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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

A For the 2010 calendar year, or tax year beginning

07/01, 2010, and ending

06/30, 2011

B Check if applicable

- Address change
Name change
Initial return
Terminated
Amended return
Application pending

C Name of organization COMMUNITY ENTERPRISES, INC.
Doing Business As
Number and street (or P O box if mail is not delivered to street address) Room/suite
441 PLEASANT STREET
City or town, state or country, and ZIP + 4
NORTHAMPTON, MA 01060
F Name and address of principal officer RICHARD W. VENNE
SAME AS C ABOVE

D Employer identification number 51-0178661
E Telephone number (413) 584-1460
G Gross receipts \$ 16,307,168.
H(a) Is this a group return for affiliates? Yes X No
H(b) Are all affiliates included? Yes No

I Tax-exempt status X 501(c)(3) 501(c)() (insert no) 4947(a)(1) or 527

J Website: WWW.COMMUNITYENTERPRISES.COM

H(c) Group exemption number

K Form of organization X Corporation Trust Association Other L Year of formation 1975 M State of legal domicile MA

Part I Summary

Table with 3 columns: Description, Prior Year, Current Year. Rows include: 1. Mission statement; 2-7. Governance and revenue; 8-12. Revenue; 13-19. Expenses; 20-22. Net assets or fund balances.

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

Signature of officer: Richard W. Venne, Date: 1/12/12
Type or print name and title: Richard W Venne President

Preparer: ROBERT B. MCKAY, Date: 12/29/11
Firm's name: LESTER HALPERN & COMPANY P.C.
Firm's address: 14 BOBALA ROAD HOLYOKE, MA 01040

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

For Paperwork Reduction Act Notice, see the separate instructions.

Part III Statement of Program Service Accomplishments

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

1 Briefly describe the organization's mission
TO SUPPORT SELF-DETERMINATION FOR INDIVIDUALS WITH DISABILITIES
AND/OR OTHER CHALLENGES TO ACTIVELY LIVE, LEARN AND WORK IN 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 \$ 9,833,574. including grants of \$ 0.) (Revenue \$ 10,881,799.)

ATTACHMENT 1

4b (Code _____) (Expenses \$ 4,740,318. including grants of \$ 0.) (Revenue \$ 5,340,343.)

ATTACHMENT 2

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 ► 14,573,892.

Part IV Checklist of Required Schedules

Table with 3 columns: Question Number, Yes, No. Rows include questions 1 through 20b regarding organizational requirements and reporting.

Part IV Checklist of Required Schedules (continued)

Table with 3 columns: Question number, Yes, No. Rows include questions 21 through 38 regarding grants, compensation, bond issues, and organizational transactions.

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

Main form area containing questions 1a through 14b with input fields and Yes/No columns.

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 [X]

Section A. Governing Body and Management

Table with 3 columns: Question, Yes, No. Rows include: 1a Enter the number of voting members... 1b Enter the number of voting members included... 2 Did any officer, director, trustee... 3 Did the organization delegate control... 4 Did the organization make any significant changes... 5 Did the organization become aware... 6 Does the organization have members... 7a Does the organization have members... 7b Are any decisions of the governing body... 8 Did the organization contemporaneously document... 8a The governing body... 8b Each committee with authority... 9 Is there any officer, director, trustee...

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

Table with 3 columns: Question, Yes, No. Rows include: 10a Does the organization have local chapters... 10b If "Yes," does the organization have written policies... 11a Has the organization provided a copy of this Form 990... 11b Describe in Schedule O the process... 12a Does the organization have a written conflict of interest policy... 12b Are officers, directors or trustees... 12c Does the organization regularly and consistently monitor... 13 Does the organization have a written whistleblower policy... 14 Does the organization have a written document retention... 15 Did the process for determining compensation... 15a The organization's CEO... 15b Other officers or key employees... 16a Did the organization invest in, contribute assets to... 16b If "Yes," has the organization adopted a written policy...

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed CT, MA,
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 [X] 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 PAM ZAGORSKI 441 PLEASANT STREET NORTHAMPTON, MA 01060 413-584-1460

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

Check 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 organization 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 trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) APRIL ESTIS-CLARK DIRECTOR	2.00	X					0.	0.	0.	
(2) CRAIG GREENBERG DIRECTOR	2.00	X					0.	0.	0.	
(3) DEBRA HUTCHINS DIRECTOR	2.00	X					0.	0.	0.	
(4) JOSEPH APRIL DIRECTOR	2.00	X					0.	0.	0.	
(5) ALBERT J. LOGNIN DIRECTOR	2.00	X					0.	0.	0.	
(6) DONALD MINER DIRECTOR	2.00	X					0.	0.	0.	
(7) DAVID STEIN DIRECTOR	2.00	X					0.	0.	0.	
(8) DONALD TRELLA DIRECTOR	2.00	X					0.	0.	0.	
(9) JOSEPH WENDOVER DIRECTOR	2.00	X					0.	0.	0.	
(10) STEPHANIE BURBINE DIRECTOR	2.00	X					0.	0.	0.	
(11) BENJAMIN BRISTOL DIRECTOR	2.00	X					0.	0.	0.	
(12) GAINER O'BRIEN DIRECTOR	2.00	X					0.	0.	0.	
(13) BRITTNEY KELLEHER DIRECTOR	2.00	X					0.	0.	0.	
(14) PAUL LAGASSE DIRECTOR	2.00	X					0.	0.	0.	
(15) KATE LAMAY-MILLER CHAIR	2.00	X			X		0.	0.	0.	
(16) WILLIAM DONOHUE VICE-CHAIR	2.00	X			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 trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former				
(17) JOANNE CARLISLE SECRETARY/CLERK	2.00	X		X					0.	0.	0.
(18) MATHEW GEFFIN TREASURER	2.00	X		X					0.	0.	0.
(19) RICHARD W. VENNE PRESIDENT	37.50			X		X			133,796.	0.	10,561.
(20)											
(21)											
(22)											
(23)											
(24)											
(25)											
(26)											
(27)											
(28)											
1b Sub-total									133,796.	0.	10,561.
1c Total from continuation sheets to Part VII, Section A											
1d Total (add lines 1b and 1c)									133,796.	0.	10,561.

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

(A) Name and business address	(B) Description of services	(C) Compensation
NONE		

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization **0**

Part VIII Statement of Revenue

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514	
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns	1a				
	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	31,205.			
	g	Noncash contributions included in lines 1a-1f \$					
h Total. Add lines 1a-1f			31,205				
Program Service Revenue			Business Code				
	2a	PROGRAM SERV. FEES		13,553,840	13,553,840.		
	b	SALES-CLIENT SERV		1,990,713	1,990,713.		
	c	OTHER PROGRAM INC.		10,608.	10,608.		
	d	RENTAL INCOME		34,219	34,219.		
	e	INTERDEPT CHGS.		632,762	632,762.		
	f	All other program service revenue					
g Total. Add lines 2a-2f			16,222,142				
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts). ATTACHMENT 3		1,296.		1,296.	
	4	Income from investment of tax-exempt bond proceeds		0.			
	5	Royalties		0.			
	6a	Gross Rents	(i) Real	(ii) Personal			
			9,120.				
			16,646.				
	b	Less rental expenses					
	c	Rental income or (loss)		-7,526.			
	d	Net rental income or (loss)		-7,526.		-7,526.	
	7a	Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other			
	b	Less cost or other basis and sales expenses					
	c	Gain or (loss)					
	d	Net gain or (loss)		0.			
8a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18 a		43,405.				
b	Less direct expenses b		21,415.				
c	Net income or (loss) from fundraising events ATCH. 4		21,990.			21,990	
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		0.				
10a	Gross sales of inventory, less returns and allowances a						
b	Less cost of goods sold b						
c	Net income or (loss) from sales of inventory		0.				
Miscellaneous Revenue			Business Code				
11a	_____						
b	_____						
c	_____						
d	All other revenue						
e	Total. Add lines 11a-11d		0.				
12 Total revenue. See instructions			16,269,107.	16,222,142.	-7,526.	23,286	

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 US See Part IV, line 21	0.			
2 Grants and other assistance to individuals in the US See Part IV, line 22	0.			
3 Grants and other assistance to governments, organizations, and individuals outside the US See Part IV, lines 15 and 16	0.			
4 Benefits paid to or for members	0.			
5 Compensation of current officers, directors, trustees, and key employees	148,330.		148,330.	
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0.			
7 Other salaries and wages	9,399,802.	8,678,692.	721,110.	
8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	274,048.	246,772.	27,276.	
9 Other employee benefits	1,157,182.	1,024,232.	132,950.	
10 Payroll taxes	1,087,158.	1,007,498.	79,660.	
11 Fees for services (non-employees)				
a Management	0.			
b Legal	51,058.		51,058.	
c Accounting	58,017.		58,017.	
d Lobbying	0.			
e Professional fundraising services See Part IV, line 17	0.			
f Investment management fees	0.			
g Other	1,394,932.	1,353,034.	41,850.	48.
12 Advertising and promotion	20,505.	19,321.	1,184.	
13 Office expenses	355,176.	287,614.	65,794.	1,768.
14 Information technology	0.			
15 Royalties	0.			
16 Occupancy	600,758.	525,950.	74,783.	25.
17 Travel	244,939.	238,027.	6,907.	5.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials	0.			
19 Conferences, conventions, and meetings	37,305.	21,155.	15,842.	308.
20 Interest	37,254.	19,452.	17,802.	
21 Payments to affiliates	0.			
22 Depreciation, depletion, and amortization	216,367.	146,960.	69,226.	181.
23 Insurance	108,324.	91,409.	16,915.	
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 CLIENT EXPENSE	246,835.	246,835.		
b SUPPLIES	63,756.	53,985.	7,117.	2,654.
c COST OF GOODS SOLD	28,592.	28,592.		
d INTERNAL & OTHER ADMIN EXPEN	648,710.	584,364.	56,024.	8,322.
e AMORTIZATION	296.		296.	
f All other expenses				
25 Total functional expenses. Add lines 1 through 24f	16,179,344.	14,573,892.	1,592,141.	13,311.
26 Joint Costs. Check here <input type="checkbox"/> 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	50,367.	1	52,035.
	2 Savings and temporary cash investments	915,950.	2	1,155,102.
	3 Pledges and grants receivable, net		3	
	4 Accounts receivable, net	1,602,178.	4	1,467,873.
	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	103,532.	7	103,532.
	8 Inventories for sale or use	57,947.	8	112,868.
	9 Prepaid expenses and deferred charges	119,025.	9	97,801.
	10a Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 4,658,767.		
	b Less accumulated depreciation	10b 3,012,562.	1,344,964.	10c 1,646,205.
	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	294,157.	15	172,504.
16 Total assets. Add lines 1 through 15 (must equal line 34)	4,488,120.	16	4,807,920.	
Liabilities	17 Accounts payable and accrued expenses	648,087.	17	832,018.
	18 Grants payable		18	
	19 Deferred revenue	21,461.	19	6,647.
	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	1,532,212.	23	1,593,132.
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities Complete Part X of Schedule D		25	
	26 Total liabilities. Add lines 17 through 25	2,201,760.	26	2,431,797.
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	2,276,860.	27	2,366,623.
	28 Temporarily restricted net assets	9,500.	28	9,500.
	29 Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> 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	2,286,360.	33	2,376,123.	
34 Total liabilities and net assets/fund balances	4,488,120.	34	4,807,920.	

Part XI Reconciliation of Net Assets

Check 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	16,269,107.
2	Total expenses (must equal Part IX, column (A), line 25)	2	16,179,344.
3	Revenue less expenses Subtract line 2 from line 1	3	89,763.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	2,286,360.
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	2,376,123.

Part XII Financial Statements and Reporting

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

		Yes	No
1	Accounting method used to prepare the Form 990 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O		
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 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	X	
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 <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> 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	X	

SCHEDULE A
(Form 990 or 990-EZ)

Public Charity Status and Public Support

OMB No 1545-0047

2010

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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.

Name of the organization COMMUNITY ENTERPRISES, INC.	Employer identification number 51-0178661
---	--

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?

	Yes	No
11g(i)		
 - (ii) A family member of a person described in (i) above?

	Yes	No
11g(ii)		
 - (iii) A 35% controlled entity of a person described in (i) or (ii) above?

	Yes	No
11g(iii)		
- h Provide the following information about the supported organization(s)

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

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")	10,861,792.	11,274,452.	12,029,318.	10,742,289.	11,066,453.	55,974,304.
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.	10,861,792.	11,274,452.	12,029,318.	10,742,289.	11,066,453.	55,974,304.
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						55,974,304

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	10,861,792.	11,274,452.	12,029,318.	10,742,289.	11,066,453.	55,974,304.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	34,978.	7,274.	4,614.	2,469.	1,296.	50,631.
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) . ATCH 1	1,193,242.	2,163,401.	3,553,492.	5,239,070.	5,201,358.	17,350,563.
11 Total support. Add lines 7 through 10						73,375,498.
12 Gross receipts from related activities, etc (see instructions)					12	17,076,648.
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 <input type="checkbox"/>						

Section C. Computation of Public Support Percentage

14 Public support percentage for 2010 (line 6, column (f) divided by line 11, column (f))	14	76.28%
15 Public support percentage from 2009 Schedule A, Part II, line 14	15	80.13%
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 <input checked="" type="checkbox"/>		
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 <input type="checkbox"/>		
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 <input type="checkbox"/>		
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 <input type="checkbox"/>		
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 <input type="checkbox"/>		

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

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

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 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

Part IV Supplemental Information. Complete this part to provide the explanations required by Part II, line 10, Part II, line 17a or 17b, or Part III, line 12. Also complete this part for any additional information (See instructions).

ATTACHMENT 1

SCHEDULE A, PART II - OTHER INCOME

DESCRIPTION	2006	2007	2008	2009	2010	TOTAL
PROGRAM SERVICE FEES, ETC.	1,193,242.	2,163,401	3,553,492.	5,239,070.	5,201,358.	17,350,563.
TOTALS	<u>1,193,242.</u>	<u>2,163,401.</u>	<u>3,553,492.</u>	<u>5,239,070.</u>	<u>5,201,358.</u>	<u>17,350,563.</u>

Supplemental Financial Statements

2010

Open to Public Inspection

Department of the Treasury Internal Revenue Service

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.

Name of the organization

COMMUNITY ENTERPRISES, INC.

Employer identification number

51-0178661

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

Table with 3 columns: Question, (a) Donor advised funds, (b) Funds and other accounts. Rows include total number at end of year, aggregate contributions, aggregate grants, aggregate value, and two questions about donor advisement.

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

Table with 2 columns: Question, Held at the End of the Tax Year. Rows include purpose(s) of conservation easements, total number of easements, total acreage, and various monitoring and reporting questions.

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

Table with 2 columns: Question, Amount. Rows include questions about reporting works of art, historical treasures, and similar assets for public service and financial gain.

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

Schedule D (Form 990) 2010

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

- 3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply)
- a Public exhibition
 - b Scholarly research
 - c Preservation for future generations
 - d Loan or exchange programs
 - e Other _____
- 4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part 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 |
|---|--------|
| c Beginning balance | 1c |
| d Additions during the year | 1d |
| e Distributions during the year | 1e |
| f Ending balance | 1f |
- 2a Did the organization include an amount on Form 990, Part X, line 21? Yes No
- b If "Yes," explain the arrangement in Part XIV

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

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c 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
- | | Yes | No |
|---|--------|----|
| (i) unrelated organizations | 3a(i) | |
| (ii) related organizations | 3a(ii) | |
| b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R? | 3b | |
- 4 Describe in Part XIV the intended uses of the organization's endowment funds

Part VI 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	199,300			199,300
b Buildings	2,069,075		975,157	1,093,918
c Leasehold improvements	75,188		65,449	9,739
d Equipment	2,315,204		1,971,956	343,248
e Other				
Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c)). ▶				1,646,205

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 (Column (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 (Column (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	0.
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
(11)	
Total. (Column (b) must equal Form 990, Part X, col (B) line 25) ▶	0.

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	16,269,107.
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	16,179,344.
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	89,763.
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	-15,376.
9	Total adjustments (net) Add lines 4 through 8	9	-15,376.
10	Excess or (deficit) for the year per audited financial statements Combine lines 3 and 9	10	74,387.

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	15,759,621.
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	20,002.
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIV)	2d	50,689.
e	Add lines 2a through 2d	2e	70,691.
3	Subtract line 2e from line 1	3	15,688,930.
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	580,177.
c	Add lines 4a and 4b	4c	580,177.
5	Total revenue Add lines 3 and 4c. (This must equal Form 990, Part I, line 12)	5	16,269,107.

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

1	Total expenses and losses per audited financial statements	1	15,685,234.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25		
a	Donated services and use of facilities	2a	20,002.
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIV)	2d	93,518.
e	Add lines 2a through 2d	2e	113,520.
3	Subtract line 2e from line 1	3	15,571,714.
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	607,630.
c	Add lines 4a and 4b	4c	607,630.
5	Total expenses Add lines 3 and 4c. (This must equal Form 990, Part I, line 18)	5	16,179,344.

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

SEE PAGE 5

Part XIV Supplemental Information (continued)

FORM 990, SCHEDULE D

PAGE 4, PART XI, LINE 8

SUBSIDIARYS' NET LOSS \$ (15,376)

FORM 990, SCHEDULE D

PAGE 4, PART XII, LINE 2D

SUBSIDIARYS' INCOME \$ 50,689

FORM 990, SCHEDULE D

PAGE 4, PART XII, LINE 4B

INTERNAL INCOME	\$607,630
CONSULTANTING FEES	\$10,608
RENT EXPENSE	\$(16,646)
SPECIAL EVENTS EXPENSE	\$(21,415)
TOTAL	\$580,177

FORM 990, SCHEDULE D

PAGE 4, PART XIII, LINE 2D

SUBSIDIARIES EXPENSES	\$55,457
RENT EXPENSE	\$16,646
SPECIAL EVENTS EXPENSE	\$21,415
TOTAL	\$93,518

Part XIV Supplemental Information (continued)

FORM 990, SCHEDULE D

PAGE 4, PART XIII, LINE 4B

INTERNAL CHARGES \$607,630

FORM 990, SCHEDULE D

PART X

COMMUNITY ENTERPRISES, INC. IS A NOT-FOR-PROFIT CORPORATION AND HAS BEEN RECOGNIZED AS EXEMPT FROM FEDERAL INCOME TAXES UNDER SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE AND ACCORDINGLY DOES NOT RECORD A PROVISION FOR INCOME TAXES ON IT'S EARNINGS. IN JUNE 2006, A NEW ACCOUNTING INTERPRETATION WAS ISSUED REGARDING ACCOUNTING FOR UNCERTAINTY OF INCOME TAXES WHICH PRESCRIBES HOW AN ENTITY SHOULD MEASURE, RECOGNIZE AND DISCLOSE POSITIONS THAT THEY HAVE TAKEN OR EXPECT TO TAKE ON THEIR TAX OR INFORMATION RETURNS. COMMUNITY ENTERPRISES, INC ADOPTED THE GUIDANCE EFFECTIVE JULY, 1 2009. COMMUNITY ENTERPRISES, INC. REGULARLY REVIEWS AND EVALUATES THE TAX POSITIONS TAKEN IN PREVIOUSLY FILED INFORMATION RETURNS AND AS REFLECTED IN ITS FINANCIAL STATEMENTS, WITH REGARD TO ISSUES AFFECTING THEIR RESPECTIVE TAX EXEMPT STATUS, UNRELATED BUSINESS INCOME AND RELATED MATTERS. COMMUNITY ENTERPRISES, INC. IS SUBJECT TO VARIOUS FEDERAL AND STATE TAX EXAMINATIONS FOR THE YEARS ENDED JUNE 30, 2001 THROUGH 2011. PENALTIES AND INTEREST, IF ANY, ASSESSED BY TAX AUTHORITIES WILL BE INCLUDED IN OPERATING EXPENSES. THE ORGANIZATION BELIEVES THAT IN THE EVENT OF AN EXAMINATION BY TAXING AUTHORITIES, ITS POSITION WOULD PREVAIL BASED UPON THE TECHNICAL MERIT OF SUCH POSITIONS. THEREFORE, COMMUNITY ENTERPRISES, INC. HAS CONCLUDED THAT NO TAX BENEFITS OR LIABILITIES ARE REQUIRED TO BE RECOGNIZED.

Part II Fundraising Events. Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than \$15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than \$5,000.

		(a) Event #1	(b) Event #2	(c) Other Events	(d) Total events
		GOLF TOURNAMENT (event type)	(event type)	(total number)	(add col (a) through col (c))
Revenue	1	Gross receipts	43,405.		43,405.
	2	Less Charitable contributions			
	3	Gross income (line 1 minus line 2).	43,405.		43,405.
Direct Expenses	4	Cash prizes			
	5	Noncash prizes			
	6	Rent/facility costs			
	7	Food and beverages			
	8	Entertainment			
	9	Other direct expenses	21,415.		21,415.
	10	Direct expense summary Add lines 4 through 9 in column (d) ▶			(21,415.)
	11	Net income summary Combine line 3, column (d), and line 10 ▶			21,990.

Part III Gaming. Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/Instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col (a) through col (c))
		Yes _____ % No _____ %	Yes _____ % No _____ %	Yes _____ % No _____ %	
Revenue	1	Gross revenue			
Direct Expenses	2	Cash prizes			
	3	Noncash prizes			
	4	Rent/facility costs			
	5	Other direct expenses			
	6	Volunteer labor			
	7	Direct expense summary Add lines 2 through 5 in column (d) ▶			()
	8	Net gaming income summary Combine line 1, column d, and line 7 ▶			

9 Enter the state(s) in which the organization operates gaming activities _____
 a Is the organization licensed to operate gaming activities in each of these states? Yes No
 b If "No," explain _____

10 a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? Yes No
 b If "Yes," explain _____

- 11 Does the organization operate gaming activities with nonmembers? Yes No
- 12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming? Yes No
- 13 Indicate the percentage of gaming activity operated in

a The organization's facility	13a	%
b An outside facility	13b	%
- 14 Enter the name and address of the person who prepares the organization's gaming/special events books and records

Name ▶ -----

Address ▶ -----

- 15a Does the organization have a contract with a third party from whom the organization receives gaming revenue? Yes No
- b If "Yes," enter the amount of gaming revenue received by the organization ▶ \$ _____ and the amount of gaming revenue retained by the third party ▶ \$ _____
- c If "Yes," enter name and address of the third party

Name ▶ -----

Address ▶ -----

16 Gaming manager information

Name ▶ -----

Gaming manager compensation ▶ \$ _____

Description of services provided ▶ -----

Director/officer Employee Independent contractor

17 Mandatory distributions

- a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? Yes No
- b Enter the amount of distributions required under state law to be distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ▶ \$ _____

Part IV Supplemental Information. Complete this part to provide the explanation required by Part I, line 2b, columns (iii) and (v), and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also complete this part to provide any additional information (see instructions)

Supplemental Information to Form 990 or 990-EZ

2010

Open to Public
Inspection

Department of the Treasury
Internal Revenue Service

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.

Name of the organization

COMMUNITY ENTERPRISES, INC.

Employer identification number

51-0178661

FORM 990, PART VI

SECTION B, LINE 11A

BEFORE THE FORM 990 IS FILED, EACH BOARD MEMBER IS MAILED A PACKET
CONTAINING THE ORGANIZATIONS' CONSOLIDATED FINANCIAL STATEMENTS AND THE
FORM 990. THE AUDIT AND RELATED FORMS ARE THEN PRESENTED TO THE BOARD BY
THE AGENCYS' CPA.

FORM 990, PART VI

SECTION B, LINE 12C

SEE ATTACHED PROCEDURES

FORM 990, PART VI

SECTION B, LINE 15

COMMUNITY ENTERPRISES, INC.'S SALARY STRUCTURE AND COMPENSATION IS
REVIEWED YEARLY BASED ON INFORMATION AND SALARY SURVEYS PROVIDED BY
VARIOUS ASSOCIATIONS. IF CHANGES TO THE SALARY STRUCTURE ARE WARRANTED
OR MANDATED BY THE STATE FUNDING SOURCES, THE ORGANIZATION'S HUMAN
RESOURCE DEPARTMENT DEVELOPS A COMPENSATION PLAN CONSIDERING ALL
POSITIONS, INCLUDING THE EXECUTIVE DIRECTOR/PRESIDENT AND OTHER TOP
MANAGEMENT POSITIONS. ALL RECOMMENDATIONS FOR CHANGES IN SALARY
STRUCTURE AND COMPENSATION ARE REVIEWED BY THE SENIOR MANAGEMENT TEAM.
THE BOARD OF DIRECTORS WILL THEN REVIEW AND VOTE TO ACCEPT ANY CHANGES TO
THE COMPENSATION PLAN.

Name of the organization

COMMUNITY ENTERPRISES, INC.

Employer identification number

51-0178661

FORM 990, PART VI

SECTION C, LINE 19

UPON REQUEST.

FORM 990, SCHEDULE R

PAGE 1, PART II, COLUMN B

PLEASANT PITTSFIELD, INC. PROVIDES ELDERLY AND HANDICAPPED PERSONS WITH HOUSING FACILITIES, LOCATED IN PITTSFIELD, MASSACHUSETTS, AND SERVICES SPECIFICALLY DESIGNED TO MEET THEIR PHYSICAL, SOCIAL AND PSYCHOLOGICAL NEEDS.

ATTACHMENT 1

FORM 990, PART III - PROGRAM SERVICE, LINE 4A

COMMUNITY ENTERPRISES, INC. OFFERS SPECIALIZED COMMUNITY-BASED SERVICES TO PEOPLE WITH PSYCHIATRIC AND DEVELOPMENTAL DISABILITIES. COMMUNITY ENTERPRISES, INC.'S EMPLOYMENT AND TRAINING SYSTEM UTILIZES A RANGE OF CONTEMPORARY SUPPORTED EMPLOYMENT MODELS AS WELL AS MORE INNOVATIVE AND EXPERIMENTAL APPROACHES. THESE INCLUDE JOB COACHED INDIVIDUAL PLACEMENTS, TRANSITIONAL ON-THE-JOB SKILL TRAINING SITES, ENCLAVES, MOBILE CREWS, SMALL ENTREPRENEURIAL BUSINESSES AND SPECIAL COLLEGE-BASED TRAINING AND EDUCATION PROGRAMS. ALL EMPLOYMENT MODELS THAT WE USE INCORPORATE NATURAL SUPPORTS (OF COWORKERS AND SUPERVISORS) AS A PRIMARY PROGRAM COMPONENT SO INDIVIDUALS ARE MORE LIKELY TO SUSTAIN JOB PLACEMENTS AFTER THE PROGRAM SUPPORT EVENTUALLY ENDS. COMMUNITY ENTERPRISES, INC. SERVED 90 CONSUMERS IN NEW YORK, 393 CONSUMERS IN CONNECTICUT, AND 964 CONSUMERS IN MASSACHUSETTS

Name of the organization

COMMUNITY ENTERPRISES, INC.

Employer identification number

51-0178661

ATTACHMENT 2FORM 990, PART III - PROGRAM SERVICE, LINE 4B

COMMUNITY ENTERPRISES, INC. PROVIDED RESIDENTIAL SUPPORT SERVICES TO APPROXIMATELY 280 CONSUMERS IN MASSACHUSETTS AND 39 CONSUMERS IN CONNECTICUT. THESE SERVICES FOR ADULTS WITH DISABILITIES FOCUS PRIMARILY ON SUPPORTING INDIVIDUALS IN THEIR OWN HOMES, APARTMENTS OR, IN THE CASE OF ADULT FOSTER CARE, THE HOMES OF COMMUNITY MEMBERS. ALL CONSUMERS HAVE "SUPPORTED LIVING" PLANS THAT INCLUDE GOALS THAT NOT ONLY STRIVE TO MAINTAIN THEIR PLACEMENTS IN COMMUNITY SETTINGS, BUT ALSO TO MAXIMIZE THEIR STRENGTHS AND WORK ON WEAKNESSES TO INCREASE THEIR INDEPENDENCE. FUNDING COMES FROM A NUMBER OF STATE AGENCIES INCLUDING BUT NOT LIMITED TO, THE DEPARTMENT OF MENTAL HEALTH, THE DEPARTMENT OF DEVELOPMENTAL SERVICES, THE MASSACHUSETTS REHABILITATION COMMISSION AND THE MASSACHUSETTS COMMISSION FOR THE BLIND.

ATTACHMENT 3FORM 990, PART VIII - INVESTMENT INCOME

<u>DESCRIPTION</u>	<u>(A) TOTAL REVENUE</u>	<u>(B) RELATED OR EXEMPT REVENUE</u>	<u>(C) UNRELATED BUSINESS REV.</u>	<u>(D) EXCLUDED REVENUE</u>
INTEREST INCOME	1,296.			1,296.
TOTALS	<u>1,296.</u>			<u>1,296.</u>

Name of the organization COMMUNITY ENTERPRISES, INC.	Employer identification number 51-0178661
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ATTACHMENT 4

FORM 990, PART VIII - FUNDRAISING EVENTS

<u>DESCRIPTION</u>	<u>GROSS INCOME</u>	<u>DIRECT EXPENSES</u>	<u>NET INCOME</u>
GOLF TOURNAMENTS	43,405.	21,415.	21,990.
TOTALS	<u>43,405.</u>	<u>21,415.</u>	<u>21,990.</u>

ATTACHMENT 5

FORM 990, PART X - NOTES AND LOANS RECEIVABLE

BORROWER:	PLEASANT PITTSFIELD, INC.
BEGINNING BALANCE DUE	103,532.
ENDING BALANCE DUE	<u>103,532.</u>
TOTAL BEGINNING NOTES AND LOANS RECEIVABLE	<u>103,532.</u>
TOTAL ENDING NOTES AND LOANS RECEIVABLES	<u>103,532.</u>

**SCHEDULE R
(Form 990)**

Department of the Treasury
Internal Revenue Service

Name of the organization

COMMUNITY ENTERPRISES, INC.

Employer identification number
51-0178661

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047
2010
Open to Public Inspection

Part I Identification of Disregarded Entities (Complete if the organization answered "Yes" on Form 990, Part IV, line 33)

(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1) -----					
(2) -----					
(3) -----					
(4) -----					
(5) -----					
(6) -----					

Part II Identification of Related Tax-Exempt Organizations (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
(1) PLEASANT PITTSFIELD, INC. 441 PLEASANT STREET NORTHAMPTON, MA 01060 22-3412273	SEE SCHED O	MA	501(C)(3)	LINE 9	N/A		X
(2) -----							
(3) -----							
(4) -----							
(5) -----							
(6) -----							
(7) -----							

Part III Identification of Related Organizations Taxable as a Partnership (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
(1) -----												
(2) -----												
(3) -----												
(4) -----												
(5) -----												
(6) -----												
(7) -----												

Part IV Identification of Related Organizations Taxable as a Corporation or Trust (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
(1) -----							
(2) -----							
(3) -----							
(4) -----							
(5) -----							
(6) -----							
(7) -----							

Part V Transactions With Related Organizations (Complete if the organization answered "Yes" to Form 990, Part IV, line 34, 35, 35a, or 36)

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

1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?

- a** Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity
- b** Gift, grant, or capital contribution to other organization(s)
- c** Gift, grant, or capital contribution from other organization(s)
- d** Loans or loan guarantees to or for other organization(s)
- e** Loans or loan guarantees by other organization(s)
- f** Sale of assets to other organization(s)
- g** Purchase of assets from other organization(s)
- h** Exchange of assets
- i** Lease of facilities, equipment, or other assets to other organization(s)
- j** Lease of facilities, equipment, or other assets from other organization(s)
- k** Performance of services or membership or fundraising solicitations for other organization(s)
- l** Performance of services or membership or fundraising solicitations by other organization(s)
- m** Sharing of facilities, equipment, mailing lists, or other assets
- n** Sharing of paid employees
- o** Reimbursement paid to other organization for expenses
- p** Reimbursement paid by other organization for expenses
- q** Other transfer of cash or property to other organization(s)
- r** Other transfer of cash or property from other organization(s)

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

	(a) Name of other organization	(b) Transaction type (a-f)	(c) Amount involved	(d) Method of determining amount involved
(1)	PLEASANT PITTSFIELD, INC	D-LOAN	103,532.	CASH LOANED
(2)	PLEASANT PITTSFIELD, INC.	E-GUARANTE	77,139.	LOAN BALANCE
(3)				
(4)				
(5)				
(6)				

Part VI Unrelated Organizations Taxable as a Partnership (Complete if the organization answered "Yes" on Form 990, Part IV, line 37)

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

	(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Are all partners section 501(c)(3) organizations?		(e) Share of end-of-year assets	(f) Disproportionate allocations?		(g) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(h) General or managing partner?	
				Yes	No		Yes	No		Yes	No
(1)	-----										
(2)	-----										
(3)	-----										
(4)	-----										
(5)	-----										
(6)	-----										
(7)	-----										
(8)	-----										
(9)	-----										
(10)	-----										
(11)	-----										
(12)	-----										
(13)	-----										
(14)	-----										
(15)	-----										
(16)	-----										

Part VII **Supplemental Information**

Complete this part to provide additional information for responses to questions on Schedule R (see instructions)

SUPPLEMENT TO RENT AND ROYALTY SCHEDULE

OTHER INCOME

RENTAL INCOME	9,120.
	<u>9,120.</u>

OTHER DEDUCTIONS

INSURANCE	1,090.
TAXES	2,146.
UTILITIES	10,221.
	<u>13,457.</u>

RENT AND ROYALTY SUMMARY

<u>PROPERTY</u>	<u>TOTAL INCOME</u>	<u>DEPLETION/ DEPRECIATION</u>	<u>OTHER EXPENSES</u>	<u>ALLOWABLE NET INCOME</u>
NONRESIDENTIAL RENTA	9,120.	3,189.	13,457.	-7,526.
NONRESIDENTIAL RENTA				
TOTALS	<u>9,120.</u>	<u>3,189.</u>	<u>13,457.</u>	<u>-7,526.</u>

Community Enterprises, Inc.
Board of Directors
June 2011

Kate LaMay-Miller (Chair)
Community Enterprises, Inc.
441 Pleasant Street
Northampton, MA 01060

William Donohue (Vice-Chair)
Community Enterprises, Inc.
441 Pleasant Street
Northampton, MA 01060

Joanne Carlisle (Secretary/Clerk)
Community Enterprises, Inc.
441 Pleasant Street
Northampton, MA 01060

Mathew Geffin (Treasurer)
Community Enterprises, Inc.
441 Pleasant Street
Northampton, MA 01060

Joseph E. April
Community Enterprises, Inc.
441 Pleasant Street
Northampton, MA 01060

April Estis-Clark
Community Enterprises, Inc.
441 Pleasant Street
Northampton, MA 01060

Craig Greenberg
Community Enterprises, Inc.
441 Pleasant Street
Northampton, MA 01060

Community Enterprises, Inc.
Board of Directors
June 2011

Debra Hutchins
Community Enterprises, Inc.
441 Pleasant Street
Northampton, MA 01060

Albert Lognin
Community Enterprises, Inc.
441 Pleasant Street
Northampton, MA 01060

Donald Miner
Community Enterprises, Inc.
441 Pleasant Street
Northampton, MA 01060

David Stein
Community Enterprises, Inc.
441 Pleasant Street
Northampton, MA 01060

Donald Trella
Community Enterprises, Inc.
441 Pleasant Street
Northampton, MA 01060

Joseph Wendover
Community Enterprises, Inc.
441 Pleasant Street
Northampton, MA 01060

Stephanie Burbine
Community Enterprises, Inc.
441 Pleasant Street
Northampton, MA 01060

Community Enterprises, Inc.
Board of Directors
June 2011

Benjamin Bristol, Esquire
Community Enterprises, Inc.
441 Pleasant Street
Northampton, MA 01060

Gainer O'Brien
Community Enterprises, Inc.
441 Pleasant Street
Northampton, MA 01060

Brittney Kelleher
Community Enterprises, Inc.
441 Pleasant Street
Northampton, MA 01060

Paul Lagasse
Community Enterprises, Inc.
441 Pleasant Street
Northampton, MA 01060

Community Enterprises, Inc
441 Pleasant Street
Northampton, MA 01060

51-0178661
Form 990
June 30, 2011

Page 11, Part X, Line 23- Secured Mortgages & Notes Payable:

	<u>2011</u>	<u>2010</u>
Mortgage payable to bank, secured by real estate owned by Community Enterprises, Inc., monthly payments of \$519 including interest at 5.0% beginning January, 2010 rate will be effective for a four year period and adjusted thereafter equal to the bank's base rate for each subsequent five year period, matures December, 2019	\$ 46,073	\$ 50,695
Note payable to Community Economic Development Assistance Corporation, secured by real estate owned by Community Enterprises, Inc., no interest will accrue on the unpaid balance. Annually, the borrower will perform a calculation to determine the amount, if any, by which cash receipts of the project exceed cash disbursements by more than 105%. Any such excess must be paid to the lender and applied to principal. Final payment of principal is due March 7, 2027. The lender may extend the maturity date for an additional ten years. For the years ended June 30, 2011 and 2010, cash receipts did not exceed cash disbursements by more than 105%	77,139	77,139
Mortgage payable to bank, secured by all assets of Community Enterprises, Inc., monthly payments of \$4,177 including interest of 5.75% beginning March, 2009 through November, 2012, (rate to be adjusted thereafter equal to the bank's base rate plus .25%), matures November, 2017	267,745	301,192
Mortgage payable to bank, secured by all assets of Community Enterprises, Inc., monthly payments of \$845 including interest at 3.50% (previously 7.50%), beginning October, 2009, for a three year period (rate to be adjusted thereafter equal to the bank's base rate plus .25%), loan was repaid in July, 2011	86,369	93,304
Note payable to bank, secured by vehicle owned by Community Enterprises, Inc., monthly payments of \$284 including interest at 6.25%, matures September, 2013	7,120	9,974
Note payable to bank, secured by vehicle owned by Community Enterprises, Inc., monthly payments of \$378 including interest at 6.25%, matures September, 2013	9,493	13,298
Note payable to bank, secured by vehicle owned by Community Enterprises, Inc., monthly payments of \$420 including interest at 6.25%, matures December, 2013	11,630	15,792
Note payable to bank, secured by vehicles owned by Community Enterprises, Inc., monthly payments of \$284 including interest at 6.25%, matures May, 2012	3,025	6,130
Note payable to bank, secured by vehicles owned by Community Enterprises, Inc., monthly payments of \$367 including interest at 6.25%, matured December, 2010		1,806

Community Enterprises, Inc
441 Pleasant Street
Northampton, MA 01060

51-0178661
Form 990
June 30, 2011

Note payable to bank, secured by vehicle owned by Community Enterprises, Inc., monthly payments of \$410 including interest at 6.25%, matures April, 2014	12,714	16,684
Note payable to bank, secured by vehicle owned by Community Enterprises, Inc., monthly payments of \$468 including interest at 5.70%, matured February, 2011		3,662
Note payable to bank, secured by vehicle owned by Community Enterprises, Inc., monthly payments of \$282 including interest at 5.99%, matured June, 2011		3,279
Note payable to Ford Credit, secured by vehicle owned by Community Enterprises, Inc., monthly payments of \$371 with no interest, matures August, 2012	5,568	9,651
Note payable to Motorlease Corp, secured by vehicle owned by Community Enterprises, Inc., monthly payments of \$398 including interest at 9.45%, matures June, 2014	12,432	15,854
Mortgage payable to bank, secured by real estate owned by Community Enterprises, Inc., monthly payments of \$1,147 including interest at 3.50% (previously 7.50%), beginning August, 2009, for three years (rate to be adjusted thereafter equal to the bank's base rate plus .50% for each subsequent three year period), matures August, 2018	86,941	97,411
Note payable to bank, secured by vehicle owned by Community Enterprises, Inc., monthly payments of \$376 including interest at 6.25%, matures June, 2012	4,362	8,456
Note payable to bank, secured by vehicle owned by Community Enterprises, Inc., monthly payments of \$397 including interest at 6.25%, matures December, 2012	6,793	10,976
Note payable to bank, secured by vehicle owned by Community Enterprises, Inc., monthly payments of \$396 including interest at 6.25%, matures January, 2013	7,139	11,294
Note payable to bank, secured by vehicle owned by Community Enterprises, Inc., monthly payments of \$367 including interest at 6.25%, matures October, 2011	1,449	5,615
Note payable to bank, secured by real estate owned by Community Enterprises, Inc., monthly payments of \$982 including interest at 5.25%, beginning February, 2011, for a 5 year period (rate to be adjusted thereafter equal to 3.5% above the FHLB rate), matures January, 2031	135,312	

Community Enterprises, Inc
441 Pleasant Street
Northampton, MA 01060

51-0178661
Form 990
June 30, 2011

Note payable to bank, secured by all personal assets of Community Enterprises, Inc., monthly payments of \$441 including interest at 5.75%, matures June, 2015	18,856	
Note payable to Motorlease Corp, secured by vehicle owned by Community Enterprises, Inc., monthly payments of \$490 including interest at 3.25%, matures July, 2014	16,812	
Note payable to Motorlease Corp, secured by vehicle owned by Community Enterprises, Inc., monthly payments of \$490 including interest at 3.25%, matures August, 2014	17,256	
Note payable to Motorlease Corp, secured by vehicle owned by Community Enterprises, Inc., monthly payments of \$490 including interest at 3.25%, matures November, 2014	18,904	
	<u>853,132</u>	<u>752,212</u>

Notes Payable:

Community Enterprises, Inc. has a line of credit with a bank to a maximum of \$1,250,000. As of June 30, 2011 and 2010 the Corporation had borrowed \$740,000 and \$780,000, respectively, against this line of credit. The loan is payable on demand and bears interest at .50% above the bank's prime rate. This agreement remains open until further notice and is secured by all assets of the Corporation. In conjunction with this line of credit, CE has agreed to comply with several covenants. As of June 30, 2011, CE is not aware of any violations of the covenants.

Community Enterprises, Inc.
Board of Directors/Senior Management
Conflict of Interest Policy

I. Application of Policy

This policy is intended to supplement, but not replace, federal and state laws governing conflicts of interest applicable to nonprofit corporations. It applies to board members and staff with significant decision-making authority. Persons covered under this policy, as well as their relatives and associates, are hereinafter referred to as "interested parties."

II. Conflict of Interest

A conflict of interest may exist when the interests or concerns of an interested party may be seen as competing with the interests or concerns of Community Enterprises. There are a variety of situations that raise conflict of interest concerns including, but not limited to, the following:

A. Financial Interests - A conflict may exist where an interested party directly or indirectly benefits or profits as a result of a decision, policy or transaction made by Community Enterprises. Examples include situations where:

- Community Enterprises contracts to purchase or lease goods, services, or properties from an interested party.
- Community Enterprises offers employment or compensation to an interested party or an entity with which the interested party has a direct or indirect financial interest, other than a person who is already employed by Community Enterprises
- An interested party is provided with a gift, gratuity, or favor of a substantial nature from a person or entity that does business or seeks to do business with Community Enterprises.
- An interested party is gratuitously provided use of the facilities, property, or services of Community Enterprises.
- Community Enterprises adopts a policy that financially benefits an interested party.

A financial interest is not necessarily a conflict of interest. A financial conflict of interest exists only when the board decides a person with a financial interest has a conflict of interest.

B. Other Interests - A conflict also may exist where an interested party obtains a non-financial benefit or advantage that he/she would not have obtained absent his/her relationship with Community Enterprises.

Examples include where:

- An interested party seeks to obtain preferential treatment by Community Enterprises or recognition for himself/herself or another interested party.

- An interested party seeks to make use of confidential information obtained from Community Enterprises for his/her own benefit (not necessarily financial) or for the benefit of another interested party.
- An interested party seeks to take advantage of an opportunity or enables another interested person or other organization to take advantage of an opportunity that he/she has reason to believe would be of interest to Community Enterprises.
- Community Enterprises adopts a policy that provides a significant non-financial benefit to an interested party.

A conflict of interest exists only when the Board of Directors decides there is a conflict.

III. Disclosure of Potential Conflicts of Interest

An interested party is under a continuing obligation to disclose any potential conflict of interest as soon as it is known or reasonably should be known. An interested party shall complete the Questionnaire attached as Appendix A to fully and completely disclose the material facts about any potential conflicts of interest. The disclosure statement and Affirmation of Compliance (Appendix B) shall be submitted upon his/her association with Community Enterprises, and shall be reviewed annually thereafter. An additional disclosure statement shall be filed whenever a potential conflict arises.

Disclosure statements will be submitted as follows. For board members, the disclosure statements shall be provided to the Chair of the board. The Chair's disclosure statement shall be provided to the Secretary of the board or its equivalent. Copies also shall be provided to the President/CEO of Community Enterprises.

In the case of staff with significant decision-making authority, the disclosure statements shall be provided to the President/CEO of Community Enterprises. In the case of the President/CEO, the disclosure statement shall be provided to the Chair of the Board.

In all cases, the recipient is the designated reviewing official responsible for bringing potential conflicts to the attention of the appropriate authorities. The Secretary of the Board of Directors shall file copies of all disclosure statements with the official corporate records of Community Enterprises.

IV. Procedures for Review of Potential Conflicts

Whenever there is reason to believe that a potential conflict of interest exists between Community Enterprises and a Board member, the Executive Director or other interested party, the Board of Directors shall determine the appropriate response. This shall include, but not necessarily be limited to, invoking the procedures described below with respect to a specific proposed action, policy or transaction. The designated reviewing official has a responsibility to bring a potential conflict of interest to the

attention of the board promptly for action at the next regular meeting of the board or during a special meeting called specifically to review the potential conflict of interest.

Where the potential conflict involves an employee of Community Enterprises other than the President/CEO, the President/CEO shall be responsible for reviewing the matter and may take appropriate action as necessary to protect the interests of Community Enterprises. The President/CEO shall report to the Chair the results of any review and the action taken. The Chair shall determine whether any further board review or action is required.

V. Procedures for Addressing Conflicts of Interest

Where a potential conflict exists between the interests of Community Enterprises and an interested party with respect to a specific proposed action, policy or transaction, the Board of Directors shall consider the matter during a meeting of the board. Community Enterprises shall refrain from acting until such time as the proposed action, policy or transaction has been approved by the disinterested members of the Board of Directors of Community Enterprises. The following procedures shall apply:

An interested party who has a potential conflict of interest with respect to a proposed action, policy or transaction of the corporation shall not participate in any way in, or be present during, the deliberations and decision-making vote of Community Enterprises with respect to such action, policy or transaction. However, the interested party shall have an opportunity to provide factual information about the proposed conflict and/or action, policy or transaction. Also, the board may request that the interested party be available to answer questions.

- The disinterested members of the Board of Directors may approve the proposed action, policy or transaction upon finding that it is in the best interests of Community Enterprises. The board shall consider whether the terms of the proposed action, transaction or policy are fair and reasonable to Community Enterprises and whether it would be possible, with reasonable effort, to find a more advantageous arrangement with a party or entity that is not an interested party.
- Approval by the disinterested members of the Board of Directors shall be by vote of a majority of directors in attendance at a meeting at which a quorum is present. An interested party shall not be counted for purposes of determining whether a quorum is present, nor for purposes of determining what constitutes a majority vote of directors in attendance.
- The minutes of the meeting shall reflect that the conflict disclosure was made to the board, the vote taken and, where applicable, the abstention from voting and participation by the interested party. Whenever possible, the minutes should frame the decision of the

board in such a way that it provides guidance for consideration of future conflict of interest situations.

VI. Documentation

The minutes of the governing board and all committees with board delegated powers shall contain:

- a. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict of interest, the nature of the financial interest, any action taken to determine whether a conflict of interest was present, and the governing board's or committee's decision as to whether a conflict of interest in fact existed.
- b. The names of the persons who were present for discussion and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

VII. Violations of Conflict of Interest Policy

If the Board of Directors has reason to believe that an interested party has failed to disclose a potential conflict of interest, it shall inform the person of the basis for such belief and allow the person an opportunity to explain the alleged failure to disclose.

If the board decides that the interested party has in fact failed to disclose a possible conflict of interest, the board shall take such disciplinary and corrective action as the board shall determine.

APPENDIX A

**Community Enterprises. Inc.
Conflict of Interest
Disclosure Questionnaire**

Please complete the questionnaire below, indicating any potential conflicts of interest. If you answer "yes" to any of the questions, please provide a written description of the details of the specific action, policy or transaction in the space allowed. Attach additional sheets as needed.

Financial Interests - A conflict may exist where an interested party, directly or indirectly benefits or profits as a result of a decision, policy or transaction made by Community Enterprises. During the past 12 months (for each yes response, please describe on a separate page.):

0

- | | | | |
|----|---|--|--------|
| 1. | Has Community Enterprises proposed to contract or contracted to purchase or lease goods, services, or property from you or from any of your relatives or associates? | <input type="checkbox"/> ON
<input type="checkbox"/> ON | Yes No |
| 2. | Has Community Enterprises offered employment to you (not applicable to existing staff) or to any of your relatives or associates? | <input type="checkbox"/> ON
<input type="checkbox"/> ON | Yes No |
| 3. | Have you, or any of your relatives or associates, been provided with a gift, gratuity or favor of a substantial nature from a person or entity that does business or seeks to do business with Community Enterprises? | <input type="checkbox"/> ON
<input type="checkbox"/> ON | Yes No |
| 4. | Have you or any of your relatives or associates been gratuitously provided use of the facilities, property, or services of Community Enterprises? | <input type="checkbox"/> ON
<input type="checkbox"/> ON | Yes No |
| 5. | Have you, a relative or an associate in a position to benefit financially from an action, policy or transaction made by Community Enterprises? | <input type="checkbox"/> ON
<input type="checkbox"/> ON | Yes No |

Other Interests - A conflict may also exist where an interested party obtains a non-financial benefit or advantage that he/she would not have obtained absent his/her relationship with Community Enterprises, or where his/her duty or responsibility owed to Community Enterprises conflicts with a duty or responsibility owed to some other organization.

Please indicate if at anytime during the past twelve months (for each yes response, please describe on a separate page.)

1

- | | | | |
|----|--|--|--------|
| 1. | Did you obtain preferential treatment, promotion, recognition or a non-salaried appointment as a consequence of your association with Community Enterprises for yourself or for any of your relatives or associates? | <input type="checkbox"/> ON
<input type="checkbox"/> ON | Yes No |
| 2. | Did you make use of confidential information obtained from Community Enterprises for your own benefit or for the benefit of a relative, associate, or other organization? | <input type="checkbox"/> ON
<input type="checkbox"/> ON | Yes No |
| 3. | Did you take advantage of an opportunity or enable a relative, associate or other organization to take advantage of an opportunity that you had reason to believe would be of interest to Community Enterprises? | <input type="checkbox"/> ON
<input type="checkbox"/> ON | Yes No |
| 4. | Have you, a relative or an associate in a position to benefit in a nonfinancial way from an action, policy or transaction made by Community Enterprises? | <input type="checkbox"/> ON
<input type="checkbox"/> ON | Yes No |

Name Signature Date

APPENDIX B

**Community Enterprises, Inc.
Conflict of Interest
Affirmation of Compliance**

I have received and carefully read the Conflict of Interest Policy for board members and staff with significant decision making authority of Community Enterprises and have considered not only the literal expression of the policy, but also its intent. By signing this affirmation of compliance, I hereby affirm that I understand and agree to comply with the Conflict of Interest Policy. I further understand that Community Enterprises is a nonprofit organization and that in order to maintain its federal tax exemption it must engage primarily in activities that accomplish one or more of its tax-exempt purposes without personal inurement (other than by salary) by board members or staff.

Except as otherwise indicated in the Disclosure Questionnaire and attachments below, I hereby state that I do not have any conflict of interest, financial or otherwise that may be seen as competing with the interests of Community Enterprises, nor does any relative or associate have such a potential conflict of interest. Nor shall I, any relative or associate benefit from any action, policy or transaction made by Community Enterprises in a manner that has not been previously disclosed.

If any situation should arise in the future that I think may involve me in a conflict of interest, I will promptly and fully disclose in writing the circumstances to the Chair of the Board of Directors of Community Enterprises or to the President/CEO, as applicable.

I further certify that the information set forth in the Disclosure Statement and attachments, if any, is true and correct to the best of my knowledge, information and belief.

Name (Please print)

Signature Date

Annual Review and Reaffirmation

Signature Date

Signature Date

Signature Date