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Form 990  Department of the Treasury Internal Revenue Service	Return of Organization Exempt From Income Tax Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)	OMB No 1545-0047 2009 Open to Public Inspection
	The organization may have to use a copy of this return to satisfy state reporting requirements	

A For the 2009 calendar year, or tax year beginning 07-01-2009 and ending 06-30-2010		B Check if applicable ☐ Address change ☐ Name change ☐ Initial return ☐ Terminated ☐ Amended return ☐ Application pending		Please use IRS label or print or type. See Specific Instructions.		C Name of organization NATIONAL CENTER ON INSTITUTIONS AND ALTERNATIVES INC Doing Business As Number and street (or P O box if mail is not delivered to street address) Room/suite 7222 Ambassador Road City or town, state or country, and ZIP + 4 Baltimore, MD 21244		D Employer identification number 52-1094078 E Telephone number (443) 780-1300 G Gross receipts \$ 24,244,435	
		F Name and address of principal officer Herbert Hoelter 7222 Ambassador Baltimore, MD 21244		H(a) Is this a group return for affiliates? ☐ Yes ☒ 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 ☒ 501(c) (3) ◀ (insert no) ☐ 4947(a)(1) or ☐ 527									
J Website: ▶ www.ncianet.org									
K Form of organization ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶		L Year of formation 1977		M State of legal domicile DE					

Part I Summary

Activities & Governance	1	Briefly describe the organization's mission or most significant activities NCIA operates community residences and a vocational program for developmentally disabled adults, a community residential program for troubled youths, a special education school, and other social services programs described on our web site	
	2	Check this box ☐ if the organization discontinued its operations or disposed of more than 25% of its net assets	
	3	Number of voting members of the governing body (Part VI, line 1a)	3 _____
	4	Number of independent voting members of the governing body (Part VI, line 1b)	4 _____
	5	Total number of employees (Part V, line 2a)	5 _____ 94
	6	Total number of volunteers (estimate if necessary)	6 _____
	7a	Total gross unrelated business revenue from Part VIII, column (C), line 12	7a _____
	b	Net unrelated business taxable income from Form 990-T, line 34	7b _____

Revenue		Prior Year	Current Year	
	8	Contributions and grants (Part VIII, line 1h)	12,305	28,411
	9	Program service revenue (Part VIII, line 2g)	23,924,553	24,127,635
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	465,064	17,930
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	8,038	70,459
	12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	24,409,960	24,244,435
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	0	0
	14	Benefits paid to or for members (Part IX, column (A), line 4)	0	0
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	16,943,269	17,537,241
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	0
	b	Total fundraising expenses (Part IX, column (D), line 25) $\blacktriangleleft^0$		
	17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24f)	6,079,896	5,936,836
	18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	23,023,165	23,474,077
	19	Revenue less expenses Subtract line 18 from line 12	1,386,795	770,358
Net Assets or Fund Balances		Beginning of Current Year	End of Year	
	20	Total assets (Part X, line 16)	9,481,740	11,353,195
	21	Total liabilities (Part X, line 26)	8,975,633	10,076,730
	22	Net assets or fund balances Subtract line 21 from line 20	506,107	1,276,465

Part II	Signature Block
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Sign Here	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	
		2011-03-18
	Signature of officer	Date
	Kirk Larter Senior VP Type or print name and title	

Paid Preparer's Use Only	Preparer's signature 	Date	Check if self-employed  	Preparer's identifying number (see instructions)
	Firm's name (or yours if self-employed), address, and ZIP + 4 			EIN 
				Phone no 

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

Part III Statement of Program Service Accomplishments

1

Briefly describe the organization’s mission

NCIA's mission is to help create a society in which all persons who come in contact with the human service or correctional systems are provided with the care necessary to live their lives to the best of their abilities

2

Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ?

Yes

☒

No

If “Yes,” describe these new services on Schedule O

3

Did the organization cease conducting, or make significant changes in how it conducts, any program services?

Yes

☒

No

If “Yes,” describe these changes on Schedule O

4

Describe the exempt purpose achievements for each of the organization’s three largest program services by expenses

Section 501(c)(3) and 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 \$ 7,723,200 including grants of \$ 0) (Revenue \$ 8,736,109)

Adult Residential NCIA's Adult Residential program assists individuals with developmental disabilities to develop independent life skills so that they may attain the fullest level of community integration and inclusion possible. Based on a model of small alternative living units, we provide physical, clinical, and social environments designed to provide stability and continuity for individuals who would otherwise require institutional confinement. Residential services include 24-hour awake supervision to individuals. Staff provides ongoing skills training and support in activities of daily living, functional life skills, personal care skills, and basic health care. Additional skills training is provided as indicated by identified client preferences, interests, and needs, and as stipulated in each client's Individual Service Plan. The program was licensed for 91 residents and, in FY 10, served an average of 86 per month.

4b

(Code) (Expenses \$ 5,741,160 including grants of \$ 0) (Revenue \$ 6,850,127)

YIT School NCIA operates a 12-month coeducational nonpublic special education school serving students of middle and high school age. The School is licensed for three handicapping conditions: autism, emotional disturbance, and mental retardation. Operating in two buildings, in FY 10 the School served an average of 123 students in both diploma and certificate tracks depending on the severity of disability. The School also offers vocational training programs in horticulture, warehousing, building maintenance, barbering, and nursing assistance.

4c

(Code) (Expenses \$ 3,386,272 including grants of \$ 0) (Revenue \$ 3,734,448)

Youth Residential NCIA operates 13 group homes for individuals who have not achieved their 21st birthday. Unlike the Adult Residential program, clients of the youth program are typically not developmentally disabled. Rather, the individuals are under the care of the State Department of Human Resources because of troubled or unstable family situations or the State Department of Juvenile Justice. NCIA is licensed for 47 clients and in FY 10 served an average of 40 per month.

4d

Other program services (Describe in Schedule O) See also Additional Data for Description

(Expenses \$ 4,375,940 including grants of \$ 0) (Revenue \$ 4,806,951)

4e

Total program service expenses

\$ 21,226,572

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	Yes	
2	Is the organization required to complete Schedule B, Schedule of Contributors?	2		No
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		No
4	Section 501(c)(3) organizations. Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II	4		No
5	Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations. Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? If "Yes," complete Schedule C, Part III	5		
6	Did the organization maintain any donor advised funds or any similar funds or 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		No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," complete Schedule D, Part II	7		No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III	8		No
9	Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV 	9	Yes	
10	Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V	10		No
11	Is the organization's answer to any of the following questions "Yes"? If so, complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable. 	11	Yes	
	• Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI.			
	• Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII.			
	• Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII.			
	• Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX.			
	• Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X.			
	• Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48? If "Yes," complete Schedule D, Part X.			
12	Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI, XII, and XIII 	12	Yes	
12A	Was the organization included in consolidated, independent audited financial statements for the tax year?	Yes	No	
	If "Yes," completing Schedule D, Parts XI, XII, and XIII is optional 	12A		No
13	Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13		No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		No
14b	b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? If "Yes," complete Schedule F, Part I	14b		No
15	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the U S? If "Yes," complete Schedule F, Part II	15		No
16	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the U S? If "Yes," complete Schedule F, Part III	16		No
17	Did the organization report a total of more than \$15,000, of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I	17		No
18	Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	18		No
19	Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	19		No
20	Did the organization operate one or more hospitals? If "Yes," complete Schedule H	20		No

Part IV

Checklist of Required Schedules (continued)

21	Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	21		No
22	Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>	22		No
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i> 	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer questions 24b-24d and complete Schedule K. If "No," go to line 25</i>	24a		No
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? <i>If "Yes," complete Schedule L, Part I</i>	25a		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>	25b		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II</i> 	26	Yes	
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? <i>If "Yes," complete Schedule L, Part III</i>	27		No
28	Was the organization a party to a business transaction with one of the following parties? (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28a		No
b	A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	28b		No
c	An entity of which a current or former officer, director, trustee, or key employee of the organization (or a family member) was an officer, director, trustee, or owner? <i>If "Yes," complete Schedule L, Part IV</i>	28c		No
29	Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	29		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>	32		No
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? <i>If "Yes," complete Schedule R, Part I</i>	33		No
34	Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i>	34		No
35	Is any related organization a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	35		No
36	Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i>	36		No
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? <i>If "Yes," complete Schedule R, Part VI</i>	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? Note. All Form 990 filers are required to complete Schedule O	38	Yes	

Part V

Statements Regarding Other IRS Filings and Tax Compliance

			Yes	No
1a	Enter the number reported in Box 3 of Form 1096, <i>Annual Summary and Transmittal of U.S. Information Returns</i> . Enter -0- if not applicable	1a41		
	b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable		
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?			1c	Yes
2a	Enter the number of employees reported on Form W-3, <i>Transmittal of Wage and Tax Statements</i> filed for the calendar year ending with or within the year covered by this return	2a942		
	b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note: If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return (see instructions)			
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?		3a	No
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	No
	b If "Yes," enter the name of the foreign country: See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts			
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . . .		5a	No
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?			5b	No
c If "Yes" to line 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction?			5c	
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?		6a	No
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 receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?			7a	No
b If "Yes," did the organization notify the donor of the value of the goods or services provided?			7b	
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?			7c	No
d If "Yes," indicate the number of Forms 8282 filed during the year			7d	
e Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?			7e	No
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . . .			7f	No
g For all contributions of qualified intellectual property, did the organization file Form 8899 as required?			7g	
h For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required?			7h	
8 Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?			8	
9 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				
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				
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			12b	

Part VI

Governance, Management, and Disclosure

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

Section A. Governing Body and Management

			Yes	No
1a	Enter the number of voting members of the governing body . . .	1a	3	
b	Enter the number of voting members that are independent . . .	1b	0	
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	Yes	
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		No
4	Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed?	4	Yes	
5	Did the organization become aware during the year of a material diversion of the organization's assets? . . .	5		No
6	Does the organization have members or stockholders?	6		No
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	7a		No
b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons? . . .	7b		No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following			
a	The governing body?	8a	Yes	
b	Each committee with authority to act on behalf of the governing body?	8b	Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9		No

Section B. Policies

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

			Yes	No
10a	Does the organization have local chapters, branches, or affiliates?	10a		No
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?	10b		
11	Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	11	Yes	
11A	Describe in Schedule O the process, if any, used by the organization to review the Form 990			
12a	Does the organization have a written conflict of interest policy? If "No," go to line 13	12a	Yes	
b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes	
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		No
13	Does the organization have a written whistleblower policy?	13	Yes	
14	Does the organization have a written document retention and destruction policy?	14	Yes	
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		No
b	Other officers or key employees of the organization	15b		No
	If "Yes" to line a or b, describe the process in Schedule O (See instructions)			
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		No
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		

Section C. Disclosure

17	List the States with which a copy of this Form 990 is required to be filed▶MD
18	Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c) (3)s only) available for public inspection. 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. See Additional Data Table.
20	State the name, physical address, and telephone number of the person who possesses the books and records of the organization ▶ Kirk Larter 7222 Ambassador Road Baltimore, MD 21244 (443) 780-1351

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 Report compensation for the calendar year ending with or within the organization’s tax year 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 all of the organization’s **current** key employees See instructions for definition of "key employee "
- List the organization’s five **current** highest compensated employees (other than an officer, director, trustee or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations
- List all of the organization’s **former** officers, key employees, or highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations
- List all of the organization’s **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations

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

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

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W- 2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099- MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
Herbert Hoelter CEO and Co-Founder	40	X		X	X			225,204	0	13,099
Jerome Miller Consulting Employee and Co-Founder	40	X						114,852	0	14,100
Lindsay Hayes Program Director, Suicide Program	40	X						75,875	0	14,819
Larry Norris VP of Youth Services	40			X				136,285	0	2,476
Kirk Larter Sr VP, Finance and Administration	40			X				132,157	0	13,548
Jayne Gessner VP of Human Resources	40			X				99,763	0	1,872
Earl El-Amin VP of Program Development	40			X				77,241	0	0
Alice Boring Secretary	40			X				67,383	0	1,684
Sandra Fallon Speech Therapist	40					X		118,283	0	4,206
Rodney Norris Executive Director, DDA Programs	40					X		116,685	0	5,270

1b Total	1,163,728	0	71,074
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2

Total number of individuals (including but not limited to those listed above) who received more than \$100,000 in reportable compensation from the organization▶6

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

Section B. Independent Contractors

1	Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization		
	(A) Name and business address	(B) Description of services	(C) Compensation
2	Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization ▶0		

Part VIII

Statement of Revenue

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns . . .	1a	0	28,411		
	b	Membership dues	1b	0			
	c	Fundraising events	1c	0			
	d	Related organizations	1d	0			
	e	Government grants (contributions)	1e	0			
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	28,411			
	g	Noncash contributions included in lines 1a-1f \$ 0					
	h	Total. Add lines 1a-1f					
Program Service Revenue			Business Code				
	2a	Adult Residential	623,990	8,736,109	8,736,109	0	0
	b	Youth In Transition School	611,600	6,850,127	6,850,127	0	0
	c	Youth Residential	623,990	3,734,448	3,734,448	0	0
	d	Career Development Program	624,100	3,855,262	3,855,262	0	0
	e	Criminal Justice Program	541,900	606,391	606,391	0	0
	f	All other program service revenue		345,298	345,298	0	0
	g	Total. Add lines 2a-2f			24,127,635		
Other Revenue	3	Investment income (including dividends, interest and other similar amounts)		17,930	0	0	17,930
	4	Income from investment of tax-exempt bond proceeds . . .		0	0	0	0
	5	Royalties		0	0	0	0
	6a	(i) Real					
		(ii) Personal					
	b	Less rental expenses					
	c	Rental income or (loss)		0	0		
	d	Net rental income or (loss)					
	7a	(i) Securities					
		(ii) Other					
	b	Less cost or other basis and sales expenses					
	c	Gain or (loss)		0	0		
	d	Net gain or (loss)					
	8a	Gross income from fundraising events (not including \$ 0 of contributions reported on line 1c) See Part IV, line 18					
		a					
b	Less direct expenses		b				
c	Net income or (loss) from fundraising events . . .						
9a	Gross income from gaming activities See Part IV, line 19						
	a						
b	Less direct expenses		b				
c	Net income or (loss) from gaming activities . . .						
10a	Gross sales of inventory, less returns and allowances						
	a						
b	Less cost of goods sold		b				
c	Net income or (loss) from sales of inventory . . .						
Miscellaneous Revenue		Business Code					
11a	Miscellaneous	900,099	8,459	8,459	0	0	
b	Lawsuit Settlement	900,099	62,000	62,000	0	0	
c							
d	All other revenue		0	0	0	0	
e	Total. Add lines 11a-11d			70,459			
12	Total revenue. See Instructions			24,244,435	24,198,094	0	17,930

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	0	0		
2	Grants and other assistance to individuals in the U S See Part IV, line 22	0	0		
3	Grants and other assistance to governments, organizations, and individuals outside the U S See Part IV, lines 15 and 16	0	0		
4	Benefits paid to or for members	0	0		
5	Compensation of current officers, directors, trustees, and key employees	1,026,480	607,207	419,273	0
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0	0	0	0
7	Other salaries and wages	14,226,863	13,649,360	577,503	0
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	87,905	86,476	1,429	0
9	Other employee benefits	1,076,149	1,003,258	72,891	0
10	Payroll taxes	1,119,844	1,047,959	71,885	0
11	Fees for services (non-employees)				
a	Management	0			0
b	Legal	80,341	2,821	77,520	0
c	Accounting	40,497		40,497	0
d	Lobbying	0			0
e	Professional fundraising See Part IV, line 17	0			
f	Investment management fees				
g	Other	299,200	137,715	161,485	0
12	Advertising and promotion	5,350		5,350	0
13	Office expenses	553,248	312,744	240,504	0
14	Information technology	192,212	37,287	154,925	0
15	Royalties				
16	Occupancy	2,452,521	2,267,294	185,227	0
17	Travel	451,072	441,953	9,119	0
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings	18,833	14,921	3,912	0
20	Interest	103,631	63,727	39,904	0
21	Payments to affiliates	0			0
22	Depreciation, depletion, and amortization	339,700	288,907	50,793	0
23	Insurance	400,509	372,586	27,923	0
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	Client Expenses	599,569	597,871	1,698	0
b	Maintenance and Housekeeping	315,948	211,101	104,847	0
c	Bad Debt	69,007	69,007	0	0
d	Miscellaneous	15,198	14,378	820	0
e					
f	All other expenses				
25	Total functional expenses. Add lines 1 through 24f	23,474,077	21,226,572	2,247,505	0
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)		(B)
					Beginning of year		End of year
Assets	1	Cash—non-interest-bearing			3,007,982	1	4,820,557
	2	Savings and temporary cash investments				2	
	3	Pledges and grants receivable, net				3	
	4	Accounts receivable, net			1,416,409	4	1,185,966
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees 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	
	8	Inventories for sale or use				8	
	9	Prepaid expenses and deferred charges			43,577	9	82,967
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a	5,710,324	4,202,527	10c	4,469,441
	b	Less accumulated depreciation	10b	1,240,883			
	11	Investments—publicly traded securities				11	
	12	Investments—other securities See Part IV, line 11				12	
	13	Investments—program-related See Part IV, line 11			409,204	13	358,704
	14	Intangible assets				14	
	15	Other assets See Part IV, line 11			402,041	15	435,560
	16	Total assets. Add lines 1 through 15 (must equal line 34)			9,481,740	16	11,353,195
Liabilities	17	Accounts payable and accrued expenses			1,008,531	17	1,640,232
	18	Grants payable				18	
	19	Deferred revenue			3,705,239	19	3,942,678
	20	Tax-exempt bond liabilities				20	
	21	Escrow or custodial account liability Complete Part IV of Schedule D			122,790	21	93,997
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L			542,752	22	452,999
	23	Secured mortgages and notes payable to unrelated third parties			3,565,625	23	3,943,966
	24	Unsecured notes and loans payable to unrelated third parties			0	24	0
	25	Other liabilities Complete Part X of Schedule D			30,696	25	2,858
	26	Total liabilities. Add lines 17 through 25			8,975,633	26	10,076,730
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here ☒ and complete lines 27 through 29, and lines 33 and 34.						
	27	Unrestricted net assets			506,107	27	1,276,465
	28	Temporarily restricted net assets			0	28	0
	29	Permanently restricted net assets			0	29	0
	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			506,107	33	1,276,465
	34	Total liabilities and net assets/fund balances			9,481,740	34	11,353,195

Part XI Financial Statements and Reporting

	Yes	No
1 Accounting method used to prepare the Form 990 ☐ Cash ☒ Accrual ☐ Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O		
2a Were the organization's financial statements compiled or reviewed by an independent accountant? . . .		No
b Were the organization's financial statements audited by an independent accountant?	Yes	
c If "Yes," to 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? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	Yes	
d If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a consolidated basis, separate basis, or both ☒ Separate basis ☐ Consolidated basis ☐ Both consolidated and separated basis		
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		No
b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits . . .		

SCHEDULE A

(Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

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

OMB No 1545-0047

2009

Open to Public
Inspection

Name of the organization NATIONAL CENTER ON INSTITUTIONS AND ALTERNATIVES INC	Employer identification number 52-1094078
--	--

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 (For lines 1 through 11, check only one box)

- 1

☐

A church, convention of churches, or association of churches **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).**
- 4

☐

A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state
- 5

☐

An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II)
- 6

☐

A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
- 7

☐

An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)** (Complete Part II)
- 8

☐

A community trust described in **section 170(b)(1)(A)(vi)** (Complete Part II)
- 9

☒

An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2).** (Complete Part III)
- 10

☐

An organization organized and operated exclusively to test for public safety See**section 509(a)(4).**
- 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?

(i)

a person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the the supported organization?

(ii)

a family member of a person described in (i) above?

(iii)

a 35% controlled entity of a person described in (i) or (ii) above?

h

☐

Provide the following information about the supported organization(s)

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

Part II

Support Schedule for Organizations Described in IRC 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)
(Complete only if you checked the box on line 5, 7, or 8 of Part I.)

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")						
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 through 3						
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						

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income (Explain in Part IV) Do not include gain or loss from the sale of capital assets						
11 Total support (Add lines 7 through 10)						
12 Gross receipts from related activities, etc (See instructions)					12	
13 First Five Years If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here						

Section C. Computation of Public Support Percentage

14 Public Support Percentage for 2009 (line 6 column (f) divided by line 11 column (f))	14	
15 Public Support Percentage for 2008 Schedule A, Part II, line 14	15	
16a 33 1/3% support test—2009. 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—2008. If the organization did not check the box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		
17a 10%-facts-and-circumstances test—2009. 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—2008. 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 IIISupport Schedule for Organizations Described in IRC 509(a)(2)
(Complete only if you checked the box on line 9 of Part I.)

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
1Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")	607,802	343,525	177,136	12,305	28,411	1,169,179
2Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose	21,209,354	21,196,212	22,289,977	23,924,553	24,127,635	112,747,731
3Gross receipts from activities that are not an unrelated trade or business under section 513	0	0	0	0	0	0
4Tax revenues levied for the organization's benefit and either paid to or expended on its behalf	0	0	0	0	0	0
5The value of services or facilities furnished by a governmental unit to the organization without charge	0	0	0	0	0	0
6Total. Add lines 1 through 5	21,817,156	21,539,737	22,467,113	23,936,858	24,156,046	113,916,910
7aAmounts included on lines 1, 2, and 3 received from disqualified persons	0	0	0	0	0	0
bAmounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year	0	0	0	0	0	0
cAdd lines 7a and 7b	0	0	0	0	0	0
8Public Support (Subtract line 7c from line 6)						113,916,910

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2005	(b) 2006	(c) 2007	(d) 2008	(e) 2009	(f) Total
9Amounts from line 6	21,817,156	21,539,737	22,467,113	23,936,858	24,156,046	113,916,910
10aGross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	58,275	58,745	14,825	7,704	17,930	157,479
bUnrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975	0	0	0	0	0	0
cAdd lines 10a and 10b	58,275	58,745	14,825	7,704	17,930	157,479
11Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on	0	0	0	0	0	0
12Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV)				465,398	70,459	535,857
13Total support (Add lines 9, 10c, 11 and 12)	21,875,431	21,598,482	22,481,938	24,409,960	24,244,435	114,610,246
14First Five Years If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and stop here	☐					

Section C. Computation of Public Support Percentage

15Public Support Percentage for 2009 (line 8 column (f) divided by line 13 column (f))	15	99.395 %
16Public support percentage from 2008 Schedule A, Part III, line 15	16	99.3 %

Section D. Computation of Investment Income Percentage

17Investment income percentage for 2009 (line 10c column (f) divided by line 13 column (f))	17	0.137 %
18Investment income percentage from 2008 Schedule A, Part III, line 17	18	0.15 %
19a33 1/3% support tests—2009. 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	☒	
b33 1/3% support tests—2008. 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	☐	
20Private Foundation If the organization did not check a box on line 14, 19a or 19b, check this box and see instructions	☐	

Part IV

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

Explanation									
Pt III Line 12 col (d) Total amount		465,398	Gain on sale of partnership	456,860	Asset sold	500	Landlord remodeling refund	6,055	
Miscellaneous related income		1,983							
Pt III Line 12 col (e) Total amount		70,459	Settlement of dispute	62,000	Miscellaneous related income	8,459			

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

► Complete if the organization answered "Yes," to Form 990,
Part IV, line 6, 7, 8, 9, 10, 11, or 12.
► Attach to Form 990. ► See separate instructions.

OMB No 1545-0047

2009

Open to Public
Inspection

Name of the organization

NATIONAL CENTER ON INSTITUTIONS AND ALTERNATIVES INC

Employer identification number

52-1094078

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 for any other purpose conferring 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 importantly land area
☐ Protection of natural habitat ☐ Preservation of a 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
2a	Total number of conservation easements
2b	Total acreage restricted by conservation easements
2c	Number of conservation easements on a certified historic structure included in (a)
2d	Number of conservation easements included in (c) acquired after 8/17/06

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, handling of violations, and enforcement of the conservation easements it holds?

☐ Yes ☐ No

6

Staff and volunteer hours devoted to monitoring, inspecting and enforcing conservation easements during the year ► _____

7

Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ► \$ _____

8

Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 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

d

☐

Loan or exchange programs

b

☐

Scholarly research

e

☐

Other

c

☐

Preservation for future generations

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

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

1a

Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X?

☐ Yes

☒ No

b

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

c

Beginning balance

d

Additions during the year

e

Distributions during the year

f

Ending balance

	Amount
1c	
1d	
1e	
1f	

2a

Did the organization include an amount on Form 990, Part X, line 21?

☒ Yes

☐ No

b

If "Yes," explain the arrangement in Part XIV

Part V

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

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

2

Provide the estimated percentage of the year end balance held as

a

Board designated or quasi-endowment ▶ %

b

Permanent endowment ▶ %

c

Term endowment ▶ %

3a

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

(i) unrelated organizations

3a(i)

Yes

No

(ii) related organizations

3a(ii)

Yes

No

b

If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?

3b

Yes

No

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) Accumulated depreciation	(d) Book value
1a Land	0	833,491		833,491
b Buildings	0	3,455,447	529,219	2,926,228
c Leasehold improvements	0	651,589	243,361	408,228
d Equipment	0	375,663	257,329	118,334
e Other	0	394,134	210,974	183,160
Total. Add lines 1a-1e (Column (d) should equal Form 990, Part X, column (B), line 10(c).) ▶				4,469,441

Schedule D (Form 990) 2009

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)	124,244,435
2	Total expenses (Form 990, Part IX, column (A), line 25)	23,474,077
3	Excess or (deficit) for the year Subtract line 2 from line 1	770,358
4	Net unrealized gains (losses) on investments	0
5	Donated services and use of facilities	0
6	Investment expenses	0
7	Prior period adjustments	0
8	Other (Describe in Part XIV)	0
9	Total adjustments (net) Add lines 4 - 8	0
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	770,358

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return		
1	Total revenue, gains, and other support per audited financial statements	124,244,435
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12	
a	Net unrealized gains on investments2a0	
b	Donated services and use of facilities2b0	
c	Recoveries of prior year grants2c0	
d	Other (Describe in Part XIV)2d0	
e	Add lines 2a through 2d2e0	
3	Subtract line 2e from line 1324,244,435	
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 7b4a0	
b	Other (Describe in Part XIV)4b0	
c	Add lines 4a and 4b4c0	
5	Total Revenue Add lines 3 and 4c. (This should equal Form 990, Part I, line 12)524,244,435	

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return		
1	Total expenses and losses per audited financial statements	123,474,077
2	Amounts included on line 1 but not on Form 990, Part IX, line 25	
a	Donated services and use of facilities2a0	
b	Prior year adjustments2b0	
c	Other losses2c0	
d	Other (Describe in Part XIV)2d0	
e	Add lines 2a through 2d2e0	
3	Subtract line 2e from line 1323,474,077	
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 7b4a0	
b	Other (Describe in Part XIV)4b0	
c	Add lines 4a and 4b4c0	
5	Total expenses Add lines 3 and 4c. (This should equal Form 990, Part I, line 18)523,474,077	

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. Also complete this part to provide any additional information.

Identifier	Return Reference	Explanation
SchD_P04_S00_L02b	Schedule D, Part IV, Line 2b	The company is the representative payee for many of its developmentally disabled clients' Social Security Administration (SSA) benefits. As such, it receives the benefit checks each month and distributes the funds for clients' needs per SSA, State, and agency guidelines. Any funds remaining at the end of the month are held in bank accounts separate from those of the agency.
SchD_P10_S00_L00	Schedule D, Part X	On July 1, 2009, NCIA adopted Accounting for Uncertainty in Income Taxes under the Income Taxes Topic of the codification. The Codification requires the evaluation of tax positions, which include maintaining its tax-exempt status and taxability of any unrelated business income, and does not allow recognition of tax positions which do not meet a "more-likely-than-not" threshold of being sustained by the applicable tax authority. Management does not believe it has taken any tax positions that would not meet this threshold. NCIA files federal informational returns and is no longer subject to income tax examination by major tax authorities for tax years prior to 2006.

Schedule J
(Form 990)

Compensation Information

OMB No 1545-0047

2009

Open to Public Inspection

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

▶ Complete if the organization answered "Yes" to Form 990, Part IV, question 23.

▶ Attach to Form 990. ▶ See separate instructions.

Name of the organization	Employer identification number
NATIONAL CENTER ON INSTITUTIONS AND ALTERNATIVES INC	52-1094078

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		
☐ Travel for companions		
☐ Tax idemnification and gross-up payments		
☐ Discretionary spending account		
☐ Housing allowance or residence for personal use		
☒ Payments for business use of personal residence		
☐ Health or social club dues or initiation fees		
☐ Personal services (e g , maid, chauffeur, chef)		
1b If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all the expenses described above? If "No," complete Part III to explain		No
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?	Yes	
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		
☐ Independent compensation consultant		
☒ Form 990 of other organizations		
☐ Written employment contract		
☒ Compensation survey or study		
☐ Approval by the board or compensation committee		
4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization		
4a Receive a severance payment or change-of-control payment?		No
4b Participate in, or receive payment from, a supplemental nonqualified retirement plan?		No
4c Participate in, or receive payment from, an equity-based compensation arrangement?		No
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 only must complete lines 5-9.		
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		
5a The organization?		No
5b Any related organization?		No
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		
6a The organization?		No
6b Any related organization?		No
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		No
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		No
9 If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?		

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

[illegible]

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.

Ident if ier	Ret urn Reference	Explanat ion
SchJ_P01_S00_L01a	Schedule J, Part I, Line 1a	First Class travel is undertaken only when fully reimbursed by clients of the Criminal Justice Program. The company pays for the CEO's home internet usage. It also compensates a Director for home office use.
SchJ_P01_S00_L01b	Schedule J, Part I, Line 1b	See comments to Line 1a.

Schedule L
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons

▶ Complete if the organization 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.
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No 1545-0047

2009

Open to Public Inspection

Name of the organization
NATIONAL CENTER ON INSTITUTIONS AND ALTERNATIVES INC

Employer identification number
52-1094078

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

Complete if the organization 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.

Complete if the organization 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?		(c)Original principal amount	(d)Balance due	(e) In default?		(f) Approved by board or committee?		(g)Written agreement?	
	To	From			Yes	No	Yes	No	Yes	No
Herbert Hoelter Working Capital	X		383,675	247,127		No	Yes		Yes	
George DeHority Working Capital	X		266,250	205,872		No	Yes		Yes	
Total ▶ \$ 452,999										

Part III Grants or Assistance Benefitting Interested Persons.

Complete if the organization 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.

Complete if the organization answered "Yes" on Form 990, Part IV, line 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

SCHEDULE O
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990

Complete to provide information for responses to specific questions on
Form 990 or to provide any additional information.
▶ Attach to Form 990.

OMB No 1545-0047

2009

Open to Public
Inspection

Name of the organization
NATIONAL CENTER ON INSTITUTIONS AND ALTERNATIVES INC

Employer identification number
52-1094078

Identifier	Return Reference	Explanation
F990_P04_S00_L13	Form 990, Part IV, Line 13	NCIA opened a school in 1994, but it was after receiving its determination letter from the IRS. See Form 990 Pt III Line 4(b) for details.
F990_P06_S0A_L02	Form 990, Part VI, Section A, Line 2	All of NCIA's officers and directors have a business relationship with each other by virtue of their working for NCIA.
F990_P06_S0A_L04	Form 990, Part VI, Section A, Line 4	On June 11, 2010 NCIA's Board of Directors adopted amended and restated bylaws of the corporation. The amended bylaws expand the number of directors to seven, four of whom shall not be employees or officers of the corporation or immediate family members of an employee or an officer of the Corporation (independent directors). These independent directors were elected at the June 11 meeting for terms beginning July 1, 2010. The following are the newly-elected independent directors: John F. Lessner is healthcare counsel to Erickson Living Management, a developer and manager of continuing care retirement communities. Prior to joining Erickson, Mr. Lessner was a shareholder in the Healthlaw Department at Ober/Kaler for eight years and, prior to that, an Assistant Attorney General for Maryland, Department of Health and Mental Hygiene. Christine Pahigian has worked for over 25 years in the field of criminal and juvenile justice. She served the New York City Mayor's Office under Mayor David Dinkins on the Juvenile Detention Alternatives Initiative, consulted on and provided technical assistance nationally to Departments of Correction and criminal and juvenile justice agencies, and taught as an Assistant Clinical Professor at New York University. Ms. Pahigian currently serves as Executive Director of Friends of Island Academy, a youth development center which breaks the cycle of incarceration by building the capacity of young people to become contributing citizens. Vincent M. Wesley is Senior Vice President and Manager of the Not-For-Profit Division of Sun Trust Bank. He has been employed with Sun Trust for 25 years, has 30 years of banking experience, and has been with the Not-For-Profit Division of Sun Trust since its inception. Prior to this, Mr. Wesley worked as a relationship manager and managed a retail bank office. Frances A. Wright has been in banking 30 years. She joined M&T Bank in 1999, where she specializes in working with not-for-profit organizations. Her clients range from community-based organizations to educational institutions, including colleges and universities, charter schools and independent schools. Ms. Wright is an active volunteer in the community, including service to The Enterprise Women's Network, the Great Blacks in Wax Museum, and on the University of Baltimore, Merrick School of Business Advisory Board. The amended bylaws also require the Board to establish a Compensation Committee, which, subject to Board review, shall be responsible for: (a) setting the amount of compensation to be paid by the Corporation to those of its Directors, officers and key employees as required by the Corporation's Conflict of Interest Policy, in a manner that is consistent with the Corporation's policies, including without limitation the Corporation's Conflict of Interest Policy, and that complies with federal and state law, and (b) all other matters delegated to it by the Board. A majority of the Compensation Committee members shall, at all times, be Independent Directors. Any action by the Compensation Committee shall require: (a) the affirmative vote of a majority of its members, and (b) at least half of the affirmative votes to be cast by Independent Directors. No person being compensated by the Corporation may be present for any vote of the Compensation Committee concerning the salary or other earnings of such person. The Compensation Committee was established at the September 9, 2010 meeting of the new expanded Board. The amended bylaws also established two special committees, one of which shall supervise and direct the management and operation of facilities and programs that provide service to individuals with developmental disabilities and another which shall supervise and direct the management and operation of youth residential services.
F990_P06_S0B_L11	Form 990, Part VI, Section B, Line 11	A CPA in NCIA's Fiscal Department prepares the 990 using figures from the audited financial statements of the agency. The Senior Vice President of Finance and Administration, also a CPA, reviews the form. The form is also reviewed by the agency's attorney, the tax department of the agency's independent auditor, and each member of the agency's Board of Directors.
F990_P06_S0C_L19	Form 990, Part VI, Section C, Line 19	NCIA makes its governing documents, conflict of interest policy and financial statements available to the general public on request. The Form 990 return is also available on the Guidestar website: www.guidestar.org

Additional Data

Software ID:
Software Version:
EIN: 52-1094078
Name: NATIONAL CENTER ON INSTITUTIONS AND
ALTERNATIVES INC

Form 990, Part III - 4 Program Service Accomplishments (See the Instructions)

4d. Other program services			
(Code)	(Expenses \$ 3,253,678	including grants of \$ 0)	(Revenue \$ 3,855,262)
Career Development Program NCIA's Career Development Center is a "day program" for developmentally disabled adults In FY 10 the program served approximately 154 individuals, and about 123 of these participate in supported employment activities where they are accompanied by NCIA job coaches in various community businesses The other 31 clients in the program are more severely disabled and participate in various day habilitation activities at the Center Approximately half of the NCIA Adult Residential clients are clients of the Career Development Center, the other half attends day programs of other providers			
(Code)	(Expenses \$ 706,855	including grants of \$ 0)	(Revenue \$ 606,391)
Criminal Justice Svcs This program provides support services to non-violent white collar defendants and their attorneys located across the country NCIA staff are experts in sentencing statutes and guidelines, and they prepare individualized sentencing proposals including public service, work-release, home confinement, and community confinement NCIA also provides consulting on institutional designation and transfer			
(Code)	(Expenses \$ 300,651	including grants of \$ 0)	(Revenue \$ 187,636)
Mental Health Clinic NCIA's Mental Health Clinic provides mental health evaluation, treatment, and medication management services for the clients of the two residential programs, the vocational program, and the School A contracted psychiatrist serves as medical director and does all initial evaluations A licensed clinical social worker and two therapists provide therapy services for clients of the Youth Residential program and the School Clients of the Adult Residential and Career Development programs are served by Psychology Associates working under the direction of a Psychologist			
(Code)	(Expenses \$ 114,756	including grants of \$ 0)	(Revenue \$ 157,662)
Suicide Prevention NCIA employs one of the leading national experts in the prevention of suicide in jails and prisons Local and state correctional agencies hire NCIA to develop prevention programs, training, and evaluations NCIA also provides litigation support services to both plaintiffs and defendants in jail suicide cases			

Form 990, Part VIII - Statement of Revenue - 2a - 2g Program Service Revenue -

	Business Code	(A) Total Revenue	(B) Related or Exempt Function Revenue	(C) Unrelated Business Revenue	(D) Revenue Excluded from Tax under IRC 512, 513, or 514
Adult Residential	623,990	8,736,109	8,736,109	0	0
	611,600	6,850,127	6,850,127	0	0
Youth Residential	623,990	3,734,448	3,734,448	0	0
Career Development Program	624,100	3,855,262	3,855,262	0	0
Criminal Justice Program	541,900	606,391	606,391	0	0