Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

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

OMB No 1545-0047
2008
Open to Public Inspection

A For the 2008 calendar year, or tax year beginning SEP 1, 2008 and ending AUG 31, 2009

B Check if applicable: [X] Address change [X] Name change [ ] Initial return [ ] Termination [ ] Amended return [ ] Application pending

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

C Name of organization: SOUTHWEST KEY PROGRAMS, INC.
Doing Business As
Number and street (or P.O. box if mail is not delivered to street address): 6002 JAIN LANE | Room/suite
City or town, state or country, and ZIP + 4: AUSTIN, TX 78721

D Employer identification number: 74-2481167
E Telephone number: 512-462-2181
G Gross receipts $ 58,271,088.

F Name and address of principal officer: SAME AS C ABOVE

H(a) Is this a group return for affiliates? [ ] Yes [X] No
H(b) Are all affiliates included? [ ] Yes [ ] No
If "No," attach a list. (see instructions)
H(c) Group exemption number ▶

I Tax-exempt status: [X] 501(c) (3) ◀ (insert no.) [ ] 4947(a)(1) or [ ] 527
J Website: ▶ WWW.SWKEY.ORG
K Type of organization: [X] Corporation [ ] Trust [ ] Association [ ] Other ▶
L Year of formation: 1987 **M** State of legal domicile: TX

Part I Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities: OPENING DOORS TO OPPORTUNITY SO YOUNG PEOPLE CAN ACHIEVE THEIR DREAMS

2 Check this box ▶ [ ] if the organization discontinued its operations or disposed of more than 25% of its assets.

3	Number of voting members of the governing body (Part VI, line 1a)	3	5
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	5
5	Total number of employees (Part V, line 2a)	5	1435
6	Total number of volunteers (estimate if necessary)	6	12
7a	Total gross unrelated business revenue from Part VIII, line 12, column (C)	7a	0.
b	Net unrelated business taxable income from Form 990-T, line 34	7b	0.

		Prior Year	Current Year
Revenue			
8	Contributions and grants (Part VIII, line 1h)	58,286,905.	57,992,666.
9	Program service revenue (Part VIII, line 2g)		
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	55,092.	60,235.
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	69,009.	190,059.
12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	58,411,006.	58,242,960.
Expenses			
13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	216,737.	3,540.
14	Benefits paid to or for members (Part IX, column (A), line 4)		
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	27,356,602.	34,464,667.
16a	Professional fundraising fees (Part IX, column (A), line 11e)	14,342.	
b	Total fundraising expenses (Part IX, column (D), line 25) ▶ 1,621.		
17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	29,544,393.	23,014,539.
18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	57,132,074.	57,482,746.
19	Revenue less expenses. Subtract line 18 from line 12	1,278,932.	760,214.

Net Assets or Fund Balances		Beginning of Year	End of Year
20	Total assets (Part X, line 16)	18,052,848.	19,538,459.
21	Total liabilities (Part X, line 26)	8,838,999.	9,564,396.
22	Net assets or fund balances. Subtract line 21 from line 20	9,213,849.	9,974,063.

RECEIVED
JAN 21 2010
OGDEN, UT
IRS-OSC

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

Sign Here
▶ Signature of officer | Date 1/15/10
▶ OFFICER MELODY CHUNG
Type or print name and title

Paid Preparer's Use Only
Preparer's signature ▶ | Date 1/14/10 | Check if self-employed ▶ [ ] | Preparer's identifying number (see instructions)
Firm's name (or yours if self-employed), address, and ZIP + 4 ▶ PADGETT, STRATEMANN & CO., L.L.P.
515 CONGRESS AVENUE, SUITE 1212
AUSTIN, TX 78701
EIN ▶
Phone no. ▶ (512) 476-0717

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

SCANNED JAN 25 2010

832001 12-18-08 LHA For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions. Form **990** (2008)

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Part III **Statement of Program Service Accomplishments** (see instructions)

1 Briefly describe the organization's mission: SEE SCHEDULE O FOR CONTINUATION
SOUTHWEST KEY PROGRAMS IS A NATIONAL NONPROFIT ORGANIZATION PROVIDING TRANSFORMATIVE EDUCATION, INNOVATIVE SAFE SHELTERS AND ALTERNATIVES TO INCARCERATION IMPACTING OVER 6,000 YOUTH EACH DAY, WHILE CREATING OPPORTUNITIES FOR THEIR FAMILIES TO BECOME SELF-SUFFICIENT. WE EMPLOY

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
If "Yes", describe these new services on Schedule O.

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

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

4a (Code:) (Expenses $ 26,619,910. including grants of $) (Revenue $)
UNACCOMPANIED MINORS PROGRAMS - SOUTHWEST KEY'S UNACCOMPANIED MINOR PROGRAMS SERVE YOUTH WHO ENTER THE UNITED STATES WITHOUT PARENTS OR ADULT GUARDIANS AND HAVE BEEN DETAINED BY IMMIGRATION OFFICIALS. AS THE LARGEST PROVIDER OF SHELTER SERVICES TO UNACCOMPANIED MINORS IN THE UNITED STATES, OUR PROGRAM ENCOURAGES THE DEVELOPMENT OF PERSONAL, SOCIAL, ACADEMIC AND VOCATIONAL SKILLS WHILE THE MINORS AWAIT REUNIFICATION WITH THEIR FAMILIES AND/OR THE RESOLUTION OF THEIR LEGAL CASE. MINORS ARE PROVIDED WITH EDUCATION, COUNSELING, CASEWORK MANAGEMENT, RECREATION AND MEDICAL SERVICES. OUR PROGRAM HONORS AND RESPECTS INDIVIDUAL CULTURES AND TRADITIONS, AS WELL AS OFFERS OPPORTUNITIES FOR ACCULTURATION. THESE HUMANITARIAN SERVICES ARE PROVIDED IN A NURTURING, STRENGTH BASED THERAPEUTIC ENVIRONMENT.

4b (Code:) (Expenses $ 11,313,902. including grants of $ 3,540.) (Revenue $)
CHILD CARE MANAGEMENT - THE TEXAS WORKFORCE COMMISSION (TWC) PURCHASES CHILDCARE FOR ELIGIBLE FAMILIES THROUGH CHILDCARE DELIVERY SERVICES. THIS PROGRAM HELPS PARENTS WHO ARE STRIVING TO BECOME SELF-SUFFICIENT BY GIVING THEM MORE CHOICES IN CHILDCARE ARRANGEMENTS AND BY HELPING THEM FIND QUALIFIED CAREGIVERS. THE SYSTEM BENEFITS FAMILIES, PROVIDERS AND COMMUNITIES. IT GIVES:
- FAMILIES WHO ARE ELIGIBLE FOR TWC SUBSIDIES MORE CHILDCARE ARRANGEMENTS TO CHOOSE FROM
- PROVIDERS OPPORTUNITIES TO CARE FOR TWC-SUBSIDIZED CHILDREN
- PARENTS AND COMMUNITIES SIMPLE ACCESS TO TWC CHILDCARE SERVICES BECAUSE ALL SERVICES ARE COORDINATED THROUGH A SINGLE AGENCY IN EACH AREA, THE CCM CONTRACTOR

4c (Code:) (Expenses $ 3,553,747. including grants of $) (Revenue $)
JJAEP - SOUTHWEST KEY OPERATES FOUR ALTERNATIVE SCHOOLS, OR JUVENILE JUSTICE ALTERNATIVE EDUCATION PROGRAM (JJAEP), IN TEXAS. JJAEP IS A THERAPEUTIC, EDUCATIONAL SETTING THAT SERVES ADOLESCENTS BETWEEN THE AGES OF 10 TO 17 WHO HAVE BEEN EXPELLED FROM THEIR LOCAL SCHOOL DISTRICTS. THE JJAEP PROVIDES DAILY INSTRUCTION, SUPERVISION, AND EDUCATIONAL SUPPORT FOR HIGH-RISK STUDENTS, PROVIDING THESE YOUTH WITH THE TOOLS AND KNOWLEDGE NEEDED TO MAKE POSITIVE CHANGES IN THEIR LIVES.

4d Other program services. (Describe in Schedule O.)
(Expenses $ 9,680,827. including grants of $) (Revenue $ 1,525.)

4e **Total program service expenses** ▶ $ 51,168,386. *(Must equal Part IX, Line 25, column (B).)*

Part IV Checklist of Required Schedules

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

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

			Yes	No
28	During the tax year, did any person who is a current or former officer, director, trustee, or key employee:			
a	Have a direct business relationship with the organization (other than as an officer, director, trustee, or employee), or an indirect business relationship through ownership of more than 35% in another entity (individually or collectively with other person(s) listed in Part VII, Section A)? *If "Yes," complete Schedule L, Part IV*	28a	X	
b	Have a family member who had a direct or indirect business relationship with the organization? *If "Yes," complete Schedule L, Part IV*	28b		X
c	Serve as an officer, director, trustee, key employee, partner, or member of an entity (or a shareholder of a professional corporation) doing business with the organization? *If "Yes," complete Schedule L, Part IV*	28c		X
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	29		X
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	30		X
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	31		X
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	32		X
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301 7701-3? *If "Yes," complete Schedule R, Part I*	33		X
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1*	34	X	
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	35	X	
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	36		X
37	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? *If "Yes," complete Schedule R, Part VI*	37		X

Form **990** (2008)

Part V Statements Regarding Other IRS Filings and Tax Compliance

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096, Annual Summary and Transmittal of U.S. Information Returns. Enter -0- if not applicable	1a	355		
b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?		1c	X	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	1435		
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?		2b	X	
	Note. If the sum of lines 1a and 2a is greater than 250, you may be required to *e-file* this return. (see instructions)				
3a	Did the organization have unrelated business gross income of $1,000 or more during the year covered by this return?		3a		X
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*		3b		
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		4a		X
b	If "Yes," enter the name of the foreign country: ▶ See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.				
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?		5a		X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		5b		X
c	If "Yes," to question 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?		5c		
6a	Did the organization solicit any contributions that were not tax deductible?		6a		X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		6b		
7	**Organizations that may receive deductible contributions under section 170(c).**				
a	Did the organization provide goods or services in exchange for any quid pro quo contribution of more than $75?		7a	X	
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		7b	X	
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		7c		X
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d			
e	Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		7e		X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		7f		X
g	For all contributions of qualified intellectual property, did the organization file Form 8899 as required?		7g		X
h	For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?		7h		X
8	**Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?		8		
9	**Section 501(c)(3) and other sponsoring organizations maintaining donor advised funds.**				
a	Did the organization make any taxable distributions under section 4966?		9a		
b	Did the organization make a distribution to a donor, donor advisor, or related person?		9b		
10	**Section 501(c)(7) organizations.** Enter: N/A				
a	Initiation fees and capital contributions included on Part VIII, line 12	10a			
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b			
11	**Section 501(c)(12) organizations.** Enter: N/A				
a	Gross income from members or shareholders	11a			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b			
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?		12a		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year N/A	12b			

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

Section A. Governing Body and Management

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

				Yes	No
1a	Enter the number of voting members of the governing body	1a 5			
b	Enter the number of voting members that are independent	1b 5			
2	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?		2	X	
3	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?		3		X
4	Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?		4	X	
5	Did the organization become aware during the year of a material diversion of the organization's assets?		5		X
6	Does the organization have members or stockholders?		6		X
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?		7a		X
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?		7b		X
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:				
a	The governing body?		8a	X	
b	Each committee with authority to act on behalf of the governing body?		8b	X	
9a	Does the organization have local chapters, branches, or affiliates?		9a		X
b	If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?		9b		
10	Was a copy of the Form 990 provided to the organization's governing body before it was filed? All organizations must describe in Schedule O the process, if any, the organization uses to review the Form 990		10		X
11	Is there any officer, director or 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*		11		X

Section B. Policies

			Yes	No
12a	Does the organization have a written conflict of interest policy? *If "No," go to line 13*	12a	X	
b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	X	
c	Does the organization regularly and consistently monitor and enforce compliance with the policy? *If "Yes," describe in Schedule O how this is done*	12c	X	
13	Does the organization have a written whistleblower policy?	13	X	
14	Does the organization have a written document retention and destruction policy?	14		X
15	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:			
a	The organization's CEO, Executive Director, or top management official?	15a	X	
b	Other officers or key employees of the organization? Describe the process in Schedule O. (see instructions)	15b	X	
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	X	
b	If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?	16b		X

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed ▶CA

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.
☐ Own website ☐ Another's website ☒ Upon request

19 Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: ▶
MELODY CHUNG, CFO - 512-583-2516
6002 JAIN LANE, AUSTIN, TX 78721

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

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

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

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation, and **current** key employees. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than $100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, 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 the organization did not compensate any officer, director, trustee, or key employee.

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply): Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former	(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
GUSTAVO GARCIA BOARD CHAIR	1.00	X		X				4,865.	0.	0.
VICTOR GARZA BOARD VICE CHAIR	1.00	X		X				0.	0.	0.
EDWARD CLINE BOARD SECRETARY	1.00	X		X				0.	0.	0.
CATHERINE PENA BOARD TREASURER	1.00	X		X				0.	0.	0.
OTIS HEAD BOARD MEMBER	1.00	X						0.	0.	0.
ORLANDO MARTINEZ BOARD MEMBER	1.00	X						0.	0.	0.
OFELIA DE LOS SANTOS BOARD MEMBER	1.00	X						0.	0.	0.
FRANK FELIX BOARD MEMBER	1.00	X						0.	0.	0.
JUAN SANCHEZ PRESIDENT / CEO	40.00			X				230,445.	0.	6,755.
MELODY CHUNG CHIEF FINANCIAL OFFICER	40.00			X				145,716.	0.	4,889.
JOELLA BROOKS DEPUTY EXECUTIVE DIRECTO	40.00					X		108,746.	0.	5,137.
NEREIDA CANTU SUPERINTENDENT OF EDUCAT	40.00					X		114,184.	0.	838.

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees *(continued)*

(A) Name and title	(B) Average hours per week	(C) Position (check all that apply): Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former	(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
1b Total ▶								603,956.	0.	17,619.

2 Total number of individuals (including those in 1a) who received more than $100,000 in reportable compensation from the organization ▶ 4

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

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
GILBANE BUILDING COMPANY 1331 LAMAR ST, STE 1170, HOUSTON, TX 77010	CONSTRUCTION OF CORPORATE OFFICE	170,566.

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

Part VIII Statement of Revenue

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1 a Federated campaigns	1a				
	b Membership dues	1b				
	c Fundraising events	1c 38,432.				
	d Related organizations	1d				
	e Government grants (contributions)	1e 57916043.				
	f All other contributions, gifts, grants, and similar amounts not included above	1f 38,191.				
	g Noncash contributions included in lines 1a-1f $	6,000.				
	h **Total.** Add lines 1a-1f ▶		57992666.			
Program Service Revenue		Business Code				
	2 a					
	b					
	c					
	d					
	e					
	f All other program service revenue					
	g **Total.** Add lines 2a-2f ▶					
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts) ▶		57,589.			57,589.
	4 Income from investment of tax-exempt bond proceeds ▶					
	5 Royalties ▶					
		(i) Real / (ii) Personal				
	6 a Gross Rents	(i) 1,525.				
	b Less: rental expenses					
	c Rental income or (loss)	(i) 1,525.				
	d Net rental income or (loss) ▶		1,525.	1,525.		
	7 a Gross amount from sales of assets other than inventory	(i) Securities / (ii) Other 12,071.				
	b Less: cost or other basis and sales expenses	(ii) 9,425.				
	c Gain or (loss)	(ii) 2,646.				
	d Net gain or (loss) ▶		2,646.			2,646.
	8 a Gross income from fundraising events (not including $ 38,432. of contributions reported on line 1c). See Part IV, line 18	a 4,327.				
	b Less: direct expenses	b 18,703.				
	c Net income or (loss) from fundraising events ▶		<14,376.>			<14,376.>
	9 a Gross income from gaming activities. See Part IV, line 19	a				
	b Less: direct expenses	b				
	c Net income or (loss) from gaming activities ▶					
	10 a Gross sales of inventory, less returns and allowances	a				
	b Less: cost of goods sold	b				
	c Net income or (loss) from sales of inventory ▶					
	Miscellaneous Revenue	Business Code				
	11 a MANAGEMENT FEE	541610	126,430.			126,430.
	b OTHER INCOME	900099	66,400.			66,400.
	c RENT INCOME	532000	10,080.			10,080.
	d All other revenue					
	e **Total.** Add lines 11a-11d ▶		202,910.			
	12 **Total Revenue.** Add lines 1h, 2g, 3, 4, 5, 6d, 7d, 8c, 9c, 10c, and 11e ▶		58242960.	1,525.	0.	248,769.

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.
All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

	Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21	3,540.	3,540.		
2	Grants and other assistance to individuals in the U.S. See Part IV, line 22				
3	Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16				
4	Benefits paid to or for members				
5	Compensation of current officers, directors, trustees, and key employees	541,190.	110,472.	430,718.	
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	27,002,289.	23,578,683.	3,423,606.	
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	458,962.	378,142.	80,820.	
9	Other employee benefits	4,273,729.	3,916,262.	357,467.	
10	Payroll taxes	2,188,497.	1,915,409.	273,088.	
11	Fees for services (non-employees):				
a	Management				
b	Legal	102,405.		102,405.	
c	Accounting	28,659.	1,849.	26,810.	
d	Lobbying	8,000.		8,000.	
e	Professional fundraising services. See Part IV, line 17				
f	Investment management fees				
g	Other	787,160.	561,975.	225,185.	
12	Advertising and promotion	21,664.	12,841.	8,823.	
13	Office expenses	1,785,860.	1,488,475.	297,385.	
14	Information technology	390,497.	293,120.	97,377.	
15	Royalties				
16	Occupancy	3,914,713.	3,514,128.	400,585.	
17	Travel	1,639,023.	1,439,148.	199,875.	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings				
20	Interest	58,105.	17,896.	40,209.	
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	702,726.	459,113.	243,613.	
23	Insurance	377,906.	337,437.	40,469.	
24	Other expenses. Itemize expenses not covered above. (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below.)				
a	PASS THROUGH REIMBURSEM	10,757,189.	10,757,189.		
b	FOOD AND CLOTHING	1,069,690.	1,069,690.		
c	CLIENT SUPPLIES AND EXP	791,483.	791,483.		
d	TRAINING	347,467.	306,324.	41,143.	
e	EVACUATION EXPENSE	187,892.	187,892.		
f	All other expenses	44,100.	27,318.	15,161.	1,621.
25	**Total functional expenses.** Add lines 1 through 24f	57,482,746.	51,168,386.	6,312,739.	1,621.
26	**Joint Costs.** Check here ▶ ☐ if following SOP 98-2. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

			(A) Beginning of year		(B) End of year
Assets	1	Cash - non-interest-bearing	3,310,034.	1	2,853,824.
	2	Savings and temporary cash investments		2	1,566,089.
	3	Pledges and grants receivable, net	600,000.	3	600,000.
	4	Accounts receivable, net	3,124,741.	4	3,681,701.
	5	Receivables from current and former officers, directors, trustees, key employees, or other related parties. Complete Part II of Schedule L		5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) Complete Part II of Schedule L		6	
	7	Notes and loans receivable, net		7	130,670.
	8	Inventories for sale or use		8	
	9	Prepaid expenses and deferred charges	276,949.	9	246,831.
	10a	Land, buildings, and equipment cost basis — 10a 11,809,664.			
	b	Less: accumulated depreciation. Complete Part VI of Schedule D — 10b 1,747,803.	10,360,982.	10c	10,061,861.
	11	Investments - publicly traded securities		11	
	12	Investments - other securities. See Part IV, line 11	222,755.	12	224,755.
	13	Investments - program-related. See Part IV, line 11		13	
	14	Intangible assets		14	
	15	Other assets. See Part IV, line 11	157,387.	15	172,728.
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)	18,052,848.	16	19,538,459.
Liabilities	17	Accounts payable and accrued expenses	6,348,565.	17	7,112,769.
	18	Grants payable		18	
	19	Deferred revenue	589,230.	19	805,686.
	20	Tax-exempt bond liabilities		20	
	21	Escrow account liability. Complete Part IV of Schedule D		21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23	Secured mortgages and notes payable to unrelated third parties	1,591,108.	23	1,539,317.
	24	Unsecured notes and loans payable		24	
	25	Other liabilities. Complete Part X of Schedule D	310,096.	25	106,624.
	26	**Total liabilities.** Add lines 17 through 25	8,838,999.	26	9,564,396.
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here ▶ [X] and complete lines 27 through 29, and lines 33 and 34.**			
	27	Unrestricted net assets	9,148,971.	27	9,913,913.
	28	Temporarily restricted net assets	64,878.	28	60,150.
	29	Permanently restricted net assets		29	
		Organizations that do not follow SFAS 117, check here ▶ [ ] and complete lines 30 through 34.			
	30	Capital stock or trust principal, or current funds		30	
	31	Paid-in or capital surplus, or land, building, or equipment fund		31	
	32	Retained earnings, endowment, accumulated income, or other funds		32	
	33	Total net assets or fund balances	9,213,849.	33	9,974,063.
	34	Total liabilities and net assets/fund balances	18,052,848.	34	19,538,459.

Part XI Financial Statements and Reporting

			Yes	No
1	Accounting method used to prepare the Form 990: [ ] Cash [X] Accrual [ ] Other			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?	2a		X
b	Were the organization's financial statements audited by an independent accountant?	2b		X
c	If "Yes" to lines 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	2c		
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a	X	
b	If "Yes," did the organization undergo the required audit or audits?	3b	X	

SCHEDULE A (Form 990 or 990-EZ)

Department of the Treasury Internal Revenue Service

Public Charity Status and Public Support

To be completed by all section 501(c)(3) organizations and section 4947(a)(1) nonexempt charitable trusts.

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization SOUTHWEST KEY PROGRAMS, INC.

Employer identification number 74-2481167

Part I Reason for Public Charity Status (All organizations must complete this part.) (see instructions)

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

1 ☐ A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**

2 ☐ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E.)

3 ☐ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).** (Attach Schedule H.)

4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state: __________

5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)

6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**

7 ☒ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)

8 ☐ A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II.)

9 ☐ An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2).** (Complete the Part III.)

10 ☐ An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).** (see instructions)

11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h.

a ☐ Type I **b** ☐ Type II **c** ☐ Type III - Functionally integrated **d** ☐ Type III - Other

e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)

f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box ☐

g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

		Yes	No
(i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?	**11g(i)**		
(ii) A family member of a person described in (i) above?	**11g(ii)**		
(iii) A 35% controlled entity of a person described in (i) or (ii) above?	**11g(iii)**		

h Provide the following information about the organizations the organization supports.

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

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.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	41029659.	47977478.	48573299.	58286905.	57992666.	253860007
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 **Total.** Add lines 1 - 3	41029659.	47977478.	48573299.	58286905.	57992666.	253860007
5 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)						
6 **Public Support.** Subtract line 5 from line 4						253860007

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
7 Amounts from line 4	41029659.	47977478.	48573299.	58286905.	57992666.	253860007
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	5,834.	124,218.	110,328.	64,232.	59,114.	363,726.
9 Net income from unrelated business activities, whether or not the business is regularly carried on	4,610.					4,610.
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)	56,451.	20,228.	41,094.	54,506.	202,910.	375,189.
11 **Total support.** Add lines 7 through 10						254603532

12 Gross receipts from related activities, etc. (see instructions) | 12 | 59,827.

13 **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

14 Public support percentage for 2008 (line 6, column (f) divided by line 11, column (f)) | 14 | 99.71 %

15 Public support percentage from 2007 Schedule A, Part IV-A, line 26f | 15 | 99.74 %

16a **33 1/3% support test - 2008.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☒

b **33 1/3% support test - 2007.** 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 **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

17a **10% -facts-and-circumstances test - 2008.** If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ▶ ☐

b **10% -facts-and-circumstances test - 2007.** If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ▶ ☐

18 **Private foundation.** If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ▶ ☐

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.)

Section A. Public Support

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

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2005	(c) 2006	(d) 2007	(e) 2008	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
13 **Total support** (Add lines 9, 10c, 11, and 12)						

14 **First five years.** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here** ▶ ☐

Section C. Computation of Public Support Percentage

15 Public support percentage for 2008 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2007 Schedule A, Part IV-A, line 27g	16	%

Section D. Computation of Investment Income Percentage

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

19a **33 1/3% support tests - 2008.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3%, and line 17 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

b **33 1/3% support tests - 2007.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶ ☐

20 **Private foundation.** If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ▶ ☐

SCHEDULE C
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

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

▶ To be completed by organizations described below.
▶ Attach to Form 990 or Form 990-EZ.

OMB No 1545-0047

2008

Open to Public Inspection

If the organization answered "Yes," to Form 990, Part IV, line 3, or Form 990-EZ, Part VI, 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), then

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

Name of organization	Employer identification number
SOUTHWEST KEY PROGRAMS, INC.	74-2481167

Part I-A To be completed by all organizations exempt under section 501(c) and section 527 organizations.

See the instructions for Schedule C for details.

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 To be completed by all organizations exempt under section 501(c)(3).

See the instructions for Schedule C for details.

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 To be completed by all organizations exempt under section 501(c), except section 501(c)(3).

See the instructions for Schedule C for details.

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 of direct and indirect exempt function expenditures. Add lines 1 and 2 and enter here and on Form 1120-POL, line 17b ▶ $ ______
4 Did the filing organization file **Form 1120-POL** for this year? ☐ Yes ☐ No
5 State the names, addresses and employer identification number (EIN) of all section 527 political organizations to which payments were made. Enter the amount paid and indicate if the amount was paid from the filing organization's funds or were political contributions received and 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-.

Part II-A **To be completed by organizations exempt under section 501(c)(3) that filed Form 5768 (election under section 501(h)).** See the instructions for Schedule C for details.

A Check ▶ ☐ if the filing organization belongs to an affiliated group.

B Check ▶ ☐ if the filing organization checked box A and "limited control" provisions apply.

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)	(a) Filing organization's totals	(b) Affiliated group totals
1a Total lobbying expenditures to influence public opinion (grassroots lobbying)		
b Total lobbying expenditures to influence a legislative body (direct lobbying)	8,000.	
c Total lobbying expenditures (add lines 1a and 1b)	8,000.	
d Other exempt purpose expenditures	51,160,386.	
e Total exempt purpose expenditures (add lines 1c and 1d)	51,168,386.	
f Lobbying nontaxable amount. Enter the amount from the following table in both columns.	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.

	(a)	(b)
g Grassroots nontaxable amount (enter 25% of line 1f)	250,000.	
h Subtract line 1g from line 1a. Enter -0- if line g is more than line a	0.	
i Subtract line 1f from line 1c. Enter -0- if line f is more than line c	0.	

j 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? ☐ Yes ☐ 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 instructions for lines 2a through 2f of the instructions.)

Lobbying Expenditures During 4-Year Averaging Period

Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) Total
2a Lobbying non-taxable amount				1,000,000.	1,000,000.
b Lobbying ceiling amount (150% of line 2a, column(e))					1,500,000.
c Total lobbying expenditures				8,000.	8,000.
d Grassroots non-taxable amount				250,000.	250,000.
e Grassroots ceiling amount (150% of line 2d, column (e))					375,000.
f Grassroots lobbying expenditures					

Part II-B **To be completed by organizations exempt under section 501(c)(3) that have NOT filed Form 5768 (election under section 501(h)).** See the instructions for Schedule C for details.

		(a) Yes	(a) No	(b) Amount
1	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:			
a	Volunteers?			
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?			
c	Media advertisements?			
d	Mailings to members, legislators, or the public?			
e	Publications, or published or broadcast statements?			
f	Grants to other organizations for lobbying purposes?			
g	Direct contact with legislators, their staffs, government officials, or a legislative body?			
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means?			
i	Other activities? If "Yes," describe in Part IV			
j	Total lines 1c through 1i			
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?			
b	If "Yes," enter the amount of any tax incurred under section 4912			
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

Part III-A **To be completed by all organizations exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6).** See the instructions for Schedule C for details.

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

Part III-B **To be completed by all organizations exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) if BOTH Part III-A, questions 1 and 2 are answered "No" OR if Part III-A, question 3 is answered "Yes."** See Schedule C instructions for details.

1	Dues, assessments and similar amounts from members	1	
2	Section 162(e) non-deductible lobbying and political expenditures **(do not include amounts of political expenses for which the section 527(f) tax was paid).**		
a	Current year	2a	
b	Carryover from last year	2b	
c	Total	2c	
3	Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	3	
4	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	
5	Taxable amount of lobbying and political expenditures (line 2c total minus 3 and 4)	5	

Part IV **Supplemental Information**

Complete this part to provide the descriptions required for Part I-A, line 1; Part I-B, line 4; Part I-C, line 5; and Part II-B, line 1i. Also, complete this part for any additional information.

Schedule D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

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

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization
SOUTHWEST KEY PROGRAMS, INC.

Employer identification number
74-2481167

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 contributions to (during year)		
3	Aggregate 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? ☐ Yes ☐ No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor or other impermissible private benefit? ☐ Yes ☐ 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 pleasure)
- ☐ Preservation of an historically important land area
- ☐ Protection of natural habitat
- ☐ Preservation of certified historic structure
- ☐ Preservation of open space

2 Complete lines 2a-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 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	2d	

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable 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, violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff or volunteer hours devoted to monitoring, inspecting, and enforcing easements during the year ▶ ____________

7 Amount of expenses incurred in monitoring, inspecting, and enforcing 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)? ☐ Yes ☐ No

9 In Part XIV, 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, 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 XIV, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116, 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) Revenues 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 relating to these items:

a Revenues 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 accession and other records, check any of the following that are a significant use of its collection items (check all that apply):

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

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

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

Part IV **Trust, Escrow and Custodial Arrangements.** Complete if 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 XIV 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? ☐ Yes ☐ No

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

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

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

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

a Board designated or quasi-endowment ▶ ______ %

b Permanent endowment ▶ ______ %

c Term endowment ▶ ______ %

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

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

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

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

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Depreciation	(d) Book value
1a Land		159,973.		159,973.
b Buildings		10,236,326.	753,202.	9,483,124.
c Leasehold improvements		141,103.	105,183.	35,920.
d Equipment		1,272,262.	889,418.	382,844.
e Other				
Total. Add lines 1a-1e. *(Column (d) should equal Form 990, Part X, column (B), line 10(c).)* ▶				10,061,861.

Part VII Investments - Other Securities. 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
Financial derivatives and other financial products		
Closely-held equity interests		
Other		
Total. (Col (b) should equal Form 990, Part X, col (B) line 12.) ▶		

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

(a) Description of investment type	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
Total. (Col (b) should equal Form 990, Part X, col (B) line 13.) ▶		

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

(a) Description	(b) Book value
Total. *(Column (b) should equal Form 990, Part X, col (B) line 15.)* ▶	

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

(a) Description of liability	(b) Amount
Federal income taxes	
CAPITAL LEASE OBLIGATION	106,624.
Total. *(Column (b) should equal Form 990, Part X, col (B) line 25.)* ▶	106,624.

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

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

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

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

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

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

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

Part XIV Supplemental Information

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

SCHEDULE J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

▶ Attach to Form 990. To be completed by organizations that answered "Yes" to Form 990, Part IV, line 23.

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization SOUTHWEST KEY PROGRAMS, INC.

Employer identification number 74-2481167

Part I Questions Regarding Compensation

			Yes	No
1a	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 ☐ First-class or charter travel ☐ Housing allowance or residence for personal use ☐ Travel for companions ☐ Payments for business use of personal residence ☐ Tax indemnification and gross-up payments ☐ Health or social club dues or initiation fees ☐ Discretionary spending account ☐ Personal services (e.g., maid, chauffeur, chef)			
b	If line 1a is 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	1b		
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	2		
3	Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director. Check all that apply. ☐ Compensation committee ☐ Written employment contract ☐ Independent compensation consultant [X] Compensation survey or study ☐ Form 990 of other organizations [X] Approval by the board or compensation committee			
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a:			
a	Receive a severance payment or change of control payment?	4a		X
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b		X
c	Participate in, or receive payment from, an equity-based compensation arrangement?	4c		X
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.			
	Only 501(c)(3) and 501(c)(4) organizations must complete lines 5-8.			
5	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:			
a	The organization?	5a		X
b	Any related organization?	5b		X
	If "Yes," to line 5a or 5b, describe in Part III.			
6	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:			
a	The organization?	6a		X
b	Any related organization?	6b		X
	If "Yes" to line 6a or 6b, describe in Part III.			
7	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	7		X
8	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 Regs. section 53.4958-4(a)(3)? If "Yes," describe in Part III	8		X

Part II **Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees.** Use Schedule J-1 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) must equal the applicable column (D) or column (E) amounts on Form 990, Part VII, line 1a

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other compensation				
JUAN SANCHEZ	(i)	192,518.	34,566.	3,361.	6,191.	0.	236,636.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
MELODY CHUNG	(i)	129,198.	16,518.	0.	4,431.	0.	150,147.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
	(i)							
	(ii)							
	(i)							
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	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8. Also complete this part for any additional information.

ORGANIZATION'S CEO COMPENSATION IS REVIEWED BY THE BOARD OF DIRECTORS AND THEY COMPARE THE CEO COMPENSATION WITH THE MARKET RATE. FOR THE COMPENSATION OF THE OTHER POSITIONS, IT IS DETERMINED BY THE ORGANIZATION'S CEO WHO REVIEWS THE COMPARABLE MARKET RATE.

SCHEDULE L
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons

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

OMB No 1545-0047

2008

Open To Public Inspection

Name of the organization
SOUTHWEST KEY PROGRAMS, INC.

Employer identification number
74-2481167

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

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

1 (a) Name of disqualified person	(b) Description of transaction	(c) Corrected? Yes	No

2 Enter the amount of tax imposed on the organization managers or disqualified persons during the year under section 4958 ▶ $

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization ▶ $

Part II **Loans to and/or From Interested Persons.**

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

(a) Name of interested person and purpose	(b) Loan to or from the organization? To	From	(c) Original principal amount	(d) Balance due	(e) In default? Yes	No	(f) Approved by board or committee? Yes	No	(g) Written agreement? Yes	No
Total			▶ $							

Part III **Grants or Assistance Benefiting Interested Persons.**

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of grant or type of assistance

Part IV **Business Transactions Involving Interested Persons.**

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

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues? Yes	No
JUAN SANCHEZ AND MELODY CH	CEO AND CFO COLLECT	0.	ENTITY LEAS		X

SEE SCHEDULE O FOR SCHEDULE L CONTINUATIONS

SCHEDULE O (Form 990)

Department of the Treasury Internal Revenue Service

Supplemental Information to Form 990

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

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization: SOUTHWEST KEY PROGRAMS, INC.

Employer identification number: 74-2481167

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

A CREATIVE AND DIVERSE WORKFORCE OF OVER 1,000 DEDICATED STAFF IN 6 STATES. SOUTHWEST KEY WAS RECENTLY RANKED #4 AMONG THE TOP 25 HISPANIC NONPROFITS IN AMERICA BY HISPANIC BUSINESS MAGAZINE IN MAY 2009.

FORM 990, PART III, LINE 4D, OTHER PROGRAM SERVICES:

SOUTHWEST KEY PROGRAM OPERATES 55 PROGRAMS WITH OVER 1000 EMPLOYEES IN 7 STATES.

EXPENSES $ 9680827. INCLUDING GRANTS OF $ 0. REVENUE $ 1525.

FORM 990, PART VI, SECTION A, LINE 2: CEO JUAN SANCHEZ AND CFO MELODY CHUNG OWN 33% EACH OF PROPERTY RENTED TO SOUTHWEST KEY PROGRAMS, INC.

FORM 990, PART VI, SECTION A, LINE 4: NAME WAS CHANGED TO SOUTHWEST KEY PROGRAMS, INC. AND CHARITABLE PURPOSE WAS RESTATED ON FEBRUARY 7, 2007. CERTIFICATE OF FORMATION WAS RESTATED ON JULY 1, 2008 AND THE FOLLOWING CHANGES WERE MADE:

-ARTICLE II - NONPROFIT CORPORATION: LANGUAGE WAS ADDED WHICH STATES THAT SWK'S NON-PROFIT STATUS SHALL HAVE ALL POWERS, DUTIES, AND RESPONSIBILITIES AS PROVIDED BY THE TEXAS BUSINESS ORGANIZATION CODE.

-ARTICLE III - DURATION: THE SENTENCE "THE CORPORATION'S DURATION SHALL BE PERPETUAL" IS DELETED.

-ARTICLE V (POWERS), AND ARTICLE VI (RESTRICTION AND REQUIREMENTS) WERE DELETED.

-ARTICLE XII (CONSTRUCTION) AND ARTICLE XIII (ACTION BY WRITTEN REQUEST) WERE DELETED.

SCHEDULE O (Form 990)

Department of the Treasury Internal Revenue Service

Supplemental Information to Form 990

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

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization: SOUTHWEST KEY PROGRAMS, INC.

Employer identification number: 74-2481167

FORM 990, PART VI, SECTION A, LINE 10: THE AUDIT PARTNER FROM SOUTHWEST KEY'S INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS WILL MEET WITH THE SOUTHWEST KEY PROGRAMS, INC. AUDIT COMMITTEE AFTER THE AUDITOR'S REPORT IS COMPLETED. THE AUDIT COMMITTEE WILL THEN BE ASKED TO APPROVE BOTH THE AUDIT AND THE TAX RETURN. IF THE TAX RETURN IS NOT READY AT THE TIME OF THE AUDIT COMMITTEE MEETING, THEN IT WILL BE EMAILED TO THE BOARD OF DIRECTOR FOR APPROVAL.

FORM 990, PART VI, SECTION B, LINE 12C: SOUTHWEST KEY PROGRAMS, INC. ("SWK" OR "SOUTHWEST KEY") HAS ADOPTED A CONFLICT OF INTEREST POLICY TO PROTECT THE INTERESTS OF SOUTHWEST KEY WHEN IT IS CONTEMPLATING ENTERING INTO A TRANSACTION OR ARRANGEMENT THAT MIGHT BENEFIT THE PRIVATE INTEREST OF A DIRECTOR, OFFICER, EMPLOYEE, OR OTHER PERSON WITH AN ESTABLISHED RELATIONSHIP WITH SWK OR MIGHT RESULT IN A POSSIBLE EXCESS BENEFIT TRANSACTION.

DUTY TO DISCLOSE. IN CONNECTION WITH ANY ACTUAL OR POSSIBLE CONFLICT OF INTEREST, AN INTERESTED PERSON MUST DISCLOSE THE EXISTENCE OF THE FINANCIAL OR PERSONAL INTEREST AND BE GIVEN THE OPPORTUNITY TO DISCLOSE ALL MATERIAL FACTS: (A) TO SWK'S BOARD OF DIRECTORS IF THE INTERESTED PERSON IS A BOARD MEMBER, OFFICER OR ANY OTHER INTERESTED PERSON, OTHER THAN AN EMPLOYEE OF SWK; OR (B) TO SWK'S CHIEF EXECUTIVE OFFICER, OR DESIGNEE, IF THE INTERESTED PERSON IS ANY EMPLOYEE, OTHER THAN AN OFFICER, OF SWK.

PROCEDURES FOR DETERMINING WHETHER A CONFLICT OF INTEREST EXISTS. AN INTERESTED PERSON MAY BE PRESENT DURING DISCLOSURE OF THE FINANCIAL OR PERSONAL INTEREST AND ALL MATERIAL FACTS, HOWEVER, THE INTERESTED PERSON

Name of the organization: SOUTHWEST KEY PROGRAMS, INC.
Employer identification number: 74-2481167

SHALL NOT BE PRESENT WHILE A DETERMINATION OF WHETHER A CONFLICT OF INTEREST EXISTS IS DISCUSSED AND DETERMINED. THE INTERESTED PERSON SHALL NOT ATTEMPT TO INFLUENCE THE CONFLICT OF INTEREST DETERMINATION.

PROCEDURES FOR ADDRESSING THE CONFLICT OF INTEREST. IF IT IS DETERMINED THAT A CONFLICT OF INTEREST EXISTS, THE BOARD OF DIRECTORS OR CHIEF EXECUTIVE OFFICER SHALL, IF APPROPRIATE, APPOINT A DISINTERESTED PERSON OR COMMITTEE TO INVESTIGATE ALTERNATIVES TO THE PROPOSED TRANSACTION OR ARRANGEMENT.

AFTER EXERCISING DUE DILIGENCE, THE BOARD OF DIRECTORS OR CHIEF EXECUTIVE OFFICER SHALL DETERMINE WHETHER SWK CAN OBTAIN, WITH REASONABLE EFFORTS, A MORE ADVANTAGEOUS TRANSACTION OR ARRANGEMENT FROM A PERSON OR ENTITY THAT WOULD NOT GIVE RISE TO A CONFLICT OF INTEREST.

IF A MORE ADVANTAGEOUS TRANSACTION OR ARRANGEMENT IS NOT REASONABLY POSSIBLE UNDER CIRCUMSTANCES NOT PRODUCING A CONFLICT OF INTEREST, SWK SHALL DETERMINE WHETHER THE TRANSACTION OR ARRANGEMENT IS IN SWK'S BEST INTEREST AS WELL AS IS FAIR AND REASONABLE, AS FOLLOWS: (A) BY A MAJORITY VOTE OF THE DISINTERESTED DIRECTORS, IF THE INTERESTED PERSON IS A BOARD MEMBER, OFFICER OR ANY OTHER INTERESTED PERSON, OTHER THAN AN EMPLOYEE OF SWK; OR (B) BY A DETERMINATION OF THE CHIEF EXECUTIVE OFFICER, OR DESIGNEE, IF THE INTERESTED PERSON IS AN EMPLOYEE, OTHER THAN AN OFFICER, OF SWK.

VIOLATIONS OF THE CONFLICTS OF INTEREST POLICY. IF IT IS DETERMINED THAT AN INTERESTED PERSON FAILED TO DISCLOSE ACTUAL OR POSSIBLE CONFLICTS OF INTEREST, SUCH PERSON SHALL BE INFORMED OF THE BASIS FOR SUCH BELIEF AND PROVIDED WITH AN OPPORTUNITY TO EXPLAIN THE ALLEGED FAILURE TO DISCLOSE: (A) BY SWK'S BOARD OF DIRECTORS WHEN THE ALLEGED INTERESTED

PERSON IS A BOARD MEMBER, OFFICER OR ANY OTHER INTERESTED PERSON, OTHER THAN AN EMPLOYEE OF SWK; OR (B) BY SWK'S CHIEF EXECUTIVE OFFICER, OR DESIGNEE, WHEN THE ALLEGED INTERESTED PERSON IS ANY EMPLOYEE, OTHER THAN AN OFFICER, OF SWK.

IF, AFTER REVIEWING THE ALLEGED INTERESTED PERSON'S RESPONSE AND AFTER MAKING FURTHER INVESTIGATION AS WARRANTED BY THE CIRCUMSTANCES, IT IS DETERMINED THAT THE ALLEGED INTERESTED PERSON HAS FAILED TO DISCLOSE AN ACTUAL OR POSSIBLE CONFLICT OF INTEREST, APPROPRIATE DISCIPLINARY AND/OR CORRECTIVE ACTION SHALL BE TAKEN.

HOW DETERMINATIONS ARE TO BE DOCUMENTED. DETERMINATIONS REGARDING CONFLICT OF INTEREST INQUIRIES SHALL BE DOCUMENTED AS FOLLOWS: (A) IN THE MINUTES OF THE BOARD OF DIRECTORS, IF THE INQUIRY INVOLVES A BOARD MEMBER, OFFICER OR ANY OTHER INTERESTED PERSON, OTHER THAN AN EMPLOYEE OF SWK; OR (B) THROUGH A WRITTEN REPORT PROVIDED BY THE CHIEF EXECUTIVE OFFICER, OR DESIGNEE, TO THE BOARD OF DIRECTORS, WITHIN THIRTY (30) DAYS OF THE DETERMINATION, IF THE INQUIRY INVOLVED ANY EMPLOYEE, OTHER THAN AN OFFICER, OF SWK.

CONTENT OF THE DOCUMENTATION. DOCUMENTATION CONCERNING DETERMINATIONS OF CONFLICT OF INTEREST INQUIRIES SHALL INCLUDE THE FOLLOWING: (A) THE NAMES OF THE PERSONS WHO DISCLOSED OR OTHERWISE WERE FOUND TO HAVE AN INTEREST IN CONNECTION WITH AN ACTUAL OR POSSIBLE CONFLICT OF INTEREST; (B) THE NATURE OF THE INTEREST; (C) ANY ACTION TAKEN TO DETERMINE WHETHER A CONFLICT OF INTEREST WAS PRESENT; (D) THE DECISION AS TO WHETHER A CONFLICT OF INTEREST IN FACT EXISTED; (E) THE NAMES OF THE PERSONS WHO WERE PRESENT FOR DISCUSSIONS AND/OR VOTES RELATING TO THE TRANSACTION OR ARRANGEMENT; (F) THE CONTENT OF THE DISCUSSION, INCLUDING ANY ALTERNATIVES TO THE PROPOSED TRANSACTION OR ARRANGEMENT; AND (G) A RECORD OF ANY VOTES TAKEN IN

SCHEDULE O (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

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

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization: SOUTHWEST KEY PROGRAMS, INC.

Employer identification number: 74-2481167

CONNECTION WITH THE PROCEEDINGS.

FORM 990, PART VI, SECTION B, LINE 15: ORGANIZATION'S CEO COMPENSATION IS REVIEWED BY THE BOARD OF DIRECTORS AND THEY COMPARE THE CEO COMPENSATION WITH THE MARKET RATE. FOR THE COMPENSATION OF THE OTHER POSITIONS, IT IS DETERMINED BY THE ORGANIZATION'S CEO WHO REVIEWS THE COMPARABLE MARKET RATE.

FORM 990, PART VI, SECTION C, LINE 19: FORM 1023 IS NOT AVAILABLE. SWK REQUESTED A COPY FROM IRS. IRS HAS PROVIDED A LETTER CONFIRMING SOUTHWEST KEY PROGRAM'S EXEMPT STATUS, BUT SAID IT DID NOT HAVE A COPY OF FORM 1023. FORMS 990 & 990T PROVIDED UPON REQUEST.

FORM 990, PART IV, LINE 12

CONSOLIDATED AUDITED FINANCIAL STATEMENTS

THE ORGANIZATION'S FINANCIAL STATEMENTS WERE AUDITED ON A CONSOLIDATED BASIS. THE CONSOLIDATED FINANCIAL STATEMENTS INCLUDE SOUTHWEST KEY PROGRAMS, INC., SOUTHWEST KEY ENTERPRISES, INC., AND THE EAST AUSTIN COLLEGE PREP ACADEMY.

SCH L, PART IV, BUSINESS TRANSACTIONS INVOLVING INTERESTED PERSONS:

(A) NAME OF PERSON: JUAN SANCHEZ AND MELODY CHUNG

(B) RELATIONSHIP BETWEEN INTERESTED PERSON AND ORGANIZATION:

CEO AND CFO COLLECTIVELY OWN 66% OF ENTITY THAT DOES BUSINESS WITH SW KEY P

(D) DESCRIPTION OF TRANSACTION: ENTITY LEASES PROPERTY TO SOUTHWEST KEY

SCHEDULE O (Form 990)

Department of the Treasury
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Name of the organization: SOUTHWEST KEY PROGRAMS, INC.

Employer identification number: 74-2481167

PROGRAMS, INC.

FORM 990, PART VI. SECTION B LINE 13

WHISTLEBLOWER POLICY

SOUTHWEST KEY PROGRAMS, INC. ("SWK" OR "SOUTHWEST KEY") EXPECTS ITS DIRECTORS, OFFICERS, EMPLOYEES AND VOLUNTEERS TO OBSERVE HIGH STANDARDS OF BUSINESS AND PERSONAL ETHICS IN THE CONDUCT OF THEIR DUTIES AND RESPONSIBILITIES, AND IS COMMITTED TO FOSTERING A WORKPLACE THAT PROTECTS EMPLOYEES, VOLUNTEERS AND APPLICANTS FOR EMPLOYMENT FROM INTERFERENCE WITH RAISING GOOD-FAITH CONCERNS REGARDING SOUTHWEST KEY'S BUSINESS PRACTICES.

EMPLOYEES, VOLUNTEERS AND APPLICANTS FOR EMPLOYMENT ARE ENCOURAGED TO USE GUIDANCE PROVIDED BY THIS POLICY FOR REPORTING ALL ALLEGATIONS OF SUSPECTED VIOLATIONS OF LAWS OR POLICIES REGARDING ACCOUNTING, INTERNAL ACCOUNTING CONTROLS AND AUDITING MATTERS. REPORTS FILED PURSUANT TO THIS POLICY MAY INCLUDE, BUT ARE NOT LIMITED TO, CLAIMS OF CORRUPTION, FINANCIAL REPORTING THAT IS INTENTIONALLY MISLEADING, IMPROPER OR UNDOCUMENTED FINANCIAL TRANSACTIONS, IMPROPER DESTRUCTION OF RECORDS, VIOLATIONS OF THE SWK'S CONFLICT OF INTEREST POLICY, MALFEASANCE, BRIBERY, THEFT OF SWK PROPERTY, FRAUDULENT CLAIMS, FRAUD, COERCION, CONVERSION, MISUSE OF SWK PROPERTY AND FACILITIES, OR WILLFUL OMISSION TO PERFORM DUTY.

THIS POLICY DOES NOT REPLACE SOUTHWEST KEY'S EXISTING GRIEVANCE PROCESS. RATHER IT IS TO BE FOLLOWED ONLY IF AN EMPLOYEE, VOLUNTEER OR APPLICANT FOR EMPLOYMENT ELECTS TO MAKE A DISCLOSURE OF SUSPECTED OR ALLEGED CORRUPT OR IMPROPER CONDUCT AND SEEKS PROTECTION UNDER THE

Supplemental Information to Form 990

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Name of the organization: SOUTHWEST KEY PROGRAMS, INC.

Employer identification number: 74-2481167

SARBANES-OXLEY ACT OF 2002 ("SOX").

SOUTHWEST KEY HAS AN OPEN DOOR POLICY, WHICH ENCOURAGES EMPLOYEES, VOLUNTEERS AND APPLICANTS FOR EMPLOYMENT TO SHARE THEIR QUESTIONS, CONCERNS, SUGGESTIONS OR COMPLAINTS WITH PERSONNEL WHO CAN ADDRESS THEM APPROPRIATELY.

REPORTING A VIOLATION. IF AN EMPLOYEE, VOLUNTEER OR APPLICANT FOR EMPLOYMENT REASONABLY BELIEVES THAT A VIOLATION OF LAW OR POLICY REGARDING ACCOUNTING, INTERNAL ACCOUNTING CONTROLS AND/OR AUDITING MATTERS HAS OCCURRED, SUCH PERSON SHOULD FILE A COMPLAINT WITH ANY OF THE FOLLOWING: (1) THEIR IMMEDIATE SUPERVISOR; (2) SOUTHWEST KEY'S CHIEF FINANCIAL OFFICER; (3) SOUTHWEST KEY'S GENERAL COUNSEL; (4) SOUTHWEST KEY'S DEPUTY EXECUTIVE DIRECTOR; AND/OR (5) THE CHAIR OF THE AUDIT COMMITTEE OF SWK'S BOARD OF DIRECTORS. ALTERNATIVELY, SUCH PERSON CAN FILE A COMPLAINT VIA AN E-MAIL TO WHISTLEBLOWER@SWKEY.ORG.

IT IS THE RESPONSIBILITY OF ALL DIRECTORS, OFFICERS AND EMPLOYEES OF SOUTHWEST KEY TO REPORT VIOLATIONS OR SUSPECTED VIOLATIONS OF LAWS OR RELEVANT POLICIES IN ACCORDANCE WITH THIS POLICY.

REPORTS MAY BE SUBMITTED ANONYMOUSLY OR THE PERSON SUBMITTING THE REPORT MAY REQUEST TO REMAIN ANONYMOUS; A REPORTER'S REQUEST TO REMAIN ANONYMOUS SHALL BE RESPECTED.

INVESTIGATING A REPORTED VIOLATION. REPORTS OF SUSPECTED VIOLATIONS OF LAWS OR POLICIES REGARDING ACCOUNTING, INTERNAL ACCOUNTING CONTROLS AND AUDITING MATTERS OR SWK POLICY AND REPORTS OF RETALIATION PROTECTED BY THIS POLICY WILL BE INVESTIGATED PROMPTLY AND IN A MANNER INTENDED TO PROTECT CONFIDENTIALITY, CONSISTENT WITH A FULL AND FAIR INVESTIGATION.

SCHEDULE O (Form 990)

Department of the Treasury Internal Revenue Service

Supplemental Information to Form 990

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Name of the organization: SOUTHWEST KEY PROGRAMS, INC.

Employer identification number: 74-2481167

DISCUSSIONS AND DOCUMENTATION REGARDING REPORTS WILL BE KEPT IN STRICT CONFIDENCE TO THE EXTENT APPROPRIATE TO CONDUCT AN INVESTIGATION. SOUTHWEST KEY'S CHIEF FINANCIAL OFFICER, GENERAL COUNSEL, DEPUTY EXECUTIVE DIRECTOR, AND/OR THE CHAIR OF THE AUDIT COMMITTEE OF SWK'S BOARD OF DIRECTORS WILL CONDUCT OR DESIGNATE OTHER PARTIES TO CONDUCT ANY INVESTIGATIONS DEEMED APPROPRIATE. PROVIDED, HOWEVER, THAT PERSONNEL SHALL NOT BE INVOLVED IN THE INVESTIGATION OF ANY REPORT TO THE EXTENT THE REPORT CONCERNS SUCH PERSON.

THE INVESTIGATING PARTIES WILL PREPARE REPORTS AS INDICATED BY THE CIRCUMSTANCES. A SUMMARY OF ALL SUCH REPORTS WILL BE PRESENTED TO THE BOARD OF DIRECTORS, OR SUCH COMMITTEES OF THE BOARD OF DIRECTORS AS APPROPRIATE. REPORTS FILED UNDER THIS POLICY WILL BE CONTROLLED AND DOCUMENTED BY SOUTHWEST KEY'S GENERAL COUNSEL, WHO SHALL MAINTAIN ALL RELATED DOCUMENTATION FOR SIX (6) YEARS. ALL RELATED DOCUMENTATION SHALL BE MAINTAINED IN SECURED FILES TO WHICH ONLY SOUTHWEST KEY'S CHIEF FINANCIAL OFFICER, DEPUTY EXECUTIVE DIRECTOR, DIRECTORS, AND LEGAL COUNSEL SHALL HAVE FULL ACCESS. PROVIDED, HOWEVER, THAT A PERSON SHALL NOT HAVE ACCESS TO ANY DOCUMENTATION RELATED TO A REPORT CONCERNING HIMSELF OR HERSELF.

NO RETALIATION. SOUTHWEST KEY EXPRESSLY PROHIBITS ANY FORM OF RETALIATION, INCLUDING BUT NOT LIMITED TO HARASSMENT, INTIMIDATION, OR ADVERSE EMPLOYMENT ACTIONS, AGAINST EMPLOYEES, VOLUNTEERS OR APPLICANTS FOR EMPLOYMENT WHO REPORT SUSPECTED VIOLATIONS OF LAWS OR RELEVANT POLICIES IN ACCORDANCE WITH THE PROVISIONS HEREIN. THIS PROTECTION AGAINST RETALIATION SHALL APPLY EVEN IF THE FINDINGS OF AN INVESTIGATION DO NOT SUPPORT THE NATURE OF THE REPORT, SO LONG AS THE

Supplemental Information to Form 990

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Name of the organization: SOUTHWEST KEY PROGRAMS, INC.
Employer identification number: 74-2481167

REPORT WAS FILED IN GOOD FAITH. HOWEVER, EMPLOYEES WHO KNOWINGLY FILE MISLEADING OR FALSE REPORTS, OR WITHOUT A REASONABLE BELIEF AS TO TRUTH OR ACCURACY, WILL NOT BE PROTECTED BY THIS POLICY AND MAY BE SUBJECT TO DISCIPLINE, UP TO AND INCLUDING TERMINATION.

ANY EMPLOYEE WHO FEELS THAT HE OR SHE HAS BEEN SUBJECTED TO ANY FORM OF RETALIATION THAT VIOLATES THIS POLICY SHOULD IMMEDIATELY REPORT SUCH BEHAVIOR TO: (1) THEIR IMMEDIATE SUPERVISOR; (2) SOUTHWEST KEY'S CHIEF FINANCIAL OFFICER; (3) SOUTHWEST KEY'S GENERAL COUNSEL; (4) SOUTHWEST KEY'S DEPUTY EXECUTIVE DIRECTOR; AND/OR (5) THE CHAIR OF THE AUDIT COMMITTEE OF SWK'S BOARD OF DIRECTORS. EMPLOYEES DETERMINED TO HAVE ENGAGED IN RETALIATORY BEHAVIOR OR WHO FAIL TO MAINTAIN A REPORTER'S ANONYMITY IF REQUESTED MAY BE SUBJECT TO DISCIPLINE, UP TO AND INCLUDING TERMINATION.

FORM 990 SCHEDULE R PART IV

RELATED ORGANIZATIONS

RELATED TAXABLE ORGANIZATIONS FILE A SINGLE CONSOLIDATED FORM 1120, SOUTHWEST KEY ENTERPRISES, INC.

FORM 990, PART V, LINE 7G

FORM 8899

SOUTHWEST KEY PROGRAM, INC. DID NOT RECEIVE ANY CONTRIBUTIONS OF QUALIFIED INTELLECTUAL PROPERTY FOR WHICH FORM 8899 WAS REQUIRED.

FORM 990 PART V, LINE 7H

FORM 1098-C

SCHEDULE O (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

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

OMB No 1545-0047

2008

Open to Public Inspection

Name of the organization	Employer identification number
SOUTHWEST KEY PROGRAMS, INC.	74-2481167

SOUTHWEST KEY PROGRAM, INC. DID NOT RECEIVE ANY CONTRIBUTIONS OF CARS, BOATS, AIRPLANES, OR OTHER VEHICLES FOR WHICH FORM 1098-C WAS REQUIRED.

SCHEDULE R (Form 990)
Department of the Treasury Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ Attach to Form 990. To be completed by organizations that answered "Yes" to Form 990, Part IV, lines 33, 34, 35, 36, or 37.
▶ See separate instructions.

OMB No 1545-0047
2008
Open to Public Inspection

Name of the organization: SOUTHWEST KEY PROGRAMS, INC.
Employer identification number: 74-2481167

Part I Identification of Disregarded Entities

(A) Name, address, and EIN of disregarded entity	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Total income	(E) End-of-year assets	(F) Direct controlling entity
SOUTHWEST KEY MAINTENANCE, LLC. - 20-0139649 6002 JAIN LANE AUSTIN, TX 78721	PROVIDES JANITORIAL, MAINTENANCE AND LANDSCAPING SERVICES	TEXAS	0.	0.	SOUTHWEST KEY ENTERPRISES, INC.
SOUTHWEST KEY CAFE DEL SOL, LLC - 26-0530306 6002 JAIN LANE AUSTIN, TX 78721	LOCAL GATHERING PLACE AND DINING	TEXAS	0.	0.	SOUTHWEST KEY ENTERPRISES, INC.
SOUTHWEST KEY WORKFORCE DEVELOPMENT, LLC - 27-0855414, 6002 JAIN LANE, AUSTIN, TX 78721	SERVICES TO EMPLOYERS AND JOB SEEKERS	TEXAS	0.	0.	SOUTHWEST KEY ENTERPRISES, INC.

Part II 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
THE EAST AUSTIN ACADEMIA, INC. - 26-1609474 6002 JAIN LN AUSTIN, TX 78721	CHARTER SCHOOL	TEXAS	501(C)(3)	170(B)(1)(A)(VI)	N/A

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

Part III **Identification of Related Organizations Taxable as a Partnership**

(A) Name, address, and EIN of related organization	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Direct controlling entity	(E) Predominant income (related, investment, unrelated)	(F) Share of total income	(G) Share of end-of-year assets	(H) Disproportionate allocations? Yes	(H) No	(I) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(J) General or managing partner? Yes	(J) No

Part IV **Identification of Related Organizations Taxable as a Corporation or Trust**

(A) Name, address, and EIN of related organization	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Direct controlling entity	(E) Type of entity (C corp, S corp, or trust)	(F) Share of total income	(G) Share of end-of-year assets	(H) Percentage ownership
SOUTHWEST KEY ENTERPRISES, INC. - 20-8958545 6002 JAIN LANE AUSTIN, TX 78721	HOLDING COMPANY	TX	N/A	C CORP	<124,391.>	258,075.	100%

Part V **Transactions With Related Organizations**

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

			Yes	No
1	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?			
a	Receipt of **(i)** interest **(ii)** annuities **(iii)** royalties **(iv)** rent from a controlled entity	1a	X	
b	Gift, grant, or capital contribution to other organization(s)	1b		X
c	Gift, grant, or capital contribution from other organization(s)	1c		X
d	Loans or loan guarantees to or for other organization(s)	1d		X
e	Loans or loan guarantees by other organization(s)	1e		X
f	Sale of assets to other organization(s)	1f		X
g	Purchase of assets from other organization(s)	1g		X
h	Exchange of assets	1h		X
i	Lease of facilities, equipment, or other assets to other organization(s)	1i		X
j	Lease of facilities, equipment, or other assets from other organization(s)	1j		X
k	Performance of services or membership or fundraising solicitations for other organization(s)	1k	X	
l	Performance of services or membership or fundraising solicitations by other organization(s)	1l		X
m	Sharing of facilities, equipment, mailing lists, or other assets	1m		X
n	Sharing of paid employees	1n		X
o	Reimbursement paid to other organization for expenses	1o	X	
p	Reimbursement paid by other organization for expenses	1p	X	
q	Other transfer of cash or property to other organization(s)	1q		X
r	Other transfer of cash or property from other organization(s)	1r		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 other organization(s)	(B) Transaction type (a-r)	(C) Amount involved
(1) SOUTHWEST KEY CAFE DEL SOL, LLC	A	8,040.
(2) SOUTHWEST KEY MAINTENANCE, LLC	K	107,055.
(3) SOUTHWEST KEY MAINTENANCE, LLC	P	529,432.
(4) SOUTHWEST KEY MAINTENANCE, LLC	A	2,040.
(5) SOUTHWEST KEY MAINTENANCE, LLC	O	343,889.
(6)		

Part VI Unrelated Organizations Taxable as a Partnership

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization See instructions regarding exclusion for certain investment partnerships.

(A) Name, address, and EIN of entity	(B) Primary activity	(C) Legal domicile (state or foreign country)	(D) Are all partners section 501(c)(3) organizations?		(E) Share of end-of-year assets	(F) Disproportionate allocations?		(G) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(H) General or managing partner?	
			Yes	No		Yes	No		Yes	No

Form **4562**

Department of the Treasury
Internal Revenue Service (99)

Depreciation and Amortization 990
(Including Information on Listed Property)

▶ See separate instructions. ▶ Attach to your tax return.

OMB No 1545-0172

2008

Attachment Sequence No **67**

Name(s) shown on return	Business or activity to which this form relates	Identifying number
SOUTHWEST KEY PROGRAMS, INC.	FORM 990 PAGE 10	74-2481167

Part I Election To Expense Certain Property Under Section 179 **Note:** *If you have any listed property, complete Part V before you complete Part I.*

1	Maximum amount See the instructions for a higher limit for certain businesses	1	250,000.
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation	3	800,000.
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year Subtract line 4 from line 1 If zero or less, enter -0- If married filing separately, see instructions	5	

6 (a) Description of property	(b) Cost (business use only)	(c) Elected cost

7	Listed property. Enter the amount from line 29	7			
8	Total elected cost of section 179 property Add amounts in column (c), lines 6 and 7			8	
9	Tentative deduction. Enter the **smaller** of line 5 or line 8			9	
10	Carryover of disallowed deduction from line 13 of your 2007 Form 4562			10	
11	Business income limitation Enter the smaller of business income (not less than zero) or line 5			11	
12	Section 179 expense deduction Add lines 9 and 10, but do not enter more than line 11			12	
13	Carryover of disallowed deduction to 2009. Add lines 9 and 10, less line 12 ▶	13			

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

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

14	Special depreciation for qualified property (other than listed property) placed in service during the tax year	14	
15	Property subject to section 168(f)(1) election	15	
16	Other depreciation (including ACRS)	16	

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

Section A

17	MACRS deductions for assets placed in service in tax years beginning before 2008	17	702,726.
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here ▶ ☐		

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

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depreciation (business/investment use only - see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property	/		27.5 yrs.	MM	S/L	
	/		27.5 yrs.	MM	S/L	
i Nonresidential real property	/		39 yrs.	MM	S/L	
	/			MM	S/L	

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

20a Class life					S/L	
b 12-year			12 yrs.		S/L	
c 40-year	/		40 yrs.	MM	S/L	

Part IV **Summary** (See instructions.)

21	Listed property. Enter amount from line 28			21	
22	**Total.** Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations - see instr.			22	702,726.
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23			

816251 11-08-08 LHA **For Paperwork Reduction Act Notice, see separate instructions.** Form **4562** (2008)

14490114 756489 072988.000 2008.05030 SOUTHWEST KEY PROGRAMS, INC 07298801

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

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

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

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

(a) Type of property (list vehicles first)	(b) Date placed in service	(c) Business/ investment use percentage	(d) Cost or other basis	(e) Basis for depreciation (business/investment use only)	(f) Recovery period	(g) Method/ Convention	(h) Depreciation deduction	(i) Elected section 179 cost
25 Special depreciation allowance for qualified listed property placed in service during the tax year and used more than 50% in a qualified business use						25		
26 Property used more than 50% in a qualified business use:								
		%						
		%						
		%						
27 Property used 50% or less in a qualified business use:								
		%				S/L -		
		%				S/L -		
		%				S/L -		
28 Add amounts in column (h), lines 25 through 27. Enter here and on line 21, page 1						28		
29 Add amounts in column (i), line 26. Enter here and on line 7, page 1							29	

Section B - Information on Use of Vehicles

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

	(a) Vehicle		(b) Vehicle		(c) Vehicle		(d) Vehicle		(e) Vehicle		(f) Vehicle	
30 Total business/investment miles driven during the year (**do not** include commuting miles)												
31 Total commuting miles driven during the year												
32 Total other personal (noncommuting) miles driven												
33 Total miles driven during the year. Add lines 30 through 32												
	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No	Yes	No
34 Was the vehicle available for personal use during off-duty hours?												
35 Was the vehicle used primarily by a more than 5% owner or related person?												
36 Is another vehicle available for personal use?												

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

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

	Yes	No
37 Do you maintain a written policy statement that prohibits all personal use of vehicles, including commuting, by your employees?		
38 Do you maintain a written policy statement that prohibits personal use of vehicles, except commuting, by your employees? See the instructions for vehicles used by corporate officers, directors, or 1% or more owners		
39 Do you treat all use of vehicles by employees as personal use?		
40 Do you provide more than five vehicles to your employees, obtain information from your employees about the use of the vehicles, and retain the information received?		
41 Do you meet the requirements concerning qualified automobile demonstration use?		

Note: *If your answer to 37, 38, 39, 40, or 41 is "Yes," do not complete Section B for the covered vehicles.*

Part VI **Amortization**

(a) Description of costs	(b) Date amortization begins	(c) Amortizable amount	(d) Code section	(e) Amortization period or percentage	(f) Amortization for this year
42 Amortization of costs that begins during your 2008 tax year:					
43 Amortization of costs that began before your 2008 tax year				43	
44 **Total.** Add amounts in column (f). See the instructions for where to report				44	

Corporations Section
P.O.Box 13697
Austin, Texas 78711-3697

Roger Williams
Secretary of State

Office of the Secretary of State

CERTIFICATE OF AMENDMENT
OF

Southwest Key Programs, Inc.
103443601

[formerly: SOUTHWEST KEY PROGRAM, INC.]

The undersigned, as Secretary of State of Texas, hereby certifies that the attached Articles of Amendment for the above named entity have been received in this office and have been found to conform to law.

ACCORDINGLY the undersigned, as Secretary of State, and by virtue of the authority vested in the Secretary by law hereby issues this Certificate of Amendment.

Dated: 04/03/2007
Effective: 04/03/2007

Roger Williams
Roger Williams
Secretary of State

FILED
In the Office of the
Secretary of State of Texas

APR 0 3 2007

Corporations Section

ARTICLES OF AMENDMENT

Pursuant to the Texas Non-Profit Corporation Act, the undersigned corporation adopts the following articles of amendment. The following amendments were adopted through a majority vote of the board of directors as further provided herein, there being no members having voting rights in respect thereof.

ARTICLE I

The name of the corporation is Southwest Key Program, Inc.

ARTICLE II

The following amendment to the Restated Articles of Incorporation was adopted through written consent of the board of directors dated February 7, 2007. The amendment received the unanimous vote of the directors in office, there being no members having voting rights in respect thereof.

Article I of the Restated Articles of Incorporation is amended to read as follows:

The name of the corporation is Southwest Key Programs, Inc., hereinafter sometimes referred to as "Corporation" or the "Key Program."

ARTICLE III

The following amendment to the Restated Articles of Incorporation was adopted at a meeting of the Board of Directors held on January 26, 2007. The amendment received the vote of a majority of the directors in office, there being no members having voting rights in respect thereof.

Articles IV of the Restated Articles of Incorporation is hereby amended to read as follows:

The corporation is organized and shall be operated exclusively for charitable, educational, literary and scientific purposes within the meaning of the Code and shall consist of the delivery of educational and charitable services to needy youth and families through programs including, but not limited to the following:

1. Community-based programs as alternatives to detention and incarceration of youth;
2. Alternative education programs for youth;

3. Emergency shelters for unaccompanied immigrant youth;
4. Youth leadership and youth development initiatives;
5. Community and economic development;
6. Empowerment initiatives;
7. Fatherhood programs;
8. Childcare management systems; and
9. Housing programs and development.

Dated March 29, 2007.

SOUTHWEST KEY PROGRAM, INC.

By: Juan J. Sanchez
Juan. J. Sanchez, President

Corporations Section
P.O.Box 13697
Austin, Texas 78711-3697

Phil Wilson
Secretary of State

Office of the Secretary of State

CERTIFICATE OF FILING
OF

Southwest Key Programs, Inc.
103443601

The undersigned, as Secretary of State of Texas, hereby certifies that a Restated Certificate of Formation for the above named domestic nonprofit corporation has been received in this office and has been found to conform to the applicable provisions of law.

ACCORDINGLY, the undersigned, as Secretary of State, and by virtue of the authority vested in the secretary by law, hereby issues this certificate evidencing filing effective on the date shown below.

Dated: 07/01/2008

Effective: 07/01/2008

Phil Wilson
Secretary of State

RESTATED CERTIFICATE OF FORMATION

FOR

SOUTHWEST KEY PROGRAMS, INC.

ARTICLE I.

Southwest Key Programs, Inc. (the "Corporation"), pursuant to the relevant provisions of the Texas Business Organizations Code, hereby adopts the Restated Certificate of Formation, which accurately copies its Articles of Incorporation and all amendments thereto that are in effect to date, and as further amended by such Restated Certificate of Formation as hereinafter set forth, and which contains no other change in any provision thereof.

ARTICLE II.

The Articles of Incorporation of the Corporation, and all amendments and supplements thereto, are hereby superseded by the following Restated Certificate of Formation set forth as **Exhibit A**, which accurately copies the entire text thereof, as amended and set forth above.

ARTICLE III.

The Articles of Incorporation of the Corporation are amended by this Restated Certificate of Formation as follows:

A. Article II is amended to provide that the Corporation shall have all of the powers, duties and responsibilities, as provided in the Texas Business Organizations Code that apply to nonprofit corporations, except that the Corporation shall not engage in any activity that would jeopardize its tax-exempt status as an organization, as described in Section 501(c)(3) of the Internal Revenue Code of 1986.

B. Article III is deleted in its entirety to reflect that the Texas Business Organizations Code automatically treats a corporation's duration as perpetual, unless otherwise provided in the governing documents.

C. Article IV is restated as Article III and amended to better describe the charitable purposes and mission of the Corporation.

D. Article V is deleted in its entirety.

E. Article VI is deleted in its entirety. Language regarding restrictions and requirements of the Corporation has been included in the restated Article III.

F. Article VII is restated as Article IV.

G. Article VIII is restated as Article V.

H Article IX is restated as Article VI and is restated to clarify the powers and authority of such directors to alter this Certificate of Formation and the Corporation's bylaws.

I. Article X is restated as Article VII and amended to clarify the limitations on the liabilities of directors.

K. Article XI is restated as Article VIII and amended to clarify whom the Corporation may indemnify.

L. Article XII is deleted in its entirety.

M. Article XIII is deleted in its entirety.

ARTICLE IV.

The Corporation has no members. Each amendment made by this Restated Certificate of Formation has been effected in conformity with the provisions of the Texas Business Organizations Code, and such Restated Certificate of Formation, including each such amendment, was duly adopted by a vote of the majority of the board of directors of the Corporation on April 18, 2008.

I am an officer of the Corporation, and I execute this Restated Certificate of Formation on the Corporation's behalf on this 1st day of July, 2008.

Southwest Key Programs, Inc.
A Texas Nonprofit Corporation

By: ______________________
Juan. J. Sanchez
President

SOUTHWEST KEY PROGRAMS Fax:5124622028 Jul 1 2008 12:06pm P013/018

EXHIBIT A

RESTATED CERTIFICATE OF FORMATION

OF

SOUTHWEST KEY PROGRAMS, INC.

ARTICLE I.
NAME

1.1 The name of the corporation is Southwest Key Programs, Inc. (the "Corporation").

ARTICLE II.
NONPROFIT CORPORATION

2.1 The Corporation is a nonprofit corporation and shall have all of the powers, duties, authorizations and responsibilities as provided in the Texas Business Organizations Code. Notwithstanding the foregoing, the Corporation shall neither have nor exercise any power, nor engage directly or indirectly in any activity, that would invalidate its status as an organization exempt from federal income tax as described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, or in any corresponding provision or provisions of any subsequent United States Internal Revenue law or laws (the "Code"). Upon its dissolution, all of the assets of the Corporation will be distributed to an organization exempt from taxes under Section 501(c)(3) of the Code. Any such assets not so disposed of shall be disposed of by a court of competent jurisdiction of the county in which the principal office of the Corporation is then located, exclusively for charitable purposes or to such organization or organizations, as such court shall determine, which are organized and operated exclusively for public charitable purposes.

ARTICLE III.
PURPOSES

3.1 The Corporation is organized and, at all times hereafter, will be operated exclusively for charitable, educational, literary and scientific purposes within the meaning of Section 170(c)(2) and Section 501(c)(3) of the Code. The nature of the charitable activities to be conducted, or the purposes to be promoted or carried out by the Corporation include, but are not limited to, the following:

(1) To sponsor community-based programs that offer alternatives to youth;

(2) To promote educational activities;

(3) To offer shelter to young and/or elderly persons, either directly at one of the Corporation's facilities or indirectly by sponsoring housing programs;

(4) To support and/or engage in community and economic development programs;

(5) To participate in leadership, development and empowerment initiatives for both individuals and the community;

(6) To conduct family-related programs, such as child care management systems, fatherhood training and foster care; and

(7) To carry on any other activity or exercise any other power in connection with the foregoing, or otherwise designed to promote the interests of the Corporation, to the extent permitted under Texas law and the Code.

3.2 The Corporation may not take any action that would be inconsistent with the requirements of its tax exemption under Section 501(c)(3) of the Code and related regulations, rulings and procedure.

3.3 The Corporation is not organized, nor shall it be operated for the primary purpose of generating pecuniary gain or profit. The Corporation may not pay dividends or other corporate income to its directors or officers, or otherwise accrue distributable profits, or permit the realization of private gain. No part of the net earnings of the Corporation shall inure to the benefit of any director of the Corporation, officer of the Corporation, or any private individual, except reasonable compensation which may be paid for services rendered to or for the Corporation affecting one or more of its charitable purposes. No director or officer of the Corporation, or any private individual, shall be entitled to share in the distribution of any of the corporate assets on dissolution of the Corporation.

3.4 No substantial part of the activities of the Corporation shall include the carrying on of propaganda, or otherwise attempting to influence legislation. The Corporation shall not participate or intervene in, any political campaign on behalf of, or in opposition to, any candidate for public office, including the publication or distribution of statements.

ARTICLE IV. MEMBERSHIP

4.1 There will be no members of the Corporation.

ARTICLE V. REGISTERED AGENT AND OFFICE

5.1 The street address of the registered office of the Corporation is 6002 Jain Lane, Austin, Texas 78721, and the name of the registered agent at such address is Juan J. Sanchez.

ARTICLE VI. MANAGING BODY OF THE CORPORATION

6.1 The management of the Corporation is vested in its board of directors and such committees of the board that the board may, from time to time, establish. The number of directors may be increased or decreased by amending the Corporation's bylaws. The number of directors may not be decreased to fewer than specified in the Corporation's bylaws. The power to alter, amend or repeal this Restated Certificate of Formation and the Corporation's bylaws, and to adopt new bylaws, shall be vested in the Corporation's board of directors.

The board of directors consists of the following persons at the present time:

Gustavo L. García, 6002 Jain Lane Austin, Texas 78721
Edward L. Cline, 6002 Jain Lane Austin, Texas 78721
Victor Garza, 6002 Jain Lane Austin, Texas 78721
Ofelia de los Santos, 6002 Jain Lane Austin, Texas 78721
Frank Félix, 6002 Jain Lane Austin, Texas 78721
Otis B. Head, 6002 Jain Lane Austin, Texas 78721
Orlando L. Martínez, 6002 Jain Lane Austin, Texas 78721
Catherine Pena, 6002 Jain Lane Austin, Texas 78721

ARTICLE VII.
LIMITATION ON LIABILITY OF DIRECTORS

7.1 No member of the board of directors of the Corporation shall be liable, personally or otherwise, to the Corporation for monetary damages caused by an act or omission occurring in the director's capacity as a director for the Corporation, except as otherwise provided by applicable Texas law; provided, however, that this relief from liability shall not apply in any instance where such relief is inconsistent with any provision applicable to corporations described in Section 501(c)(3) of the Code.

ARTICLE VIII.
INDEMNIFICATION

8.1 The board of directors of the Corporation, in its sole discretion, shall have the power on behalf of the Corporation to indemnify persons for whom indemnification is permitted by applicable Texas law, to the fullest extent permissible under Texas law and to the extent permissible by a tax-exempt organization described in Section 501(c)(3) of the Code. Such determination regarding requirements and limitations of indemnification by the Corporation shall be further specified within the Corporation's bylaws. Additionally, the board of directors may purchase such liability, indemnification, and/or other similar insurance as the board of directors may, from time to time, deem necessary or appropriate.

I am an officer of the Corporation and I execute this Restated Certificate of Formation on the Corporation's behalf on this 1st day of July, 2008.

Southwest Key Programs, Inc.
A Texas Nonprofit Corporation

By: ______________________
Juan. J. Sanchez
President