7A exemption in Part 3a
- \$25, if you did not mark the 7A exemption in Part 3a

For EPTL and DUAL filers, calculate the EPTL fee:

- \$0, if you marked the EPTL exemption in Part 3b
- \$25, if the NET WORTH is less than \$50,000
- \$50, if the NET WORTH is \$50,000 or more but less than \$250,000
- \$100, if the NET WORTH is \$250,000 or more but less than \$1,000,000
- \$250, if the NET WORTH is \$1,000,000 or more but less than \$10,000,000
- \$750, if the NET WORTH is \$10,000,000 or more but less than \$50,000,000
- \$1500, if the NET WORTH is \$50,000,000 or more

#### Is my organization a 7A, EPTL or DUAL filer?

- 7A filers are registered to solicit contributions in New York under Article 7-A of the Executive Law ("7A")
- EPTL filers are registered under the Estates, Powers & Trusts Law ("EPTL") because they hold assets and/or conduct activities for charitable purposes in NY.
- DUAL filers are registered under both 7A and EPTL.

Check your registration category and learn more about NY law at [www.CharitiesNYS.com](http://www.CharitiesNYS.com)

#### Where do I find my organization's NET WORTH?

- NET WORTH for fee purposes is calculated on:
- IRS Form 990 Part I, line 22
  - IRS Form 990 EZ Part I, line 21
  - IRS Form 990 PF, calculate the difference between Total Assets at Fair Market Value (Part II, line 16(c)) and Total Liabilities (Part II, line 23(b)).

### Send Your Filing

Send your CHAR500, all schedules and attachments, and total fee to:

NYS Office of the Attorney General  
 Charities Bureau Registration Section  
 120 Broadway  
 New York, NY 10271

# CHAR500

Schedule 4b: Government Grants  
www.CharitiesNYS.com

## 2014

**Open to Public  
Inspection**

If you checked the box in question 4b in Part 4 on the CHAR500 Annual Filing for Charitable Organizations, complete this schedule and list EACH government grant. Use additional pages if necessary. Include this schedule with your certified CHAR500 NYS Annual Filing for Charitable Organizations.

### 1. Organization Information

Name of Organization:  ACACIA NETWORK HOUSING, INC.	NY Registration Number:  20-98-59
---	---

### 2. Government Grants

Name of Government Agency	Amount of Grant
1. NEW YORK CITY DEPARTMENT OF HOMELESS SERVICES	1. 75,613,262.
2.	2.
3.	3.
4.	4.
5.	5.
6.	6.
7.	7.
8.	8.
9.	9.
10.	10.
11.	11.
12.	12.
13.	13.
14.	14.
15.	15.
Total Government Grants:	Total: 75,613,262.



# Bronx Addiction Services Integrated Concepts Systems, Inc. and Affiliate

Combined Financial Statements  
(Together with Independent Auditors' Report)

For the Years Ended December 31, 2014 and 2013

**M A R K S P A N E T H**

ACCOUNTANTS & ADVISORS

**BRONX ADDICTION SERVICES INTEGRATED CONCEPTS SYSTEMS, INC. AND AFFILIATE**

**COMBINED FINANCIAL STATEMENTS  
(Together with Independent Auditors' Report)**

**FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013**

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## INDEPENDENT AUDITORS' REPORT

The Board of Directors  
Bronx Addiction Services Integrated Concepts Systems, Inc. and Affiliate

We have audited the accompanying combined financial statements of the Bronx Addiction Services Integrated Concepts Systems, Inc. ("BASICS") and Acacia Network Housing, Inc. ("Acacia Housing") (collectively, the "Organization") which comprise the combined statements of financial position as of December 31, 2014 and 2013, and the related combined statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the combined financial statements.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these combined financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on these combined financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the combined financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the combined financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the combined financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the combined financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### ***Opinion***

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of Bronx Addiction Services Integrated Concepts Systems, Inc. and Acacia Network Housing, Inc. as of December 31, 2014 and 2013, and the changes in their net assets and their cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.



**Report on Supplementary Information**

Our audits were conducted for the purpose of forming an opinion on the combined financial statements of BASICS and Acacia Housing as a whole. The supplementary information on pages 15-16 is presented for the purpose of additional analysis and is not a required part of the combined financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combined financial statements. The information has been subjected to the auditing procedures applied in the audit of the combined financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the combined financial statements or to the combined financial statement themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the combined financial statements as a whole.

*Marks Paneth LLP*

New York, NY  
September 28, 2015

**BRONX ADDICTION SERVICES INTEGRATED CONCEPTS SYSTEMS, INC. AND AFFILIATE  
 COMBINED STATEMENTS OF FINANCIAL POSITION  
 AS OF DECEMBER 31, 2014 AND 2013**

	<b>2014</b>	<b>2013</b>
<b>ASSETS</b>		
Cash (Note 2C)	\$ 11,440,945	\$ 10,033,119
Grants receivable (Notes 2E and 3)	1,145,365	2,357,942
Receivables from third-party payors, net (Notes 2E and 4)	330,588	225,449
Prepaid expenses and other assets	455,936	137,154
Security deposits	326,727	310,684
Property and equipment, net (Notes 2G and 5)	9,526,182	8,821,882
Consumer funds (Note 11)	91,195	75,803
Investment in real estate (Note 15)	1,002,000	-
<b>TOTAL ASSETS</b>	<b>\$ 24,318,938</b>	<b>\$ 21,962,033</b>
<b>LIABILITIES</b>		
Accounts payable and accrued expenses	\$ 6,697,278	\$ 6,704,829
Accrued salaries	693,157	445,864
Accrued vacation	1,009,547	817,187
Bank lines of credit (Note 6)	-	2,000,000
Mortgage payable (Note 7)	1,287,900	1,627,400
Government refundable advances (Notes 2H and 8)	984,335	354,577
Due to funding sources (Notes 2I, 9 and 13C)	4,133,921	2,779,986
Consumer funds (Note 11)	91,195	75,803
Due to affiliates (Note 10)	2,555,169	1,085,388
<b>TOTAL LIABILITIES</b>	<b>17,452,502</b>	<b>15,891,034</b>
<b>COMMITMENTS AND CONTINGENCIES</b> (Note 13)		
<b>NET ASSETS - UNRESTRICTED</b> (Note 2F)	<b>6,866,436</b>	<b>6,070,999</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 24,318,938</b>	<b>\$ 21,962,033</b>

The accompanying notes are an integral part of these combined financial statements.

**BRONX ADDICTION SERVICES INTEGRATED CONCEPTS SYSTEMS, INC. AND AFFILIATE  
 COMBINED STATEMENTS OF ACTIVITIES  
 FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013**

	<u>2014</u>	<u>2013</u>
<b>GOVERNMENT AND PUBLIC SUPPORT:</b>		
Government grants (Note 2H)	\$ 81,094,745	\$ 61,315,456
Program service fees (Note 2I)	3,886,906	2,778,056
Client fees	1,914,479	1,163,403
Miscellaneous income	<u>371,471</u>	<u>887,804</u>
<b>TOTAL GOVERNMENT AND PUBLIC SUPPORT</b>	<u>87,267,601</u>	<u>66,144,719</u>
 <b>EXPENSES:</b>		
Program services	78,804,648	58,867,610
Management and general	<u>7,667,516</u>	<u>6,881,466</u>
<b>TOTAL EXPENSES</b>	<u>86,472,164</u>	<u>65,749,076</u>
 <b>CHANGE IN NET ASSETS - UNRESTRICTED</b>	795,437	395,643
Net Assets - Unrestricted, Beginning of Year	<u>6,070,999</u>	<u>5,675,356</u>
 <b>NET ASSETS - UNRESTRICTED, END OF YEAR</b>	<u>\$ 6,866,436</u>	<u>\$ 6,070,999</u>

The accompanying notes are an integral part of these combined financial statements.

**BRONX ADDICTION SERVICES INTEGRATED CONCEPTS SYSTEMS, INC. AND AFFILIATE**  
**COMBINED STATEMENTS OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2014**  
**(With Comparative Totals for the Year Ended December 31, 2013)**

	<u>Program Services</u>			<u>Total Program Services</u>	<u>Management &amp; General</u>	<u>Total 2014</u>	<u>Total 2013</u>
	<u>Residential</u>	<u>Outpatient</u>	<u>Article 28</u>				
Salaries	\$ 11,370,239	\$ 537,403	\$ 146,525	\$ 12,054,167	\$ 2,695,275	\$ 14,749,442	\$ 13,132,382
Payroll taxes and fringe benefits (Note 12)	3,660,538	203,214	78,293	3,942,045	712,310	4,654,355	3,619,865
<b>Total Personnel Costs</b>	<b>15,030,777</b>	<b>740,617</b>	<b>224,818</b>	<b>15,996,212</b>	<b>3,407,585</b>	<b>19,403,797</b>	<b>16,752,247</b>
Contracted services	92,218	86,960	318,932	498,110	1,028,671	1,526,781	2,062,500
Repairs and maintenance	259,604	21,740	11,196	292,540	42,580	335,120	276,528
Household, facilities and medical supplies	4,867,525	51,770	4,374	4,923,669	144,509	5,068,178	804,411
Travel and transportation	328,474	1,088	-	329,562	105,369	434,931	396,346
Telephone	145,866	-	-	145,866	1,473	147,339	339,247
Utilities	3,906,370	48,569	9,631	3,964,570	151,715	4,116,285	2,818,234
Training, dues and activities	2,165	50	-	2,215	41,249	43,464	25,631
Rents and security (Note 13)	48,197,440	147,171	1,345	48,345,956	309,793	48,655,749	37,910,858
Insurance	887,722	21,531	40,999	950,252	67,798	1,018,050	726,758
Advertising	-	-	-	-	78,039	78,039	67,658
Interest	107,418	11	-	107,429	85,067	192,496	281,605
Food	2,213,832	4,259	-	2,218,091	19,552	2,237,643	1,943,200
Office expense and supplies	77,664	12,435	9,326	99,425	352,814	452,239	595,032
Depreciation and amortization	655,855	90,268	51,582	797,705	-	797,705	663,057
Administration fees	5,851	2,643	-	8,494	1,831,302	1,839,796	-
Bad debt expense	-	-	124,552	124,552	-	124,552	85,764
<b>TOTAL EXPENSES</b>	<b>\$ 76,778,781</b>	<b>\$ 1,229,112</b>	<b>\$ 796,755</b>	<b>\$ 78,804,648</b>	<b>\$ 7,667,516</b>	<b>\$ 86,472,164</b>	<b>\$ 65,749,076</b>

The accompanying notes are an integral part of these combined financial statements.

**BRONX ADDICTION SERVICES INTEGRATED CONCEPTS SYSTEMS, INC. AND AFFILIATE**  
**COMBINED STATEMENTS OF FUNCTIONAL EXPENSES**  
**FOR THE YEAR ENDED DECEMBER 31, 2013**

	<u>Program Services</u>			<u>Total Program Services</u>	<u>Management &amp; General</u>	<u>Total 2013</u>
	<u>Residential</u>	<u>Outpatient</u>	<u>Article 28</u>			
Salaries	\$ 9,604,476	\$ 696,796	\$ 294,130	\$ 10,595,402	\$ 2,536,980	\$ 13,132,382
Payroll taxes and fringe benefits (Note 12)	2,697,976	202,097	86,771	2,986,844	633,021	3,619,865
<b>Total Personnel Costs</b>	<b>12,302,452</b>	<b>898,893</b>	<b>380,901</b>	<b>13,582,246</b>	<b>3,170,001</b>	<b>16,752,247</b>
Contracted services	13,904	12,498	79,928	106,330	1,956,170	2,062,500
Repairs and maintenance	114,640	14,571	9,368	138,579	137,949	276,528
Household, facilities and medical supplies	637,610	47,881	-	685,491	118,920	804,411
Travel and transportation	208,341	7,244	5,244	220,829	175,517	396,346
Telephone	163,722	1,253	1,240	166,215	173,032	339,247
Utilities	2,736,366	39,769	6,701	2,782,836	35,398	2,818,234
Training, dues and activities	3,710	1,386	-	5,096	20,535	25,631
Rents and security (Note 13)	37,456,188	146,264	1,447	37,603,899	306,959	37,910,858
Insurance	637,522	28,790	26,675	692,987	33,771	726,758
Advertising	-	-	-	-	67,658	67,658
Interest	128,812	-	-	128,812	152,793	281,605
Food	1,911,125	1,812	-	1,912,937	30,263	1,943,200
Office expense and supplies	49,808	20,273	22,451	92,532	502,500	595,032
Depreciation and amortization	554,911	57,355	50,791	663,057	-	663,057
Bad debt expense	85,764	-	-	85,764	-	85,764
<b>TOTAL EXPENSES</b>	<b><u>\$ 57,004,875</u></b>	<b><u>\$ 1,277,989</u></b>	<b><u>\$ 584,746</u></b>	<b><u>\$ 58,867,610</u></b>	<b><u>\$ 6,881,466</u></b>	<b><u>\$ 65,749,076</u></b>

The accompanying notes are an integral part of these combined financial statements.

**BRONX ADDICTION SERVICES INTEGRATED CONCEPTS SYSTEMS, INC. AND AFFILIATE  
COMBINED STATEMENTS OF CASH FLOWS  
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013**

	<b>2014</b>	<b>2013</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Change in net assets	\$ 795,437	\$ 395,643
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Bad debt expense	124,552	85,764
Depreciation and amortization	797,705	663,057
Subtotal	1,717,694	1,144,464
Changes in operating assets and liabilities:		
(Increase) or decrease in assets:		
Grants receivable	1,212,577	1,474,939
Receivables from third-party payors	(229,691)	50,009
Prepaid expenses and other assets	(318,782)	(76,348)
Security deposits	(16,043)	(6,672)
Increase or (decrease) in liabilities:		
Accounts payable and accrued expenses	(7,551)	921,158
Accrued salaries	247,293	135,532
Accrued vacation	192,360	162,075
Government refundable advances	629,758	(84,431)
Due to funding sources	1,353,935	98,176
Due to affiliate	1,469,781	(341,362)
<b>Net Cash Provided by Operating Activities</b>	<b>6,251,331</b>	<b>3,477,540</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchases of property and equipment	(1,502,005)	(2,484,881)
Investment in real estate	(1,002,000)	-
<b>Net Cash Used by Investing Activities</b>	<b>(2,504,005)</b>	<b>(2,484,881)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Principal repayments of mortgage, loan and note payable	(339,500)	(323,700)
Proceeds from bank line of credit	-	2,400,000
Repayment of bank line of credit	(2,000,000)	(400,000)
<b>Net Cash (Used) Provided by Financing Activities</b>	<b>(2,339,500)</b>	<b>1,676,300</b>
<b>NET INCREASE IN CASH</b>	<b>1,407,826</b>	<b>2,668,959</b>
Cash - beginning of the year	10,033,119	7,364,160
<b>CASH - END OF YEAR</b>	<b>\$ 11,440,945</b>	<b>\$ 10,033,119</b>
<b>Supplemental Disclosure of Cash Flow Information:</b>		
Cash paid during the year for interest	\$ 192,496	\$ 281,605

The accompanying notes are an integral part of these combined financial statements.

**BRONX ADDICTION SERVICES INTEGRATED CONCEPTS SYSTEMS, INC. AND AFFILIATE  
NOTES TO COMBINED FINANCIAL STATEMENTS  
DECEMBER 31, 2014 AND 2013**

**NOTE 1 – ORGANIZATION AND NATURE OF ACTIVITIES**

The accompanying combined financial statements include the accounts of the Bronx Addiction Services Integrated Concepts Systems, Inc. (“BASICS”) and Acacia Network Housing, Inc. (“Acacia Housing”) (formerly BASICS Housing, Inc. (“BHI”). Collectively, these entities are referred to as the “Organization”.

BASICS is a not-for-profit corporation established to build healthy communities by providing comprehensive services to individuals and families. BASICS is located at 1064 Franklin Avenue, Bronx, N.Y. BASICS is a bilingual, bi-cultural organization that offers a comprehensive treatment program with services administered by a multidisciplinary team of substance abuse professionals and counselors. BASICS’ primary purpose is to service substance and alcohol abusers in the South Bronx. This area has been devastated by alcohol, drugs, and the spread of AIDS. The program has the licenses to provide services to up to one-hundred-and-thirty men at any given time. BASICS provides individuals with support to maintain holistic recovery and wellness, including actively working to stabilize social problems and related issues that impact on recovery, economic self-sufficiency, and permanent housing. Family centered services are provided to adolescents, women, men, and homeless families in transition. BASICS receives most of its support through grant funding sources of New York State and New York City.

BHI was formed pursuant to a directive from the New York State Office of Alcoholism and Substance Abuse Services to separate the homeless program from the residential substance abuse program. The Board of Directors authorized the creation of BHI as a not-for-profit corporation as of January 1, 2004. BHI was formed from the assets transferred from BASICS to focus on homeless housing. BASICS transferred the net assets of its family residence program to BHI on January 1, 2004. New York State Department of Homeless Services (“NYSDHS”) executed a written contract as of August 1, 2004 with BHI to temporarily house homeless clients. In March 2012, BHI changed its name to Acacia Network Housing, Inc.

Each entity is organized under the Not-for-Profit Corporation Law of New York State, and has been granted an exemption from Federal income tax pursuant to Section 501 (c)(3) of the Internal Revenue Code. Similar exemptions exist at the state and local levels.

BASICS and Acacia Housing are affiliated through common board and management.

The combined financial statements do not include The Julio A. Martinez Memorial Fund (the “Fund”) or the General Development and Operations Council, Inc. (“GDOC”), which are separately incorporated organizations affiliated with, but not controlled by, the Organization. They also do not include Promesa Systems, Inc. and its affiliates (“Promesa”), including Promesa Administrative Services Organization, Inc. (“PASO”) which are separately incorporated organizations affiliated with the Organization through common management and boards of directors but not controlled by the Organization.

BASICS performs certain administrative functions for the Fund. During the year ended December 31, 2014 and 2013, respectively, BASICS charged the Fund \$1 for administrative services.

BASICS had an administrative services agreement with GDOC under which GDOC pays BASICS a management fee.

In May 2009, Promesa, including PASO, entered into an affiliation agreement with BASICS whereby both entities share a common mission of service to the community of the Bronx. As part of the reorganization, certain members of the Promesa Board of Directors ceded their seats to individuals from BASICS’s Board of Directors. PASO provides supervisory and administrative services to BASICS.

In March 2011, Promesa Systems, Inc. changed its name to BASICS/Promesa Systems, Inc. In June 2011, BASICS/Promesa Systems, Inc. changed its name to Acacia Network, Inc. (“Acacia”). BASICS is an associated entity with Acacia Network, Inc. and Acacia Housing is an affiliated entity of Acacia Network, Inc., however they remain separate corporate entities. Acacia retains control of BASICS through common board and a trademark license agreement with BASICS whereby BASICS may use trademarks in relation to certain licensed services.

**BRONX ADDICTION SERVICES INTEGRATED CONCEPTS SYSTEMS, INC. AND AFFILIATE**  
**NOTES TO COMBINED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2014 AND 2013**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

- A. The Organization's combined financial statements have been prepared using the accrual basis of accounting. The Organization adheres to accounting principles generally accepted in the United States of America ("U.S. GAAP").
- B. The combined financial statements include accounts for BASICS and the Acacia Housing. All significant intercompany transactions have been eliminated.
- C. Cash equivalents include all highly liquid instruments purchased with original maturities of 90 days or less.
- D. The Organization reports contributions of cash and other assets as unrestricted support unless they are received with donor stipulation that limit the use of the donated assets; such assets are considered temporarily restricted. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose of restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the combined statement of activities as net assets released from restrictions. Contributions and unconditional promises to give are recorded as income when the Organization is formally notified of the contribution by the respective donors. Unless material, the Organization does not discount multiyear pledges.
- E. As of December 31, 2014 and 2013, the Organization determined that an allowance for uncollectible accounts amounting to approximately \$84,000 was necessary for receivables from third-party payors. The Organization has determined that no allowance for uncollectible accounts was necessary for grants receivable as of December 31, 2014 and 2013. The determination is based on the Organization's historical loss experience and considering the age of its receivables. Historically, accounts receivables are written-off when all reasonable collection efforts have been exhausted.
- F. Unrestricted net assets are not restricted by donors or the donor – imposed restrictions have expired or have been satisfied.
- G. Property and equipment is stated at cost less accumulated depreciation and amortization. These amounts do not purport to represent replacement or realizable values. The Organization capitalizes property and equipment with a cost of \$1,000 or more and a useful life greater than two years. Depreciation is provided for using the straight-line method over the estimated useful lives of the assets. Leasehold improvements are amortized over the lease term or the useful life of the asset, whichever is less. Purchases of equipment, reimbursed by governmental funding sources, and where the contractual agreement has specified that title to these items rests with the government funding sources, have been capitalized. Management believes this is realistic since, in the opinion of management, the funding sources will not reclaim these purchases as long as the Organization continues its mission.
- H. Government grants are recorded as revenues to the extent that expenses have been incurred for the purposes specified by the grantors. To the extent amounts received exceed amounts spent, the Organization establishes refundable advances from governmental sources.
- I. The Organization reports program service fees at the estimated net realizable amounts due from third-party payors for services in the period in which they are rendered. Revenues are based, in part, on cost reimbursement principles and are subject to audit and retroactive adjustment by the respective governmental fiscal intermediaries. Provision for estimated amounts due to/from the payor agencies, if any, has been made in the combined financial statements. Differences between estimated rates and subsequent realized amounts are reflected in the combined statement of activities in the year revisions are calculated.
- J. Donated services are recognized in the combined financial statements if the services enhance or create nonfinancial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased, if not provided by donation. No donated goods or services were received during the years ended December 31, 2014 and 2013, respectively.

**BRONX ADDICTION SERVICES INTEGRATED CONCEPTS SYSTEMS, INC. AND AFFILIATE  
NOTES TO COMBINED FINANCIAL STATEMENTS  
DECEMBER 31, 2014 AND 2013**

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

- K. Because the Organization is a multi-program/multi-funded organization, certain costs have been allocated, on the combined statement of functional expenses, between functional and supporting programs as determined by management. Such allocations conform to those made in seeking funds from third-party sources.
- L. The preparation of the combined financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures at the date of the financial statements. Actual amounts could differ from those estimates.

**NOTE 3 – GRANTS RECEIVABLE**

Grants receivable consist of the following as of December 31, 2014 and 2013:

	<u>2014</u>	<u>2013</u>
New York City Human Resources Administration	\$ 124,325	\$ 77,610
New York State Division of Probation and Correctional Alternatives	201,539	106,064
New York City Department of Homeless Services	-	2,087,985
Other receivables	<u>819,501</u>	<u>86,283</u>
Total grant receivables, net	<u>\$ 1,145,365</u>	<u>\$ 2,357,942</u>

**NOTE 4 – RECEIVABLES FROM THIRD-PARTY PAYORS**

Receivables from third party payors consist of the following as of December 31, 2014 and 2013:

	<u>2014</u>	<u>2013</u>
New York State Medicaid	\$ 369,703	\$ 281,667
New York State Medicare	5,179	5,521
Other third-party insurance	<u>39,470</u>	<u>22,025</u>
Total receivables from third-party payors	414,352	309,213
Less: allowance for doubtful accounts	<u>(83,764)</u>	<u>(83,764)</u>
Total receivables from third-party payors, net	<u>\$ 330,588</u>	<u>\$ 225,449</u>

**NOTE 5 – PROPERTY AND EQUIPMENT**

Property and equipment consists of the following as of December 31, 2014 and 2013:

	<u>2014</u>	<u>2013</u>	<u>Estimated Useful Lives</u>
Land	\$ 1	\$ 1	
Buildings	5,309,677	5,309,677	40 Years
Building and leasehold improvements	3,531,036	3,280,258	10 Years
Furniture and equipment	5,964,008	4,788,319	3-10 Years
Closing costs and other	<u>1,226,145</u>	<u>1,150,607</u>	5-20 Years
	16,030,867	14,528,862	
Less: accumulated depreciation and amortization	<u>(6,504,685)</u>	<u>(5,706,980)</u>	
Net book value	<u>\$ 9,526,182</u>	<u>\$ 8,821,882</u>	

**BRONX ADDICTION SERVICES INTEGRATED CONCEPTS SYSTEMS, INC. AND AFFILIATE  
NOTES TO COMBINED FINANCIAL STATEMENTS  
DECEMBER 31, 2014 AND 2013**

**NOTE 5 – PROPERTY AND EQUIPMENT (Continued)**

For the years ended December 31, 2014 and 2013, depreciation and amortization expenses amounted to \$797,705 and \$663,057 respectively.

In March 1994, BASICS was selected by the New York State Office of Alcoholism and Substance Abuse Services (“OASAS”) to rehabilitate, manage and operate the site located at 1064 Franklin Avenue, Bronx, N.Y. BASICS must use the Site as a twenty-four (24) hours a day, seven (7) days a week residential treatment center which offers comprehensive treatment services for substance abusers. BASICS must use this site to provide specific substance abuse treatment services for a period of forty years.

In the event that the site shall ever cease to be used for the provision of not-for-profit substance abuse services, (or, in the event that there is no longer a need for not-for-profit substance abuse services, or another legally authorized not-for-profit public purpose) the State reserves the right to enter upon the site and reacquire its rights, title and interest in said site. In the event the New York State ceases to appropriate funds for the support of substance abuse service, BASICS may apply to the State to use the property for another legally authorized not-for-profit purpose. The State may not unreasonably withhold approval of such an application.

**NOTE 6 – BANK LINES OF CREDIT**

Acacia Housing had available a revolving line of credit up to a maximum of \$3,000,000 that expired on July 5, 2015. In June 2015, the line was renewed up to a maximum of \$5,000,000 that will expire on January 5, 2016. The line of credit is secured by the assets except the property held under a mortgage. Borrowings bear interest of an annual prime rate plus 1% (amounting to an interest rate of 4.25% as of December 31, 2014). As of December 31, 2014 and September 28, 2015 \$0 and \$5,000,000, respectively, was outstanding.

**NOTE 7 – MORTGAGE PAYABLE**

The mortgage payable consists of the following as of December 31, 2014 and 2013:

	<u>2014</u>	<u>2013</u>	<u>Annual Interest Rate</u>	<u>Due Date</u>
Mortgage payable to the Dormitory Authority of the State of New York (“DASNY”) in semi-yearly installments that include principal and interest, and collateralized by a first mortgage lien on 1064 Franklin Avenue, Bronx, N.Y.	\$ 1,287,900	\$ 1,627,400	5.46%	2018

Future annual principal payments are due as follows for the years ended subsequent to December 31, 2014:

2015	\$	355,300
2016		375,000
2017		392,700
2018		<u>164,900</u>
	\$	<u>1,287,900</u>

The New York State Office of Alcoholism and Substance Abuse Services (“OASAS”) which is the Organization’s primary governmental funding source, has agreed to fund the Organization’s long-term debt service payments through the annual operating contract. For the years ended December 31, 2014 and 2013, OASAS made payments amounting to \$339,500 and \$323,700, respectively, to DASNY.

**NOTE 8 – GOVERNMENT REFUNDABLE ADVANCES**

As of December 31, 2014 and 2013, government refundable advances include amounts received from various funding sources to support the Organization’s substance abuse programs in excess of amounts spent. As of December 31, 2014 and 2013, such excess amounted to \$984,335 and \$354,577, respectively.

**BRONX ADDICTION SERVICES INTEGRATED CONCEPTS SYSTEMS, INC. AND AFFILIATE  
NOTES TO COMBINED FINANCIAL STATEMENTS  
DECEMBER 31, 2014 AND 2013**

**NOTE 9 – DUE TO FUNDING SOURCES**

Due to funding sources includes funds that were received by the Organization under government grants for which the Organization has not yet met the grant conditions. Should these conditions not be met, these funds would then be due back to the governmental funding sources. In addition, this amount includes amounts due (including estimates) to funding sources arising from possible future audits and/or contract settlements. Due to the inherent uncertainties in estimating some of these liabilities, it is at least reasonably possible that such estimates could change materially in the near term.

**NOTE 10 – DUE TO/FROM AFFILIATES**

As of December 31, 2014 and 2013, the amounts due (to) from affiliates consist of the following:

	<u>2014</u>	<u>2013</u>
The Fund	\$ 522	\$ 675
GDOC	60,003	144,264
South Bronx Community Management Corp	(325,753)	-
Casa de Salud	(112)	-
PASO	(353,552)	(878,198)
Promesa Foundation, Inc.	(1,166,129)	(1,197,624)
Promesa Housing Development Fund Corporation	(813,905)	589,128
Promesa, Inc.	<u>43,757</u>	<u>256,367</u>
	<u>\$ (2,555,169)</u>	<u>\$ (1,085,388)</u>

**NOTE 11 – CONSUMER FUNDS**

BASICS receives stipends from a public assistance program on a monthly basis. These monies are deposited into a bank account and money is withdrawn on the residents' behalf. Residents receive stipends on a weekly basis for their personal needs. As of December 31, 2014 and 2013, BASICS owes the residents \$91,195 and \$75,803, respectively, which represents monies received from public assistance and not yet disbursed to residents.

**NOTE 12 – PENSION PLAN**

BASICS and Acacia Housing have separate qualified defined contribution pension plans under IRC Section 401(k) covering all eligible full-time employees. Each entity is required by the plan to match employee contributions in accordance with the pension plan agreements. BASICS and Acacia Housing match 125% of the first 6% and 100% of the first 5%, respectively, of an employee's contribution to the plans. Pension expense for the years ended December 31, 2014 and 2013 amounted to \$184,381 and \$143,165, respectively.

**NOTE 13 – COMMITMENTS AND CONTINGENCIES**

A. The Organization has various leases for vehicles and office equipment. The Organization is also obligated under various lease agreements with landlords for properties being used for the shelter program. As of December 31, 2014, the future minimum rental payments required under leases are as follows:

	<u>Real Property</u>	<u>Equipment</u>	<u>Vehicle</u>	<u>Total</u>
2015	\$ 22,449,000	\$ 2,000	\$ 18,000	\$ 22,469,000
2016	17,967,000	-	-	17,967,000
2017	16,587,000	-	-	16,587,000
2018	12,478,000	-	-	12,478,000
2018	9,816,000	-	-	9,816,000
Thereafter	<u>18,441,000</u>	<u>-</u>	<u>-</u>	<u>18,441,000</u>
	<u>\$ 97,738,000</u>	<u>\$ 2,000</u>	<u>\$ 18,000</u>	<u>\$ 97,758,000</u>

**BRONX ADDICTION SERVICES INTEGRATED CONCEPTS SYSTEMS, INC. AND AFFILIATE**  
**NOTES TO COMBINED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2014 AND 2013**

**NOTE 13 – COMMITMENTS AND CONTINGENCIES (Continued)**

Rent expense relating to the leases, for real property, for the years ended December 31, 2014 and 2013 amounted to \$10,273,718 and \$10,280,944, respectively. Such amounts are included in rent and security expense in the accompanying combined financial statements. In December 2008, Acacia Housing entered into a contract with NYCDHS, which has been renewed annually, to provide shelter to clients on a per diem basis for 643 apartments at a cost of \$64 per day for apartments with two bedrooms or less and \$79 per day for apartments larger than two bedrooms.

In July 2010, Acacia Housing entered into a contract with NYCDHS to provide shelter to clients on a per diem basis for 38 apartments. Acacia Housing pays rent of \$79,764 per month. The contract will expire on June 30, 2017.

In October 2010, Acacia Housing entered into a contract with NYCDHS to provide shelter for 200 women on a cost reimbursement basis. Acacia Housing pays rent of \$157,306 per month. The contract will expire on June 30, 2020.

In February 2011, Acacia Housing entered into a contract with NYCDHS to provide shelter for 176 men on a cost reimbursement basis. Acacia Housing pays rent of \$186,365 per month. The contract will expire on June 30, 2020.

In July 2011, Acacia Housing entered into a contract with NYCDHS to provide shelter to 36 families on a cost reimbursement basis. Acacia Housing pays rent of \$65,700 per month. The contract will expire on June 30, 2018.

In July 2013, Acacia Housing entered into a contract with NYCDHS to provide shelter to 54 homeless families on a per diem reimbursement basis. Acacia Housing pays rent of \$77,099 per month. The contract will expire on June 30, 2018 with the option to renew.

In September 2013, Acacia Housing entered into a contract with NYCDHS to provide shelter to 97 homeless families on a cost reimbursement basis. Acacia Housing pays rent of \$152,083 per month. The contract will expire on June 30, 2018 with the option to renew.

In September 2013, Acacia Housing entered into a contract with NYCDHS to provide shelter to 100 homeless families on a per diem reimbursement basis. Acacia Housing pays rent of \$142,958 per month. The contract will expire on June 30, 2018 with the option to renew.

In April 2014, Acacia Housing entered into a contract with NYCDHS to provide shelter to 14 homeless families on a per diem basis. Acacia Housing pays rent of \$19,163 per month. The contract will expire on June 30, 2019 with the option to renew.

In November 2014, Acacia Housing entered into a contract with NYCDHS to provide shelter to 15 homeless families on a per diem basis. Acacia Housing pays rent of \$8,938 per month. The contract will expire on June 30, 2019 with the option to renew.

In February 2015, Acacia Housing entered into a contract with NYCDHS to provide shelter to 81 homeless families on a per diem reimbursement basis. Acacia Housing pays rent of \$135,506 per month. The contract will expire on June 30, 2019 with the option to renew.

- B. Pursuant to the Organization's contractual relationships with certain funding sources, outside governmental agencies have the right to examine the books and records of the Organization involving transactions relating to these contracts.

**BRONX ADDICTION SERVICES INTEGRATED CONCEPTS SYSTEMS, INC. AND AFFILIATE**  
**NOTES TO COMBINED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2014 AND 2013**

**NOTE 13 – COMMITMENTS AND CONTINGENCIES (Continued)**

- C. A governmental agency previously conducted audits of BASICS Medicaid program billings for the period from January 1, 2004 through December, 31, 2005 and from January 1, 2006 through December 31, 2007. The reports identified certain billing issues and noncompliance with Medicaid program requirements and included estimates of overpayments made to BASICS. The total overpayments estimated by the funding source ranged from approximately \$1.1 million to \$2.9 million and were reduced from subsequent payments made to BASICS in prior years. BASICS did not agree with the results of the audits and engaged the services of legal counsel to respond to the governmental agency asserting that substantially all of the findings identified in the audit report should be removed and that there should be significant downward adjustments made to the audit findings. BASICS vigorously disputed the audit methodology utilized by the governmental agency and the results of the findings and, in the prior year, was notified by the government agency that amounts previously recouped from BASICS will be returned. In 2011, BASICS received approximately \$3,512,000 from the governmental agency. Based on the previous audits performed by the governmental agency, it was determined by BASICS that it is probable that an audit will be performed on the periods subsequent to 2007. As a result, BASICS recorded a liability related to the matter of approximately \$2,682,000 as of December 31, 2011. In 2014, BASICS analyzed the liability and reduced the amount by \$444,000 resulting in a total liability of approximately \$1,855,000 as of December 31, 2014. These amounts are included in due to funding sources in the combined statement of financial position as of December 31, 2014 and 2013.
- D. In February 2012, the Organization entered into an agreement to act as a guarantor for a commercial mortgage loan provided by a bank to Promesa Foundation, Inc., a related entity, to purchase property amounting to \$1,550,000. The mortgage is secured by the property being purchased. The Organization is contingently liable if Promesa Foundation, Inc. failed to pay principal and interest payments to the lender when due.
- E. The Organization accounts for uncertain income tax positions in accordance with Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) Topic 740 (“Income Taxes”), which provides standards for establishing and classifying any tax provisions for uncertain tax positions. The Organization is no longer subject to federal or state and local income tax examinations by tax authorities for years ended before 2011.

**NOTE 14 – CONCENTRATION OF CREDIT RISK**

Cash that potentially subjects the Organization to a concentration of credit risk include cash accounts with banks that exceed the Federal Deposit Insurance Corporation (“FDIC”) insurance limits. Cash accounts are insured up to \$250,000 per depositor. As of December 31, 2014 and 2013, there was approximately \$13.3 million and \$11.3 million, respectively, of cash held by banks that exceeded FDIC limits.

**NOTE 15 – INVESTMENT IN REAL ESTATE**

On August 13, 2014, Acacia Housing entered into a loan purchase and assumption agreement with a bank. The bank had previously issued restated promissory notes secured by a mortgage, in August 2010, to a corporation located in Florida (the “Corporation”). The Corporation defaulted on the notes which had a total outstanding principal balance of \$1,667,682 as of August 2014. The notes were purchased by Acacia Housing in August 2014 for \$1,002,000. As a result of this purchase, Acacia Housing was a plaintiff in foreclosure proceedings filed against the Corporation. In April 2015, the court granted a final judgment of foreclosure and the property was part of an auction proceeding. Acacia Housing was the highest bidder at the auction and received a certificate of title for the property.

**NOTE 16 – SUBSEQUENT EVENTS**

Management has evaluated, for potential accrual or disclosure, events subsequent to the date of the combined statements of financial position through September 28, 2015, the date the combined financial statements were available to be issued.

**BRONX ADDICTION SERVICES INTEGRATED CONCEPTS SYSTEMS, INC. AND AFFILIATE  
COMBINING SCHEDULES OF FINANCIAL POSITION  
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013**

	As of December 31, 2014				As of December 31, 2013			
	BASICS, Inc.	Acacia Network Housing, Inc.	Eliminations	Combined Total 2014	BASICS, Inc.	Acacia Network Housing, Inc.	Eliminations	Combined Total 2013
<b>ASSETS</b>								
Cash	\$ 1,910,213	\$ 9,530,732	\$ -	\$ 11,440,945	\$ 1,237,510	8,795,609	\$ -	\$ 10,033,119
Grants receivable	1,092,869	52,496	-	1,145,365	229,294	2,128,648	-	2,357,942
Receivable from third party payors, net	330,588	-	-	330,588	225,449	-	-	225,449
Prepaid expenses and other assets	29,145	426,791	-	455,936	20,226	116,928	-	137,154
Security deposits	116,433	210,294	-	326,727	101,599	209,085	-	310,684
Property and equipment, net	5,657,913	3,868,269	-	9,526,182	5,914,873	2,907,009	-	8,821,882
Consumer funds	91,195	-	-	91,195	75,803	-	-	75,803
Investment in real estate	-	1,002,000	-	1,002,000	-	-	-	-
Due from affiliates	1,344,473	654,243	(1,998,716)	-	1,850,353	636,427	(2,486,780)	-
<b>TOTAL ASSETS</b>	<b>\$ 10,572,829</b>	<b>\$ 15,744,825</b>	<b>\$ (1,998,716)</b>	<b>\$ 24,318,938</b>	<b>\$ 9,655,107</b>	<b>\$ 14,793,706</b>	<b>\$ (2,486,780)</b>	<b>\$ 21,962,033</b>
<b>LIABILITIES</b>								
Accounts payable and accrued expenses	\$ 534,613	6,162,665	\$ -	\$ 6,697,278	\$ 313,563	\$ 6,391,266	\$ -	\$ 6,704,829
Accrued salaries	240,340	452,817	-	693,157	153,674	292,190	-	445,864
Accrued vacation	446,949	562,598	-	1,009,547	388,828	428,359	-	817,187
Bank lines of credit	-	-	-	-	-	2,000,000	-	2,000,000
Mortgage payable	1,287,900	-	-	1,287,900	1,627,400	-	-	1,627,400
Government refundable advances	984,335	-	-	984,335	354,577	-	-	354,577
Due to funding sources	2,021,320	2,112,601	-	4,133,921	2,298,694	481,292	-	2,779,986
Consumer funds	91,195	-	-	91,195	75,803	-	-	75,803
Due to affiliates	2,350,748	2,203,137	(1,998,716)	2,555,169	1,998,156	1,574,012	(2,486,780)	1,085,388
<b>TOTAL LIABILITIES</b>	<b>7,957,400</b>	<b>11,493,818</b>	<b>(1,998,716)</b>	<b>17,452,502</b>	<b>7,210,695</b>	<b>11,167,119</b>	<b>(2,486,780)</b>	<b>15,891,034</b>
<b>TOTAL NET ASSETS</b>	<b>2,615,429</b>	<b>4,251,007</b>	<b>-</b>	<b>6,866,436</b>	<b>2,444,412</b>	<b>3,626,587</b>	<b>-</b>	<b>6,070,999</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 10,572,829</b>	<b>\$ 15,744,825</b>	<b>\$ (1,998,716)</b>	<b>\$ 24,318,938</b>	<b>\$ 9,655,107</b>	<b>\$ 14,793,706</b>	<b>\$ (2,486,780)</b>	<b>\$ 21,962,033</b>

See independent auditors' report.

**BRONX ADDICTION SERVICES INTEGRATED CONCEPTS SYSTEMS, INC. AND AFFILIATE  
COMBINING SCHEDULES OF ACTIVITIES  
FOR THE YEARS ENDED DECEMBER 31, 2014 AND 2013**

	Year Ended December 31, 2014			Year Ended December 31, 2013				
	BASICS	Acacia Network Housing, Inc.	Eliminations	Combined Total 2014	BASICS	Acacia Network Housing, Inc.	Eliminations	Combined Total 2013
<b>GOVERNMENT AND PUBLIC SUPPORT:</b>								
Government grants	\$ 5,481,483	\$ 75,613,262	\$ -	\$ 81,094,745	\$ 5,063,934	\$ 56,251,522	\$ -	\$ 61,315,456
Program service fees	2,785,846	1,101,060	-	3,886,906	2,195,044	583,012	-	2,778,056
Client fees	3,069,501	-	(1,155,022)	1,914,479	3,411,452	-	(2,248,049)	1,163,403
Miscellaneous income	266,834	104,637	-	371,471	730,777	157,027	-	887,804
<b>TOTAL GOVERNMENT AND PUBLIC SUPPORT</b>	<u>11,603,664</u>	<u>76,818,959</u>	<u>(1,155,022)</u>	<u>87,267,601</u>	<u>11,401,207</u>	<u>56,991,561</u>	<u>(2,248,049)</u>	<u>66,144,719</u>
<b>EXPENSES:</b>								
Program services	7,881,469	70,923,179	-	78,804,648	6,303,428	52,564,182	-	58,867,610
Management and general	3,551,178	5,271,360	(1,155,022)	7,667,516	4,261,264	4,868,251	(2,248,049)	6,881,466
<b>TOTAL EXPENSES</b>	<u>11,432,647</u>	<u>76,194,539</u>	<u>(1,155,022)</u>	<u>86,472,164</u>	<u>10,564,692</u>	<u>57,432,433</u>	<u>(2,248,049)</u>	<u>65,749,076</u>
<b>CHANGE IN NET ASSETS</b>	171,017	624,420	-	795,437	836,515	(440,872)	-	395,643
Net assets - beginning of year	<u>2,444,412</u>	<u>3,626,587</u>	<u>-</u>	<u>6,070,999</u>	<u>1,607,897</u>	<u>4,067,459</u>	<u>-</u>	<u>5,675,356</u>
<b>NET ASSETS - END OF YEAR</b>	<u>\$ 2,615,429</u>	<u>\$ 4,251,007</u>	<u>\$ -</u>	<u>\$ 6,866,436</u>	<u>\$ 2,444,412</u>	<u>\$ 3,626,587</u>	<u>\$ -</u>	<u>\$ 6,070,999</u>

See independent auditor's report.