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Form 990

Return of Organization Exempt From Income Tax

OMB No 1545-0047

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

2010

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

A For the 2010 calendar year, or tax year beginning

, 2010, and ending

, 20

☐ Check if applicable ☐ Address change ☐ Name change ☐ Initial return ☐ Terminated ☐ Amended return ☐ Application pending	C Name of organization ART CENTER OF CORPUS CHRISTI, INC.		D Employer identification number
	Doing Business As		74-1716003
	Number and street (or P.O. box if mail is not delivered to street address)		E Telephone number
	100 SHORELINE		(361) 884-6406
	City or town, state or country, and ZIP + 4		G Gross receipts \$
Corpus Christi TX 78401		496,031	
F Name and address of principal officer:		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	M State of legal domicile TX

Part I Summary

ACTIVITIES & GOVERNANCE	1 Briefly describe the organization's mission or most significant activities:			
	THE ART CENTER PROVIDES WORKSHOPS, EDUCATIONAL CLASSES, AND ART EXHIBITS ALL YEAR LONG FOR THE BENEFIT OF THE COMMUNITY.			
	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	16	
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4		
	5 Total number of individuals employed in calendar year 2010 (Part V, line 2a)	5	11	
	6 Total number of volunteers (estimate if necessary)	6		
REVENUE	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a		
	b Net unrelated business taxable income from Form 990-T, line 34	7b	0	
	8 Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year	
		109,278	143,814	
	9 Program service revenue (Part VIII, line 2g)	186,570	52,013	
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	35,850	36,360	
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	161,795	157,649	
	12 Total revenue -- add lines 8 through 11 (must equal Part VIII, column (A), line 12)	493,493	389,836	
	EXPENSES	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)		
		14 Benefits paid to or for members (Part IX, column (A), line 4)		
15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)		196,577	211,895	
16a Professional fundraising fees (Part IX, column (A), line 11e)				
b Total fundraising expenses (Part IX, column (D), line 25)				
17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)		321,674	200,920	
18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)		518,251	412,815	
19 Revenue less expenses. Subtract line 18 from line 12		-24,758	-22,979	
NET ASSETS OR FUND BALANCES		20 Total assets (Part X, line 16)	Beginning of Current Year	End of Year
			3,621,239	3,597,251
	21 Total liabilities (Part X, line 26)	5,525	4,516	
	22 Net assets or fund balances. Subtract line 21 from line 20	3,615,714	3,592,735	

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		Date			
	Shirley W. Cotton, Vice President	5/13/11			
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
	Paul E. Shamoun, CP		05-10-2011	☐	P00114503
	Firm's name PAUL E SHAMOUN PC	Firm's EIN			
	Firm's address 500 NORTH WATER SUITE 606	Phone no.			
	CORPUS CHRISTI TX 78401	(361) 883-5858			

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

For Paperwork Reduction Act Notice, see the separate instructions.

Form 990 (2010)

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:

THE ART CENTER PROVIDES WORKSHOPS, EDUCATIONAL CLASSES, AND ART EXHIBITS ALL YEAR LONG FOR THE BENEFIT OF THE COMMUNITY.

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 \$ 65,687 including grants of \$ _____) (Revenue \$ 91,490)
See attachment #1

4b (Code _____) (Expenses \$ 21,843 including grants of \$ _____) (Revenue \$ 38,805)

4c (Code _____) (Expenses \$ 2,773 including grants of \$ _____) (Revenue \$ 12,021)

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

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

4e Total program service expenses ► \$ 90,303

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A.	X	
2 Is the organization required to complete Schedule B, Schedule of Contributors? (see instructions).	X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I		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? If "Yes," complete Schedule C, Part II		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? If "Yes," complete Schedule C, Part III	N/A	
6 Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III		X
9 Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV		X
10 Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V		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? If "Yes," complete Schedule D, Part VI		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? If "Yes," complete Schedule D, Part VII		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? If "Yes," complete Schedule D, Part VIII		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? If "Yes," complete Schedule D, Part IX		X
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X		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)? If "Yes," complete Schedule D, Part X		X
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI, XII, and XIII		X
b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional		X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E		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? If "Yes," complete Schedule F, Parts I and IV		X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Parts II and IV		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Parts III and IV		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? If "Yes," complete Schedule G, Part I (see instructions)		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? If "Yes," complete Schedule G, Part II		X
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III		X
20a Did the organization operate one or more hospitals? If "Yes," complete Schedule H		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)	N/A	

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? If "Yes," complete Schedule I, Parts I and II		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? If "Yes," complete Schedule I, Parts I and III		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? If "Yes," complete Schedule J		X
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25		X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? N/A		
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? N/A		
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? N/A		
25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I		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? If "Yes," complete Schedule L, Part 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? If "Yes," complete Schedule L, Part II		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? If "Yes," complete Schedule L, Part III		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? If "Yes," complete Schedule L, Part IV		X
b A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV		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? If "Yes," complete Schedule L, Part IV		X
29 Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M		X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II		X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I		X
34 Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1		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)? If "Yes," complete Schedule R, Part V, line 2 ☐ Yes ☒ No		
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2		X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI		X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19?		
Note. All Form 990 filers are required to complete Schedule O	X	

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.	1a	0			
1b	Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable.	1b	0			
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c				X
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return.	2a	11			
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions).	2b		X		
3a	Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a				X
b	If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O.	3b				N/A
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	4a				X
b	If "Yes," enter the name of the foreign country: See 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?	5a				X
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b				X
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	5c				N/A
6a	Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible?	6a				X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b				N/A
7	Organizations that may receive deductible contributions under section 170(c).					
a	Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	7a				X
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b				N/A
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c				X
d	If "Yes," indicate the number of Forms 8282 filed during the year.	7d				
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e				X
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f				X
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g				X
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h		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?	8				X
9	Sponsoring organizations maintaining donor advised funds.					
a	Did the organization make any taxable distributions under section 4966?	9a				X
b	Did the organization make a distribution to a donor, donor advisor, or related person?	9b				X
10	Section 501(c)(7) organizations. Enter:					
a	Initiation fees and capital contributions included on Part VIII, line 12.	10a				
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities.	10b				
11	Section 501(c)(12) organizations. Enter:					
a	Gross income from members or shareholders.	11a				
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them).	11b				
12a	Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a				X
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year.	12b				
13	Section 501(c)(29) qualified nonprofit health insurance issuers.					
a	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.	13a				X
b	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.	13b				
c	Enter the amount of reserves on hand.	13c				
14a	Did the organization receive any payments for indoor tanning services during the tax year?	14a				X
b	If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O.	14b				X

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 16		
b Enter the number of voting members included in line 1a, above, who are independent 1b		
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?		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?		X
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		X
5 Did the organization become aware during the year of a significant diversion of the organization's assets?		X
6 Does the organization have members or stockholders?	X	
7a Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?	X	
b Are any decisions of the governing body subject to approval by members, stockholders, or other persons?		X
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following.		
a The governing body?	X	
b Each committee with authority to act on behalf of the governing body?		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		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?		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? N/A		
11a Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?		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	X	
b Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
c Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done		X
13 Does the organization have a written whistleblower policy?		X
14 Does the organization have a written document retention and destruction policy?		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		X
b Other officers or key employees of the organization		X
If "Yes" to line 15a or 15b, describe the process in Schedule O (See instructions.)		
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?		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? N/A		

Section C. Disclosure

- 17** List the states with which a copy of this Form 990 is required to be filed ► **NONE**
- 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: ► **See attachment #2**

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent ContractorsCheck if Schedule O contains a response to any question in this Part VII ☐**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees****1a** Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.

- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."

- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.

- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.

- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

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

☐ Check this box if neither the organization nor any related organizations compensated any current officer, director, or trustee.

(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	DIRECTOR	INSTITUTIONAL	OFFICER	KEY EMPLOYEE	HIGHEST COMPENSATED	FORMER			
ROBERT S BAKER MANAGING DIRECTOR		X				X	X		42,000	0	0
YVONNE KYLSTRA PRESIDENT OF THE BOARD		X							0	0	0
JOHNNY COTTEN VICE PRESIDENT OF THE BOARD		X							0	0	0
TERRI DURST SECRETARY OF THE BOARD		X							0	0	0
MICHAEL BENNING TREASURER OF THE BOARD		X							0	0	0

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	DIRECTOR	TRUSTEE	OFFICER	KEY EMPLOYEE	HIGHEST COMPENSATED	FORMER			
1b Sub-total									42000	0	0
c Total from continuation sheets to Part VII, Section A										0	0
d Total (add lines 1b and 1c)									42000	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 ►

	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.

(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 ►

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
OTHER CONTRIBUTIONS SIMILAR AMOUNTS	1a Federated campaigns	1a				
	b Membership dues	1b 16,485				
	c Fundraising events	1c				
	d Related organizations	1d				
	e Government grants (contributions)	1e 21,000				
	f All other contributions, gifts, grants, & similar amounts not included above	1f 106,329				
	g Noncash contributions included in lines 1a-1f	\$				
	h Total. Add lines 1a-1f		143,814			
PROGRAM SERVICE REVENUE	2a SPECIAL EVENTS, EXHIBITS	Business Code	25,803	25,803		
	b EDUCATION		16,962	16,962		
	c WORKSHOPS		9,248	9,248		
	d					
	e					
	f All other program service revenue					
	g Total. Add lines 2a-2f		52,013			
	OTHER REVENUE	3 Investment income (including dividends, interest, and other similar amounts)		4,691		
4 Income from investment of tax-exempt bond proceeds						
5 Royalties						
6a Gross Rents		(i) Real 203,049 (ii) Personal				
b Less rental expenses		63,128				
c Rental income or (loss)		139,921				
d Net rental income or (loss)			139,921			139,921
7a Gross amount from sales of assets other than inventory		(i) Securities 31,669 (ii) Other				
b Less: cost or other basis and sales expenses						
c Gain or (loss)						
d Net gain or (loss)			31,669			31,669
8a 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						
9a Gross income from gaming activities See Part IV, line 19		a				
b Less direct expenses		b				
c Net income or (loss) from gaming activities						
10a Gross sales of inventory, less returns and allowances		a 60,795				
b Less: cost of goods sold	b 43,067					
c Net income or (loss) from sales of inventory		17,728	17,728			
Miscellaneous Revenue		Business Code				
11a						
b						
c						
d All other revenue						
e Total. Add lines 11a-11d						
12 Total revenue. See instructions		389,836	69,741		176,281	

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	190,352	161,799	28,553	
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)				
9 Other employee benefits				
10 Payroll taxes	21,543	18,312	3,231	
11 Fees for services (non-employees):				
a Management	3,770		3,770	
b Legal	250		250	
c Accounting	4,650		4,650	
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other				
12 Advertising and promotion				
13 Office expenses	18,902	9,451	9,451	
14 Information technology				
15 Royalties				
16 Occupancy	26,666	21,333	5,333	
17 Travel				
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings				
20 Interest				
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	111,320	89,056	22,264	
23 Insurance	3,462	692	2,770	
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 <u>SUPPLIES</u>	14,397	11,518	2,879	
b <u>GRANT WRITING</u>	5,755	5,755		
c <u>CREDIT CARD FEES</u>	5,487	2,744	2,743	
d <u>MEMORIAL FUND</u>	2,505	2,505		
e <u>BANK CHARGES</u>	1,999		1,999	
f All other expenses #3	1,757	1,261	496	
25 Total functional expenses. Add lines 1 through 24f	412,815	324,426	88,389	
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
A S S E T S	1 Cash -- non-interest bearing	149,240	1	198,561
	2 Savings and temporary cash investments	229,251	2	262,782
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net	52	4	382
	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		7	
	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 4,788,597		
	b Less: accumulated depreciation	10b 1,658,071		
		3,237,696	10c	3,130,526
	11 Investments -- publicly traded securities	5,000	11	5,000
	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		15		
16 Total assets. Add lines 1 through 15 (must equal line 34)	3,621,239	16	3,597,251	
L I A B I L I T I E S	17 Accounts payable and accrued expenses	1,125	17	116
	18 Grants payable		18	
	19 Deferred revenue		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		23	
	24 Unsecured notes and loans payable to unrelated third parties	4,400	24	4,400
	25 Other liabilities. Complete Part X of Schedule D		25	
	26 Total liabilities. Add lines 17 through 25	5,525	26	4,516
F U N D A S S E T S B A L A N C E S O R S	Organizations that follow SFAS 117, check here ☐ and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets		27	
	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	3,615,714	32	3,592,735
	33 Total net assets or fund balances	3,615,714	33	3,592,735
	34 Total liabilities and net assets/fund balances	3,621,239	34	3,597,251

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	389,836
2. Total expenses (must equal Part IX, column (A), line 25)	2	412,815
3. Revenue less expenses. Subtract line 2 from line 1	3	-22,979
4. Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	3,615,714
5. Other changes in net assets or fund balances (explain in Schedule O)	5	
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	3,592,735

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

	Yes	No
1. Accounting method used to prepare the Form 990: ☒ Cash ☐ Accrual ☐ Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O		
2a. Were the organization's financial statements compiled or reviewed by an independent accountant?		X
b. Were the organization's financial statements audited by an independent accountant?		X
c. If "Yes" to lines 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? N/A 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?		X
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 N/A		

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")	134,087	163,526	68,074	109,278	143,814	618,779
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	134,087	163,526	68,074	109,278	143,814	618,779
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						618,779

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	134,087	163,526	68,074	109,278	143,814	618,779
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	142,672	84,823	62,968	171,563	176,281	638,307
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)	44,574	24,576	132,818	74,330		276,298
11 Total support. Add lines 7 through 10						1,533,384
12 Gross receipts from related activities, etc. (see instructions)					12	69,741
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	40.35 %
15 Public support percentage from 2009 Schedule A, Part II, line 14	15	39.88 %
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 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

ART CENTER OF CORPUS CHRISTI, INC.

Employer identification number

74-1716003

PART VI, LINE 11

NOT ALL MEMBERS OF THE GOVERNING BODY
HAVE SEEN THE FORM 990.

PART VI, LINE 19

GOVERNING DOCUMENTS, FINANCIAL STATEMENTS,
POLICIES ARE AVAILABLE IN THE ADMINISTRATIVE
OFFICE FOR REVIEW.

990 PART III - STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENT

Attachment 1: Form 990 Page 2, Part III

Open to Public Inspection	For calendar year 2010, or tax period beginning , and ending
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Name of Organization ART CENTER OF CORPUS CHRISTI, INC.	Employer Identification Number 74-1716003
--	--

Part III - Statement of Program Service Accomplishments

Code	Expenses: 65,687	including Grants of	Revenue: 91,490
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Exempt Purpose Achievements

EXHIBITS AND SPECIAL EVENTS FOR THE PUBLIC THAT EXHIBIT ART FOR THE COMMUNITY

990 PART III - STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENT

Attachment 1: Form 990 Page 2, Part III

Open to Public Inspection	For calendar year 2010, or tax period beginning , and ending
---------------------------	--

Name of Organization ART CENTER OF CORPUS CHRISTI, INC.	Employer Identification Number 74-1716003
--	--

Part III - Statement of Program Service Accomplishments

Code:	Expenses.	21,843	including Grants of	Revenue:	38,805
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Exempt Purpose Achievements

YEAR ROUND EDUCATIONAL CLASSES

990 PART III - STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENT

Attachment 1: Form 990 Page 2, Part III

Open to Public Inspection	For calendar year 2010, or tax period beginning , and ending
Name of Organization ART CENTER OF CORPUS CHRISTI, INC.	Employer Identification Number 74-1716003

Part III - Statement of Program Service Accomplishments

Code	Expenses: 2,773	including Grants of:	Revenue 12,021
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Exempt Purpose Achievements

PERIODIC WORKSHOPS PROVIDING ART EDUCATION

990 BOOKS ARE IN CARE OF

Attachment 2: Form 990 Page 6, Part VI, Section C, Line 20

Open to Public Inspection	For calendar year 2010 or tax period beginning , and ending
Name of Organization ART CENTER OF CORPUS CHRISTI, INC.	Employer Identification Number 74-1716003

Part VI - Line 20

Individual Name ROSEMARY FISCHER-BOOKKEEPER
or
Business Name:

Street Address 100 SHORELINE

U.S. Address

Zip code 78401 City Corpus Christi State TX

Foreign Address

City

Province or State

Country

Postal code

Phone Number

Fax Number

Attachment 3: Form 990 Page 10, Line 24 - Other Expenses

Inspection

For calendar year 2010 or tax period beginning

, and ending

Name of Organization

Employer Identification Number

ART CENTER OF CORPUS CHRISTI, INC.

74-1716003

Total:

Depreciation and Amortization

(Including Information on Listed Property)

OMB No. 1545-0172

Department of the Treasury
Internal Revenue Service (99)

▶ See separate instructions.

▶ Attach to your tax return.

2010

Attachment
Sequence No 67

Name(s) shown on return

Business or activity to which this form relates

Identifying number

ART CENTER OF CORPUS CHRISTI, FOR FORM 990

74-1716003

Part I Election To Expense Certain Property Under Section 179

Note: If you have any listed property, complete Part V before you complete Part I

1	Maximum amount (see instructions)	1	
2	Total cost of section 179 property placed in service (see instructions)	2	
3	Threshold cost of section 179 property before reduction in limitation (see instructions)	3	
4	Reduction in limitation. Subtract line 3 from line 2. If zero or less, enter -0-	4	
5	Dollar limitation for tax year. Subtract line 4 from line 1. If zero or less, enter -0-. If married filing separately, see instructions	5	500,000
6	(a) Description of property	(b) Cost (busn. use only)	(c) Elected cost
7	Listed property. Enter the amount from line 29	7	
8	Total elected cost of section 179 property. Add amounts in column (c), lines 6 and 7	8	
9	Tentative deduction. Enter the smaller of line 5 or line 8	9	
10	Carryover of disallowed deduction from line 13 of your 2009 Form 4562	10	
11	Business income limitation. Enter the smaller of business income (not less than zero) or line 5 (see instructions)	11	500,000
12	Section 179 expense deduction. Add lines 9 and 10, but do not enter more than line 11	12	
13	Carryover of disallowed deduction to 2011. Add lines 9 and 10, less line 12 ... ▶	13	

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

Part II Special Depreciation Allowance and Other Depreciation (Do not include listed property) (See instructions)

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

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

17	MACRS deductions for assets placed in service in tax years beginning before 2010	17	111,218
18	If you are electing to group any assets placed in service during the tax year into one or more general asset accounts, check here ☐		

Section B -- Assets Placed In Service During 2010 Tax Year Using the General Depreciation System

(a) Classification of property	(b) Month and year placed in service	(c) Basis for depr (business/investment use only -- see instructions)	(d) Recovery period	(e) Convention	(f) Method	(g) Depreciation deduction
19a 3-year property						
b 5-year property						
c 7-year property						
d 10-year property						
e 15-year property						
f 20-year property						
g 25-year property			25 yrs.		S/L	
h Residential rental property			27.5 yrs.	MM	S/L	
i Nonresidential real property	01-2010	4,150	39 yrs.	MM	S/L	102
				MM	S/L	

Section C -- Assets Placed In Service During 2010 Tax Year Using the Alternative Depreciation System

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

Part IV Summary (See instructions.)

21	Listed property. Enter amount from line 28	21	
22	Total. Add amounts from line 12, lines 14 through 17, lines 19 and 20 in column (g), and line 21. Enter here and on the appropriate lines of your return. Partnerships and S corporations -- see instructions	22	111,320
23	For assets shown above and placed in service during the current year, enter the portion of the basis attributable to section 263A costs	23	

For Paperwork Reduction Act Notice, see separate instructions.

Form 4562 (2010)

2010 Federal Depreciation Schedule

ART CENTER OF CORPUS CHRISTI, INC.
74-1716003

05-05-2011

Description	Date	Method	Year	Cost	Land/ Other	\$179	Spec Allow	Basis	Prior	Current
Form 990										
LEASEHOLD IMPROVEMEN	01-15-90	S/L	19	618,745	0	0	0	618,745	618,745	0
FULLY DEPRECIATED	05-01-90	200DBHY	7	54,652	0	0	0	54,652	54,652	0
A C	04-15-94	S/L	14	4,792	0	0	0	4,792	4,792	0
A C	02-15-95	S/L	14	9,839	0	0	0	9,839	9,839	0
ROOF	06-15-97	S/LMM	11	52,317	0	0	0	52,317	48,833	0
A C	03-15-98	S/LMM	40	18,239	0	0	0	18,239	5,567	456
POTTERY EQPT	12-15-01	200DBHY	7	8,184	0	0	0	8,184	8,183	0
3D EQPT	02-15-02	200DBHY	7	3,258	0	0	0	3,258	3,258	0
EQPT	04-15-03	200DBHY	7	63,340	0	0	0	63,340	63,340	0
LEASEHOLD IMPRVO	07-15-03	S/LMM	39	3,783,960	0	0	0	3,783,960	667,038	97,021
EQUIPMENT	04-15-05	200DBHY	7	16,950	0	0	0	16,950	16,435	515
EQUIPMENT	05-15-06	200DBHY	7	19,781	0	0	0	19,781	17,478	1,766
PHONE SYSTEM	08-15-06	200DBHY	5	2,011	0	0	0	2,011	1,664	232
COPIER	01-15-07	200DBHY	5	2,500	0	0	0	2,500	2,280	220
EQUIPMENT	06-15-07	200DBHY	7	12,516	0	0	0	12,516	7,043	1,563
EQUIPMENT	07-01-08	200DBHY	7	36,679	0	0	0	36,679	14,224	6,415
LEASEHOLD IMPROVEMEN	07-01-08	S/LMM	39	71,834	0	0	0	71,834	2,687	1,842
CARRIER 5TON AC	08-04-09	200DBHY	7	4,850	0	0	0	4,850	693	1,188
BATHROOM WINDOWS	01-23-10	S/LMM	39	4,150	0	0	0	4,150	0	102
19 Assets	Totals:			4,788,597	0	0	0	4,788,597	1,546,751	111,320
19 Assets	Grand Totals			4,788,597	0	0	0	4,788,597	1,546,751	111,320

* Asset disposed this year
~C Carryover basis in like-kind exchange transaction
~B Excess basis in like-kind exchange transaction