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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)

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

OMB No 1545-0047

2010Open to Public
Inspection

A For the 2010 calendar year, or tax year beginning and ending	
B Check if applicable: ☐ Address change ☒ Name change ☐ Initial return ☐ Terminated ☐ Amended return ☐ Application pending	C Name of organization CROSSROADS COMMUNITY SERVICES, INC. Doing Business As Number and street (or P.O. box if mail is not delivered to street address) Room/suite P.O. BOX 599 City or town, state or country, and ZIP + 4 WAUSAU, WI 54402-0599 D Employer identification number 23-7028868 E Telephone number 715-845-5000 G Gross receipts \$ 378,150. 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) ☐ 501(c)() (insert no.) ☐ 4947(a)(1) or ☐ 527 J Website: ▶ N/A K Form of organization: ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶ L Year of formation: 1969 M State of legal domicile: WI
F Name and address of principal officer MARGARET WENZEL SAME AS C ABOVE	

Part I Summary

Activities & Governance	1	Briefly describe the organization's mission or most significant activities: TO FOSTER THE PROVISION OF SUPPORTIVE LIVING ARRANGEMENTS FOR ADULTS WHO ARE ATTEMPTING TO		
	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)	3	
	5	Total number of individuals employed in calendar year 2010 (Part V, line 2a)	5	
	6	Total number of volunteers (estimate if necessary)	0	
	7a	Total unrelated business revenue from Part VIII, column (C), line 12	0.	
7b	Net unrelated business taxable income from Form 990-T, line 34	0.		
Revenue	8	Contributions and grants (Part VIII, line 1h)	36,040.	0.
	9	Program service revenue (Part VIII, line 2g)	37,905.	0.
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	307,178.	165,330.
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	59,251.	60,559.
	12	Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	440,374.	225,889.
	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)	246,245.	234,383.
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	0.	0.
	16b	Total fundraising expenses (Part IX, column (D), line 25)	0.	0.
Expenses	17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24)	123,839.	122,297.
	18	Total expenses - Add lines 13-17 (must equal Part IX, column (A), line 25)	370,084.	356,680.
	19	Revenue less expenses - Subtract line 18 from line 12	70,290.	-130,791.
	20	Total assets (Part X, line 16)	1,649,209.	1,650,331.
Net Assets or Fund Balances	21	Total liabilities (Part X, line 26)	74,899.	206,812.
	22	Net assets or fund balances. Subtract line 21 from line 20	1,574,310.	1,443,519.

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 7-26-11			
	Type or print name and title MARGARET WENZEL, DIRECTOR				
Paid Preparer Use Only	Print/Type preparer's name DUANE J. ZABOROWSKI, CPA	Preparer's signature DUANE J. ZABOROWSKI	Date 07/22/11	Check if self-employed ☐	PTIN
	Firm's name BAKER TILLY VIRCHOW KRAUSE, LLP			Firm's EIN ▶	
Firm's address ONE CORPORATE DRIVE, SUITE 500 WAUSAU, WI 54401			Phone no. (715) 842-3324		

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

032001 02-22-11 LHA For Paperwork Reduction Act Notice, see the separate instructions.

Form **990** (2010)**SEE SCHEDULE O FOR ORGANIZATION MISSION STATEMENT CONTINUATION**

SCANNED AUG 15 2011

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Part III Statement of Program Service AccomplishmentsCheck if Schedule O contains a response to any question in this Part III ☐

- 1 Briefly describe the organization's mission

TO PROVIDE OR ARRANGE SUPPORTIVE LIVING ENVIRONMENTS INTENDED TO ADDRESS THE HOUSING NEEDS OF THE MENTALLY ILL AND HOMELESS POPULATIONS.

- 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 \$
- 204,220.
- including grants of \$) (Revenue \$
- 193,298.
-)
-
- TO OPERATE FACILITIES APPROVED UNDER CHAPTER 51 OF THE WISCONSIN STATUTES FOR PROVIDING TRANSITIONAL COMMUNITY LIVING PROGRAMS.**

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

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

- 4d Other program services (Describe in Schedule O)

(Expenses \$ including grants of \$) (Revenue \$)

- 4e Total program service expenses
- 204,220.**

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>	X	
2 Is the organization required to complete Schedule B, Schedule of Contributors?		X
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>		X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>		X
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i>		
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? <i>If "Yes," complete Schedule D, Part I</i>		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? <i>If "Yes," complete Schedule D, Part II</i>		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>		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? <i>If "Yes," complete Schedule D, Part IV</i>		X
10 Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i>		X
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i>	X	
b Did the organization report an amount for investments - other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i>		X
c Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i>		X
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i>		X
e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>	X	
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i>		X
12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI, XII, and XIII</i>	X	
b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional</i>		X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>		X
14a Did the organization maintain an office, employees, or agents outside of the United States?		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 United States? <i>If "Yes," complete Schedule F, Parts I and IV</i>		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? <i>If "Yes," complete Schedule F, Parts II and IV</i>		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? <i>If "Yes," complete Schedule F, Parts III and IV</i>		X
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? <i>If "Yes," complete Schedule G, Part I</i>		X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>		X
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>		X
20a Did the organization operate one or more hospitals? <i>If "Yes," complete Schedule H</i>		X
b If "Yes" to line 20a, did the organization attach its audited financial statements to this return? Note. Some Form 990 filers that operate one or more hospitals must attach audited financial statements (see instructions)		

Part IV Checklist of Required Schedules (continued)

	Yes	No
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>		X
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>		X
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>	X	
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 lines 24b through 24d and complete Schedule K. If "No," go to line 25</i>		X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		
25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>		X
b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>		X
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>		X
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>		X
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>		X
b A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		X
c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>		X
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>		X
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>		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		X
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>		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? <i>If "Yes," complete Schedule R, Part I</i>		X
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>		X
35 Is any related organization a controlled entity within the meaning of section 512(b)(13)?		X
a Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	☐ Yes ☒ 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>		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? <i>If "Yes," complete Schedule R, Part VI</i>		X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19?	X	

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

Part V Statements Regarding Other IRS Filings and Tax ComplianceCheck if Schedule O contains a response to any question in this Part V ☐

		Yes	No
1a	Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable		
1b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable		
1c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?		
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		
2b	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 (see instructions)	X	
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?		X
3b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O		
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?		X
4b	If "Yes," enter the name of the foreign country See instructions for 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?		X
5b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?		X
5c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?		
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?		X
6b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
7	Organizations that may receive deductible contributions under section 170(c).		
7a	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?		X
7b	If "Yes," did the organization notify the donor of the value of the goods or services provided?		
7c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?		X
7d	If "Yes," indicate the number of Forms 8282 filed during the year		
7e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?		X
7f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?		X
7g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?		X
7h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?		X
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?		X
9	Sponsoring organizations maintaining donor advised funds.		
9a	Did the organization make any taxable distributions under section 4966?		X
9b	Did the organization make a distribution to a donor, donor advisor, or related person?		X
10	Section 501(c)(7) organizations. Enter		
10a	Initiation fees and capital contributions included on Part VIII, line 12		
10b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities		
11	Section 501(c)(12) organizations. Enter		
11a	Gross income from members or shareholders		
11b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)		
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?		
12b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year		
13	Section 501(c)(29) qualified nonprofit health insurance issuers.		
13a	Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O		
13b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans		
13c	Enter the amount of reserves on hand		
14a	Did the organization receive any payments for indoor tanning services during the tax year?		X
14b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O		

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

Check if Schedule O contains a response to any question in this Part VI

☒**Section A. Governing Body and Management**

	Yes	No
1a Enter the number of voting members of the governing body at the end of the tax year	1a	3
b Enter the number of voting members included in line 1a, above, who are independent	1b	3
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 governing documents since the prior Form 990 was filed?	4	X
5 Did the organization become aware during the year of a significant 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
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	X

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	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?	10b	
11a Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	11a	X
b Describe in Schedule O the process, if any, used by the organization to review this Form 990		
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	
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	
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	15b	X
If "Yes" to line 15a or 15b, 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	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	

Section C. Disclosure

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

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 **CROSSROADS COMMUNITY SERVICES INC - 715-845-5000**
P.O. BOX 599, WAUSAU, WI 54402-0599

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

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(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			
1b Sub-total								168,500.	0.	0.
c Total from continuation sheets to Part VII, Section A								0.	0.	0.
d Total (add lines 1b and 1c)								168,500.	0.	0.

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 **1**

- | | 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 | 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 | X | |
| 5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person | | 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 **NONE**

(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	1 a	Federated campaigns	1a				
	b	Membership dues	1b				
	c	Fundraising events	1c				
	d	Related organizations	1d				
	e	Government grants (contributions)	1e				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f				
	g	Noncash contributions included in lines 1a-1f \$					
	h	Total. Add lines 1a-1f					
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)		32,591.			32,591.
	4	Income from investment of tax-exempt bond proceeds					
	5	Royalties					
	6 a	Gross Rents	(i) Real	(ii) Personal			
		b	Less rental expenses				
		c	Rental income or (loss)				
		d	Net rental income or (loss)				
	7 a	Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other			
		b	Less cost or other basis and sales expenses		285,000.		
		c	Gain or (loss)		152,261.		
		d	Net gain or (loss)		132,739.	132,739.	
	8 a	Gross income from fundraising events (not including \$ _____ 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				
		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	FORGIVENESS OF DEBT	900000	33,109.	33,109.		
b	RENTAL INCOME	532000	27,450.	27,450.			
c							
d	All other revenue						
e	Total. Add lines 11a-11d		60,559.				
12	Total revenue. See instructions.		225,889.	193,298.	0.	32,591.	

Part IX Statement of Functional Expenses

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

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

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21				
2 Grants and other assistance to individuals in the U.S. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees				
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	227,766.	170,823.	56,943.	
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)				
9 Other employee benefits	-9,713.	-7,285.	-2,428.	
10 Payroll taxes	16,330.	12,248.	4,082.	
11 Fees for services (non-employees)				
a Management				
b Legal	1,426.	546.	880.	
c Accounting	13,617.		13,617.	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other				
12 Advertising and promotion				
13 Office expenses	1,518.	29.	1,489.	
14 Information technology				
15 Royalties				
16 Occupancy	53,753.	8,419.	45,334.	
17 Travel				
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest	131.	131.		
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	13,532.	2,234.	11,298.	
23 Insurance				
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24f. If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O.)				
a CLOSING COSTS & FEES	20,720.	10,670.	10,050.	
b SPECIAL ASSISTANCE PROG	7,364.	5,487.	1,877.	
c MISCELLANEOUS	3,611.	0.	3,611.	
d FOOD AND HOUSEKEEPING S	2,781.	273.	2,508.	
e TRANSPORTATION	2,317.	104.	2,213.	
f All other expenses	1,527.	541.	986.	
25 Total functional expenses. Add lines 1 through 24f	356,680.	204,220.	152,460.	0.
26 Joint costs. Check here ☐ if following SOP 98-2 (ASC 958-720). 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	- 3,067.	1	- 1,292.
	2 Savings and temporary cash investments	787,510.	2	850,011.
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net	2,100.	4	47,902.
	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)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions)		6	
	7 Notes and loans receivable, net	418,576.	7	640,566.
	8 Inventories for sale or use		8	
	9 Prepaid expenses and deferred charges		9	
	10a Land, buildings, and equipment - cost or other basis. Complete Part VI of Schedule D	10a 177,265.		
	b Less accumulated depreciation	10b 120,569.	10c	56,696.
	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		13	
	14 Intangible assets		14	
	15 Other assets. See Part IV, line 11	176,812.	15	56,448.
16 Total assets. Add lines 1 through 15 (must equal line 34)	1,649,209.	16	1,650,331.	
Liabilities	17 Accounts payable and accrued expenses	2,772.	17	204,712.
	18 Grants payable		18	
	19 Deferred revenue	33,109.	19	
	20 Tax-exempt bond liabilities		20	
	21 Escrow or custodial 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	39,018.	23	
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities. Complete Part X of Schedule D	0.	25	2,100.
	26 Total liabilities. Add lines 17 through 25	74,899.	26	206,812.
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	1,574,310.	27	1,443,519.
	28 Temporarily restricted net assets		28	
	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	1,574,310.	33	1,443,519.
34 Total liabilities and net assets/fund balances	1,649,209.	34	1,650,331.	

Part XI Reconciliation of Net AssetsCheck if Schedule O contains a response to any question in this Part XI ☐

1	Total revenue (must equal Part VIII, column (A), line 12)	1	225,889.
2	Total expenses (must equal Part IX, column (A), line 25)	2	356,680.
3	Revenue less expenses Subtract line 2 from line 1	3	-130,791.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	1,574,310.
5	Other changes in net assets or fund balances (explain in Schedule O)	5	0.
6	Net assets or fund balances at end of year Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	1,443,519.

Part XII Financial Statements and ReportingCheck if Schedule O contains a response to any question in this Part XII ☐

- 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?
- b Were the organization's financial statements audited by an independent accountant?
- c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?
If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O
- 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 separate basis, consolidated basis, or both
☒ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate 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?
- 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

	Yes	No
2a		X
2b	X	
2c	X	
3a		X
3b		

Form 990 (2010)

SCHEDULE A
(Form 990 or 990-EZ)

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

2010

Open to Public
Inspection

Name of the organization

CROSSROADS COMMUNITY SERVICES, INC.

Employer identification number

23-7028868

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 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).**
- 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 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).

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

(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									

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

Schedule A (Form 990 or 990-EZ) 2010

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

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")	1372646.	1409119.	593,016.	73,945.		3448726.
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	1372646.	1409119.	593,016.	73,945.		3448726.
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						3448726.

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(f) Total
7 Amounts from line 4	1372646.	1409119.	593,016.	73,945.		3448726.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	42,430.	62,076.	46,000.	36,110.	32,591.	219,207.
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)		10,651.	7,358.	325,994.	165,847.	509,850.
11 Total support. Add lines 7 through 10						4177783.
12 Gross receipts from related activities, etc. (see instructions)					12	1,592,037.

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 2010 (line 6, column (f) divided by line 11, column (f))	14	82.55 %
15 Public support percentage from 2009 Schedule A, Part II, line 14	15	89.73 %
16a 33 1/3% support test - 2010. 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 - 2009. 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 - 2010. 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 - 2009. 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 ☐		

Schedule A (Form 990 or 990-EZ) 2010

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

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

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(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 through 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 \$5,000 or 1% of the amount on line 13 for the year						
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) 2006	(b) 2007	(c) 2008	(d) 2009	(e) 2010	(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 2010 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2009 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2010 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2009 Schedule A, Part III, line 17	18	%

19a **33 1/3% support tests - 2010.** 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 - 2009.** 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 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

2010Open to Public
Inspection

Name of the organization

CROSSROADS COMMUNITY SERVICES, INC.

Employer identification number

23-7028868

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 can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?		☐ 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 education)	☐ Preservation of an historically important land area
☐ Protection of natural habitat	☐ Preservation of a certified historic structure
☐ Preservation of open space	

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

	Held at the End of the Tax Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ _____

4 Number of states where property subject to conservation easement is located ▶ _____

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ 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 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 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) 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 (ASC 958) 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 acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply)

a ☐ Public exhibition

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

	Amount
1c	
1d	
1e	
1f	

c Beginning balance

d Additions during the year

e Distributions during the year

f Ending balance

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 Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the 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

(ii) related organizations

	Yes	No
3a(i)		
3a(ii)		
3b		

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

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

Part VI 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	23,748.			23,748.
b Buildings	95,218.		71,099.	24,119.
c Leasehold improvements				
d Equipment	58,299.		49,470.	8,829.
e Other				
Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c))				56,696.

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
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
(I)		
Total (Col (b) must 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
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Total (Col (b) must 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
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
Total. (Column (b) must equal Form 990, Part X, col (B) line 15.) ▶	

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

1. (a) Description of liability	(b) Amount
(1) Federal income taxes	
(2) OTHER CURRENT LIABILITIES	2,100.
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
(11)	

Total. (Column (b) must equal Form 990, Part X, col (B) line 25.) ▶ 2,100.

2. FIN 48 (ASC 740) Footnote 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 (ASC 740)

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

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	225,889.
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	356,680.
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	-130,791.
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 through 8	9	0.
10	Excess or (deficit) for the year per audited financial statements Combine lines 3 and 9	10	-130,791.

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	225,889.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains on investments	2a	
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV)	2d	
e	Add lines 2a through 2d	2e	0.
3	Subtract line 2e from line 1	3	225,889.
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	0.
5	Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)	5	225,889.

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

1	Total expenses and losses per audited financial statements		1	356,680.
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	Other losses	2c		
d	Other (Describe in Part XIV)	2d		
e	Add lines 2a through 2d		2e	0.
3	Subtract line 2e from line 1		3	356,680.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1			
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a		
b	Other (Describe in Part XIV)	4b		
c	Add lines 4a and 4b		4c	0.
5	Total expenses. Add lines 3 and 4c . (This must equal Form 990, Part I, line 18.)		5	356,680.

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, line 2, 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.

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

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

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

▶ **Attach to Form 990.** ▶ **See separate instructions.**

OMB No 1545-0047

2010

Open to Public
Inspection

Name of the organization

CROSSROADS COMMUNITY SERVICES, INC.

Employer identification number

23-7028868

Part I Questions Regarding Compensation

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 any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain

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?

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 | ☐ Compensation survey or study |
| ☐ Form 990 of other organizations | ☐ 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

a Receive a severance payment or change-of-control payment from the organization or a related organization?

b Participate in, or receive payment from, a supplemental nonqualified retirement plan?

c Participate in, or receive payment from, an equity-based compensation arrangement?

If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III

Only section 501(c)(3) and 501(c)(4) organizations 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

a The organization?

b Any related organization?

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?

b Any related organization?

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

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 Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III

9 If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?

Yes No

1b

2

4a

X

4b

X

4c

X

5a

X

5b

X

6a

X

6b

X

7

X

8

X

9

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

Schedule J (Form 990) 2010

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

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

Note. The sum of columns (B)(i)-(iii) 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) Retirement and other 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 reportable compensation				
1 MICHAEL MALONE	(i) 168,500.	(ii) 0.	(iii) 0.	0.	0.	168,500.	0.
	(ii) 0.	(ii) 0.	(iii) 0.	0.	0.	0.	0.
2	(i)	(ii)	(iii)				
	(ii)	(ii)	(iii)				
3	(i)	(ii)	(iii)				
	(ii)	(ii)	(iii)				
4	(i)	(ii)	(iii)				
	(ii)	(ii)	(iii)				
5	(i)	(ii)	(iii)				
	(ii)	(ii)	(iii)				
6	(i)	(ii)	(iii)				
	(ii)	(ii)	(iii)				
7	(i)	(ii)	(iii)				
	(ii)	(ii)	(iii)				
8	(i)	(ii)	(iii)				
	(ii)	(ii)	(iii)				
9	(i)	(ii)	(iii)				
	(ii)	(ii)	(iii)				
10	(i)	(ii)	(iii)				
	(ii)	(ii)	(iii)				
11	(i)	(ii)	(iii)				
	(ii)	(ii)	(iii)				
12	(i)	(ii)	(iii)				
	(ii)	(ii)	(iii)				
13	(i)	(ii)	(iii)				
	(ii)	(ii)	(iii)				
14	(i)	(ii)	(iii)				
	(ii)	(ii)	(iii)				
15	(i)	(ii)	(iii)				
	(ii)	(ii)	(iii)				
16	(i)	(ii)	(iii)				
	(ii)	(ii)	(iii)				

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.

PART I, LINE 4A: MIKE MALONE - SEVERENCE PAY OF \$168,500

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

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

OMB No. 1545-0047

2010

Open to Public
Inspection

Name of the organization

CROSSROADS COMMUNITY SERVICES, INC.

Employer identification number

23-7028868

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

EITHER COPE WITH OR OVERCOME THEIR DISABILITIES OR LIFE SETBACKS.

FORM 990, PART VI, SECTION B, LINE 11: THE ORGANIZATION'S GOVERNING BODY

IS PROVIDED WITH THE FORM 990 AND REVIEWS THE RETURN PRIOR TO FILING.

FORM 990, PART VI, SECTION B, LINE 15: THE INDEPENDENT MEMBERS OF THE

BOARD OF DIRECTORS REVIEW AND APPROVE THE COMPENSATION OF THE EXECUTIVE

DIRECTOR AND OTHER OFFICERS AND KEY EMPLOYEES OF THE ORGANIZATION.

FORM 990, PART VI, SECTION C, LINE 19: THE ORGANIZATIONS MAKES ITS

GOVERNING DOCUMENTS, CONFLICTS OF INTEREST POLICY, AND FINANCIAL STATEMENTS

AVAILABLE TO THE PUBLIC UPON REQUEST.

Application for Extension of Time To File an Exempt Organization Return

OMB No. 1545-1709

► **File a separate application for each return.**

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box ☒
- If you are filing for an **Additional (Not Automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form)

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868

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

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

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

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

Type or print	Name of exempt organization	Employer identification number
	CROSSROADS COMMUNITY SERVICES, INC.	23-7028868
	Number, street, and room or suite no. If a P.O. box, see instructions	
	P.O. BOX 599	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions	
	WAUSAU, WI 54402-0599	

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

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

CROSSROADS COMMUNITY SERVICES INC

- The books are in the care of ► **P.O. BOX 599 - WAUSAU, WI 54402-0599**

Telephone No ► **715-845-5000**

FAX No ►

- If the organization does not have an office or place of business in the United States, check this box ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____ If this is for the whole group, check this box ☐. If it is for part of the group, check this box ☐ and attach a list with the names and EINs of all members the extension is for

1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until **AUGUST 15, 2011**, to file the exempt organization return for the organization named above. The extension is for the organization's return for
 ► ☒ calendar year **2010** or
 ► ☐ tax year beginning _____, and ending _____

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

3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$	0.
b If this application is for Form 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$	0.
c Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$	0.

Caution. If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

LHA For Paperwork Reduction Act Notice, see Instructions.

Form **8868** (Rev. 1-2011)

**CROSSROADS COMMUNITY
SERVICES, INC.**

Wausau, Wisconsin

FINANCIAL STATEMENTS

Including Independent Auditors' Report

Year Ended December 31, 2010 and 2009

CROSSROADS COMMUNITY SERVICES, INC.

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Statements of Functional Expenses	5
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BAKER TILLY

Baker Tilly Virchow Krause, LLP
One Corporate Dr. Ste 500
Wausau, WI 54401-1725
tel 715 842 3324
fax 715 842 8146
bakertilly.com

INDEPENDENT AUDITORS' REPORT

Board of Directors
Crossroads Community Services, Inc.
Wausau, Wisconsin

We have audited the accompanying statements of financial position of Crossroads Community Services, Inc. as of December 31, 2010 and 2009, and the related statements of activities, cash flows and functional expenses for the years then ended. These financial statements are the responsibility of Crossroads Community Services, Inc.'s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Crossroads Community Services, Inc. as of December 31, 2010 and 2009, and the changes in its net assets and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Baker Tilly Virchow Krause, LLP
Wausau, Wisconsin
July 6, 2011

CROSSROADS COMMUNITY SERVICES, INC.

STATEMENTS OF FINANCIAL POSITION December 31, 2010 and 2009

ASSETS		
	<u>2010</u>	<u>2009</u>
CURRENT ASSETS		
Cash and cash equivalents	\$ 848,718	\$ 348,311
Investments	-	436,132
Accounts receivable	47,902	2,100
Prepaid assets	2,696	-
Current portion of notes receivable	27,931	39,650
Assets held for sale	<u>53,752</u>	-
Total Current Assets	980,999	826,193
LAND, BUILDINGS AND EQUIPMENT, NET	56,696	267,278
OTHER ASSETS		
Replacement reserve	-	176,812
Notes receivable	<u>612,635</u>	<u>378,926</u>
Total Other Assets	<u>612,635</u>	<u>555,738</u>
TOTAL ASSETS	<u>\$ 1,650,330</u>	<u>\$ 1,649,209</u>
LIABILITIES AND NET ASSETS		
CURRENT LIABILITIES		
Current portion of long term debt	\$ -	\$ 39,018
Accounts payable	61,203	-
Accrued liabilities	143,509	2,772
Deferred grants	-	33,109
Other current liabilities	<u>2,100</u>	-
Total Current Liabilities	<u>206,812</u>	<u>74,899</u>
NET ASSETS		
Unrestricted		
Undesignated	1,443,518	1,084,604
Board designated	-	117,743
Invested in land, buildings and equipment	-	<u>371,963</u>
Total Net Assets	<u>1,443,518</u>	<u>1,574,310</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 1,650,330</u>	<u>\$ 1,649,209</u>

See accompanying notes to financial statements

CROSSROADS COMMUNITY SERVICES, INC.

STATEMENTS OF ACTIVITIES Years Ended December 31, 2010 and 2009

	Unrestricted 2010	Unrestricted 2009
REVENUE		
Occupancy revenue:		
Federal and state sources	\$ -	\$ 37,905
Gain on sale of land, buildings, and equipment	132,738	271,068
Contributions	-	36,040
Rental income	27,450	4,325
Forgiveness of debt	33,109	54,926
Investment income	<u>32,591</u>	<u>36,110</u>
 Total Public Support and Revenue	 <u>225,888</u>	 <u>440,374</u>
EXPENSES		
Program expenses		
Residential treatment services	204,220	326,969
Management and general	<u>152,460</u>	<u>43,115</u>
 Total Expenses	 <u>356,680</u>	 <u>370,084</u>
 CHANGE IN NET ASSETS	 (130,792)	 70,290
NET ASSETS - Beginning of Year	<u>1,574,310</u>	<u>1,504,020</u>
 NET ASSETS - END OF YEAR	 <u>\$ 1,443,518</u>	 <u>\$ 1,574,310</u>

See accompanying notes to financial statements

CROSSROADS COMMUNITY SERVICES, INC.

STATEMENTS OF CASH FLOWS Years Ended December 31, 2010 and 2009

	<u>2010</u>	<u>2009</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in Net Assets	\$ (130,792)	\$ 70,290
Adjustments to reconcile change in net assets to net cash flows from operating activities		
Depreciation	13,531	14,545
Forgiveness of debt	(33,109)	(54,926)
Gain on sale of land, buildings, and equipment	(132,738)	(271,068)
Changes in certain assets and liabilities		
Accounts receivable	(45,802)	29,290
Inventory	-	959
Prepaid assets	(2,696)	15,183
Accounts payable	61,203	(60,130)
Accrued expenses	140,737	(25,800)
Due to residents	-	(916)
Deferred revenue	-	(163)
Other current liabilities	2,100	-
Net Cash Flows from Operating Activities	<u>(127,566)</u>	<u>(282,736)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of land, building and equipment	(8,963)	-
Proceeds from sale of land, buildings, and equipment	-	1,757
Deposits into reserve for replacement	-	(9,250)
Purchases of certificates of deposit	-	(70,120)
Proceeds from redemption of certificates of deposit	436,132	344,129
Proceeds from reserve for replacement	176,812	-
Payments on notes receivable	63,010	31,424
Net Cash Flows from Investing Activities	<u>666,991</u>	<u>297,940</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal payments on long-term debt	<u>(39,018)</u>	<u>(3,482)</u>
Net Change in Cash and Cash Equivalents	500,407	11,722
CASH AND CASH EQUIVALENTS - Beginning of Year	<u>348,311</u>	<u>336,589</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 848,718</u>	<u>\$ 348,311</u>
Supplemental cash flow disclosures		
Cash paid for interest	<u>\$ 131</u>	<u>\$ 3,957</u>
Noncash investing and financing activities		
Notes receivable accepted on sale of property	<u>\$ 285,000</u>	<u>\$ 450,000</u>

See accompanying notes to financial statements

CROSSROADS COMMUNITY SERVICES, INC.

STATEMENTS OF FUNCTIONAL EXPENSES
Years Ended December 31, 2010 and 2009

	Residential Treatment Services	Management and General	2010 Total	Residential Treatment Services	Management and General	2009 Total
Salaries and wages	\$ 170,823	\$ 56,943	\$ 227,766	\$ 179,857	\$ -	\$ 179,857
Fringe benefits and payroll taxes	12,248	4,082	16,330	54,446	-	54,446
Workmans compensation	(7,285)	(2,428)	(9,713)	11,942	-	11,942
Total Compensation and Related Expenses	175,786	58,597	234,383	246,245	-	246,245
Special assistance programs	5,487	1,877	7,364	5,748	-	5,748
Food and housekeeping supplies	273	2,508	2,781	2,472	-	2,472
Program administration						
Legal	546	880	1,426	6,617	-	6,617
Accounting	-	13,617	13,617	-	13,576	13,576
Office supplies	29	1,489	1,518	783	1,827	2,610
Postage	266	548	814	166	499	665
Licenses and permits	275	199	474	354	1,060	1,414
Advertising	-	-	-	24	71	95
Dues and subscription	-	239	239	12	36	48
Training	-	-	-	650	650	1,300
Transportation	104	2,213	2,317	1,566	2,348	3,914
Occupancy						
Telephone	232	2,785	3,017	3,797	1,265	5,062
Repairs and maintenance	4,838	21,610	26,448	3,329	1,109	4,438
Utilities	3,287	11,873	15,160	16,729	5,576	22,305
Insurance	62	5,928	5,990	25,766	8,588	34,354
Depreciation	2,234	11,298	13,532	10,909	3,636	14,545
Interest	131	-	131	1,802	-	1,802
Miscellaneous expense	-	3,611	3,611	-	2,874	2,874
Property taxes	-	3,138	3,138	-	-	-
Closing costs & fees	10,670	10,050	20,720	-	-	-
Total Expenses	\$ 204,220	\$ 152,460	\$ 356,680	\$ 326,969	\$ 43,115	\$ 370,084

See accompanying notes to financial statements

CROSSROADS COMMUNITY SERVICES, INC.

NOTES TO FINANCIAL STATEMENTS December 31, 2010 and 2009

NOTE 1 - Summary of Significant Accounting Policies

Nature of Activities

Crossroads Community Services, Inc (the "Organization", formerly known as Crossroads Mental Health Services, Inc) is a non-stock, non-profit Wisconsin corporation organized under Chapter 181 of the Wisconsin Statutes. It is operated exclusively for charitable purposes. The Organization operates two residential treatment facilities. Funding is provided by various land contracts and rental income.

Cash and Cash Equivalents

The Organization defines cash and cash equivalents as highly liquid, short-term investments with a maturity at the date of acquisition of three months or less.

Investments

Investments consist of time deposits in local financial institutions and are stated at cost plus accrued interest, which approximates fair value.

Accounts Receivable

Accounts receivable have been adjusted for all known uncollectible accounts. No allowance for doubtful accounts is considered necessary as of December 31, 2010 and 2009.

Assets Held for Sale

Assets held for sale consist of property and equipment that has been identified for sale by the Organization. When assets are identified for sale, depreciation is discontinued and the net operating assets are presented as assets held for sale at the lower of their estimated realizable value or net book value. The assets held for sale are likely to be sold within the next year.

Property and Equipment

Property and equipment is stated at cost if purchased, or fair market value at date of the gift if donated. All acquisitions of property and equipment in excess of \$5,000 and all expenditures for improvements and betterments that materially prolong the useful lives of assets are capitalized. Maintenance, repairs, and minor improvements are expensed as incurred. When assets are retired or otherwise disposed of, their costs and related accumulated depreciation are removed from the accounts and resulting gains or losses are included in income.

Donated property and equipment is recorded as an increase in unrestricted net assets at its estimated fair market value as of the date received. Contributions of cash that must be used to acquire property and equipment are reported as temporarily restricted contributions. The Organization reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Organization reclassifies temporarily restricted net assets to unrestricted net assets at that time.

Property and equipment is depreciated using the straight-line method over their estimated useful lives.

CROSSROADS COMMUNITY SERVICES, INC.

NOTES TO FINANCIAL STATEMENTS December 31, 2010 and 2009

NOTE 1 - Summary of Significant Accounting Policies (cont)

Impairment of Long-Lived Assets

The Organization reviews long-lived assets, including property and equipment, for impairment whenever events or changes in business circumstances indicate that the carrying amount of an asset may not be fully recoverable. An impairment loss would be recognized when the estimated future cash flows from the use of the asset are less than the carrying amount of that asset. To date, there have been no such losses.

Net Assets

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets of the Organization are classified and reported as follows:

Unrestricted Net Assets - Net assets that are not subject to donor-imposed stipulations.

Temporarily Restricted Net Assets - Net assets subject to donor-imposed stipulations that either expire by passage of time or can be fulfilled and removed by actions of the Organization pursuant to those stipulations.

Permanently Restricted Net Assets - Net assets subject to donor-imposed stipulations that they be maintained permanently by the Organization.

The Organization had no temporarily or permanently restricted net assets during the year.

Tax-Exempt Status

The Organization has received notification that it qualifies as a tax-exempt organization under Section 501 (c)(3) of the U.S. Internal Revenue Code and corresponding provisions of State law and, accordingly, is not subject to federal or state income taxes.

Revenue Recognition

Contributions, including unconditional promises to give, are recognized in the period received. Conditional promises are not recognized until they become unconditional, that is when the conditions on which they depend are substantially met.

The Organization reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are met in the same reporting period are reported as unrestricted support.

Expense Allocation

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

CROSSROADS COMMUNITY SERVICES, INC.

NOTES TO FINANCIAL STATEMENTS December 31, 2010 and 2009

NOTE 1 - Summary of Significant Accounting Policies (cont)

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 - Property and Equipment

The major categories of property and equipment at December 31 are summarized as follows:

	Depreciable Lives	2010	2009
Land and land improvements	0 - 15 yrs	\$ 23,748	\$ 60,741
Buildings	20 - 30 yrs	95,218	398,842
Equipment, vehicles, furniture & fixtures	4 - 10 yrs	<u>58,299</u>	<u>70,207</u>
Total Property and Equipment		177,265	529,790
Less: Accumulated depreciation		<u>120,569</u>	<u>262,512</u>
Net Property and Equipment		<u>\$ 56,696</u>	<u>\$ 267,278</u>

The Organization closed its Gilman facility during 2010 with the intention to sell the property to an outside party. The Organization ceased depreciation on the related assets when the decision to close was made. The property met the criteria to be classified as held for sale since it is expected to be sold during 2011. The assets held for sale have an original cost of \$90,000 and accumulated depreciation of \$36,248 at December 31, 2010.

NOTE 3 - Replacement Reserve

This reserve is an amount held in escrow at the Wisconsin Housing and Economic Development Authority to be used for replacement of the facilities originally financed with long term debt provided by WHEDA. Monthly deposits are made in stipulated amounts. Disbursements require WHEDA approval. The reserve was terminated and the amount held by WHEDA was received by the Organization and transferred to another financial institution in April 2010 after the mortgage was satisfied.

CROSSROADS COMMUNITY SERVICES, INC.

NOTES TO FINANCIAL STATEMENTS December 31, 2010 and 2009

NOTE 4 - Notes Receivable

The Organization has various notes receivable of \$640,566 and \$418,576 in December 31, 2010 and 2009, respectively, from third parties with interest rates ranging from 3.00% to 6.75% and maturity dates to December 2015. The future maturities of the note are as follows:

Year ending December 31, 2011	\$ 27,931
2012	29,810
2013	30,975
2014	32,193
2015	<u>519,657</u>
Total	<u>\$ 640,566</u>

The Organization has not recorded an allowance for uncollectible amounts as they believe the notes will be collected in full.

NOTE 5 - Long-Term Debt

Long-term debt consists of the following at December 31:

	<u>2010</u>	<u>2009</u>
Wisconsin Housing and Economic Development Authority (WHEDA) mortgage note, monthly payments due of \$194, including interest at 2% through May 1, 2022. The note is secured by a first mortgage on the Stevens Point property. This note was paid in full during April 2010.	\$ -	\$ 23,125
Wisconsin Housing and Economic Development Authority (WHEDA) mortgage note, monthly payments due of \$121, including interest at 2% through May 1, 2022. Note is secured by a first mortgage on the Wausau assisted living property. This note was paid in full during April 2010.	<u>-</u>	<u>15,893</u>
Total Long-Term Debt	-	39,018
Less: Current Portion	<u>-</u>	<u>(39,018)</u>
Long-Term Portion	<u>\$ -</u>	<u>\$ -</u>

Long-term debt interest charged to expense was \$131 for the years ended December 31, 2010.

The Organization satisfied the mortgage on the two WHEDA mortgage notes during 2010. The Organization has complied with all WHEDA conditions in regards to its properties.

CROSSROADS COMMUNITY SERVICES, INC.

NOTES TO FINANCIAL STATEMENTS December 31, 2010 and 2009

NOTE 6 - Deferred Grants

In 1990, two non-interest bearing advances were awarded for the purchase and rehabilitation of an Organization property in Wausau. The advances were made by the United States Department of Housing and Urban Development in conjunction with WHEDA. The total amount awarded was \$33,109, of which \$6,377 was for rehabilitation and \$26,732 was for property acquisition. Terms of the advances provide for possible return of some or all of the funds if certain conditions concerning the use of the property are not met. These grants were forgiven during April 2010 and there was no balance at December 31, 2010.

NOTE 7 - Rental Income

Leasing activities of the Organization (as lessor) consisted of rental of a building in Stevens Point. The lease was signed in December 2009, but payments did not begin until January 2010. Total cost of the property held for rent was approximately \$59,700 and \$58,700 at December 31, 2010 and 2009, respectively. Total accumulated depreciation of the property held for rent was approximately \$40,700 and \$34,700 at December 31, 2010 and 2009, respectively. Rental income was \$27,450 and \$4,325 during 2010 and 2009, respectively.

Future minimum lease receipts under operating leases with terms in excess of one year at December 31, 2010, are as follows:

2011	\$ 25,200
Total Minimum Lease Payments	\$ 25,200

NOTE 8 - Board Designated Net Assets

At December 31, 2009, the Board of Directors has designated net assets of \$117,743 for future capital improvements, including facility expansion and equipment purchases and replacement. There were no designated net assets at December 31, 2010.

NOTE 9 - Retirement Plan

The Organization has a defined contribution retirement plan covering all employees who are at least 21 years of age and have 6 months of service with the organization. The Organization makes discretionary contributions to the plan. Pension expense was \$10,000 during 2009. There was no pension expense during 2010 as the plan had been terminated.

CROSSROADS COMMUNITY SERVICES, INC.

NOTES TO FINANCIAL STATEMENTS December 31, 2010 and 2009

NOTE 10 - Concentrations

Credit Risk

The Organization maintains its deposits with several financial institutions. Deposits in financial institutions are insured by the Federal Depositary Insurance Corporation (FDIC) in the amount of \$250,000. Balances in excess of \$250,000 are uninsured. At December 31, 2010, the Organization did not have uninsured cash balances in excess of FDIC limits. At December 31, 2009, the Organization had \$49,811 of uninsured cash balances in excess of FDIC limits. The Organization has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash.

NOTE 11 - Change in Operating Status

The Organization is opting to evaluate a course for a return to more grassroots housing endeavors that will be more responsive to and reflective of the needs of adults who are contending with varying forms of mental illnesses including the possibility of using the properties that the Organization owns for low-income housing.

NOTE 12 - Name Change

The Organization has changed its name during 2010 to Crossroads Community Services, Inc. The Organization previously did business as Crossroads Mental Health Services, Inc. There has been no impact on the operations of the Organization based on the name change.

NOTE 13 - Subsequent Events

The Organization has evaluated subsequent events occurring through July 6, 2011, the date that the financial statements were available to be issued, for events requiring recording or disclosure in the December 31, 2010 financial statements.