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Form **990****Return of Organization Exempt From Income Tax**

OMB No. 1545-0047

2013**Open to Public Inspection**Department of the Treasury
Internal Revenue Service

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

▶ Do not enter Social Security numbers on this form as it may be made public.

▶ Information about Form 990 and its instructions is at www.irs.gov/form990.

A For the 2013 calendar year, or tax year beginning JULY 1 , 2013, and ending JUNE 30 , 20 14	
B Check if applicable: ☐ Address change ☐ Name change ☐ Initial return ☐ Terminated ☐ Amended return ☐ Application pending	C Name of organization COAI, INC Doing Business As Number and street (or P.O. box if mail is not delivered to street address) Room/suite PO BOX 8634 City or town, state or province, country, and ZIP or foreign postal code SAN JUAN, PR 00910-0634 D Employer identification number 66-0481897 E Telephone number 787-793-7550 G Gross receipts \$ 480,479 F Name and address of principal officer JOSE J MULINELLI-RODRIGUEZ "SAME AS C ABOVE" H(a) Is this a group return for subordinates? ☐ Yes ☒ No H(b) Are all subordinates 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: ▶ www.coaipr.org K Form of organization ☒ Corporation ☐ Trust ☐ Association ☐ Other ▶ L Year of formation 1992 M State of legal domicile PR

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: HIV HEALTH / PREVENTION / EDUCATION
	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 8
	4 Number of independent voting members of the governing body (Part VI, line 1b) 4 8
	5 Total number of individuals employed in calendar year 2013 (Part V, line 2a) 5 11
	6 Total number of volunteers (estimate if necessary) 6
	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	
Revenue	8 Contributions and grants (Part VIII, line 1h) 8 475,903 480,479
	9 Program service revenue (Part VIII, line 2g) 9
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d) 10
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) 11
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12) 12 475,903 480,479
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1–3) 13
	14 Benefits paid to or for members (Part IX, column (A), line 4) 14
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10) 15 278,929 212,490
	16a Professional fundraising fees (Part IX, column (A), line 11e) 16a
	b Total fundraising expenses (Part IX, column (D), line 25) ▶ b
	17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e) 17 267,196 241,394
	18 Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25) 18 546,125 453,884
19 Revenue less expenses. Subtract line 18 from line 12 19 (70,222) 26,595	
Net Assets or Fund Balances	20 Total assets (Part X, line 16) 20 70,552 132,213
	21 Total liabilities (Part X, line 26) 21 83,242 118,308
	22 Net assets or fund balances. Subtract line 21 from line 20 22 (12,690) 13,905

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here	Signature of officer <i>Ricardo Montalvo</i>		Date 2/7/15	
	Type or print name and title Ricardo Montalvo, Fiscal Manager			
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed PTIN
	Firm's name ▶	Firm's EIN ▶		
	Firm's address ▶	Phone no.		

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

For Paperwork Reduction Act Notice, see the separate instructions.

Cat. No. 11282Y

Form **990** (2013)

SCANNED FEB 23 2015

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Part III Statement of Program Service AccomplishmentsCheck if Schedule O contains a response or note to any line in this Part III ☐ Yes ☒ No

- 1**
- Briefly describe the organization's mission:

HEALTH, HIV PREVENTION AND EDUCATION

- 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 organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations 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 \$ 211,879 including grants of \$) (Revenue \$)Ache del Oeste Program (PA PS08803) provide HIV prevention services, including testing, to Men who have Sex with Men (MSM), ages 18 to 49 (up to 39 for health education and risk reduction) Services are provided during fiscal year, 5 days a week, during 7 working hours By June 30, 2014.At least 30 unduplicated Hispanic/Latino MSM, ages 18-39 from the Aguadilla/Mayaguez Health Region will participate in three 3MV set of sessionsAt least 150 unduplicated Hispanic/Latino MSN, ages 18-49 from the Aguadilla/Mayaguez Health Region will be provided with HIV testing.**4b** (Code:) (Expenses \$ 79,935 including grants of \$) (Revenue \$)ECO 8 / ECO 9 - This program studies the practices, knowledge and attitude towards the HIV/AIDS and other related areas by performing interviews to various populations at different hours per week using an IPAQ pocket pc. This program monitor and disclose the statistics of HIV/AIDS**4c** (Code:) (Expenses \$ 76,971 including grants of \$) (Revenue \$)Salud, Esperanza y Vida (S.E.V.) - This program offers HIV/AIDS workshops directed to the prevention and education of this virus, and offer CTRS to school drop-outs between the ages of 13 to 21 years old in any of the fifteen (15) towns comprising the Ponce Health Region**4d** Other program services (Describe in Schedule O.)(Expenses \$ 63,807 including grants of \$) (Revenue \$)**4e** Total program service expenses 432,592

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A	1 X	
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)?	2	X
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	3	X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II	4	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	5	X
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I	6	X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II	7	X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III	8	X
9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV	9	X
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V	10	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	11a 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	11b	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	11c	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	11d	X
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X	11e	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	11f	X
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII	12a 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 and XII is optional	12b	X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	13	X
14a Did the organization maintain an office, employees, or agents outside of the United States?	14a	X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Parts I and IV.	14b	X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? If "Yes," complete Schedule F, Parts II and IV	15	X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? If "Yes," complete Schedule F, Parts III and IV.	16	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)	17	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	18	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	19	X
20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H	20a	X
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b	

Part IV Checklist of Required Schedules (continued)

	Yes	No
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or government on Part IX, column (A), line 1? If "Yes," complete Schedule I, Parts I and II	21	X
22 Did the organization report more than \$5,000 of grants or other assistance to individuals in the United States on Part IX, column (A), line 2? If "Yes," complete Schedule I, Parts I and III	22	X
23 Did the organization answer "Yes" to Part VII, Section A, 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	23	X
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a	24a	X
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b	X
c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c	X
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d	X
25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? If "Yes," complete Schedule L, Part I	25a	X
b 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	25b	X
26 Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? If so, complete Schedule L, Part II	26	X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? If "Yes," complete Schedule L, Part III	27	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):		X
a A current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28a	X
b A family member of a current or former officer, director, trustee, or key employee? If "Yes," complete Schedule L, Part IV	28b	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	28c	X
29 Did the organization receive more than \$25,000 in non-cash contributions? If "Yes," complete Schedule M	29	X
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? If "Yes," complete Schedule M	30	X
31 Did the organization liquidate, terminate, or dissolve and cease operations? If "Yes," complete Schedule N, Part I	31	X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? If "Yes," complete Schedule N, Part II	32	X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Schedule R, Part I	33	X
34 Was the organization related to any tax-exempt or taxable entity? If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1	34	X
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a	X
b If "Yes" to line 35a, 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	35b	X
36 Section 501(c)(3) organizations. Did the organization make any transfers to an exempt non-charitable related organization? If "Yes," complete Schedule R, Part V, line 2	36	X
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? If "Yes," complete Schedule R, Part VI	37	X
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? Note. All Form 990 filers are required to complete Schedule O	38	X

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

		Yes	No
1a Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	1a 0		X
b Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b 0		
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c		
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		
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" to line 3b, provide an explanation in Schedule O	3b		X
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		X
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5b		X
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5c		X
c If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	6a		X
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 as charitable contributions?	6b		X
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	7a		X
7 Organizations that may receive deductible contributions under section 170(c).	7b		X
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?	7c		X
b If "Yes," did the organization notify the donor of the value of the goods or services provided?	7d		X
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7e		X
d If "Yes," indicate the number of Forms 8282 filed during the year	7f		X
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7g		X
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7h		X
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	8		
h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	9a		
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?	9b		
9 Sponsoring organizations maintaining donor advised funds.			
a Did the organization make any taxable distributions under section 4966?			
b Did the organization make a distribution to a donor, donor advisor, or related person?			
10 Section 501(c)(7) organizations. Enter:	10a		
a Initiation fees and capital contributions included on Part VIII, line 12	10b		
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities			
11 Section 501(c)(12) organizations. Enter:	11a		
a Gross income from members or shareholders	11b		
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)			
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a		
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.	13a		
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.			
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 or note to any line 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 If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.	1a 8	X
b Enter the number of voting members included in line 1a, above, who are independent	8	
2 Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?	2	X
3 Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person?	3	X
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	4	X
5 Did the organization become aware during the year of a significant diversion of the organization's assets?	5	X
6 Did the organization have members or stockholders?	6	X
7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?	7a	X
b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?	7b	X
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a The governing body?	8a	X
b Each committee with authority to act on behalf of the governing body?	8b	X
9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O	9	X

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

	Yes	No
10a Did the organization have local chapters, branches, or affiliates?	10a	X
b If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10b	X
11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a	X
b Describe in Schedule O the process, if any, used by the organization to review this Form 990.	12a	X
12a Did the organization have a written conflict of interest policy? If "No," go to line 13	12a	X
b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	X
c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	12c	X
13 Did the organization have a written whistleblower policy?	13	X
14 Did the organization have a written document retention and destruction policy?	14	X
15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
a The organization's CEO, Executive Director, or top management official	15a	X
b Other officers or key employees of the organization	15b	X
If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).		
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	X
b If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b	X

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed ► Ogden, UT

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

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

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: ► Crow's, Inc. 1812 S. 1st St. Salt Lake City, UT 84143-1000 801-591-7750

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent ContractorsCheck if Schedule O contains a response or note to any line 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 (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(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) LEXTER ROSARIO, PRESIDENT		X								
(2) ANGEL A RUIZ, VICE-PRESIDENT		X								
(3) OSVALDO BURGOS, SECRETARY		X								
(4) JOSE E. PORTUONDO, TREASUR		X								
(5) CARLOS E. RIVERA, VOCAL		X								
(6) CARMEN M. VELEZ, VOCAL		X								
(7) AMANDA BAERGA, VOCAL		X								
(8) ANGEL VAZQUEZ, VOCAL		X								
(9)										
(10)										
(11)										
(12)										
(13)										
(14)										

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(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			
(15)										
(16)										
(17)										
(18)										
(19)										
(20)										
(21)										
(22)										
(23)										
(24)										
(25)										
1b Sub-total										
c Total from continuation sheets to Part VII, Section A										
d Total (add lines 1b and 1c)										

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of 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. Report compensation for the calendar year ending with or within the organization's tax year.

(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 of compensation from the organization ►

Part VIII Statement of RevenueCheck if Schedule O contains a response or note to any line in this Part VIII ☐

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514
Contributions, Gifts, Grants and Other Similar Amounts	1a	Federated campaigns	1a			
	b	Membership dues	1b			
	c	Fundraising events	1c	43,530		
	d	Related organizations	1d			
	e	Government grants (contributions)	1e	427,674		
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	9,275		
	g	Noncash contributions included in lines 1a-1f. \$		9,600		
	h	Total. Add lines 1a-1f ▶		480,479		
Program Service Revenue			Business Code			
	2a					
	b					
	c					
	d					
	e					
	f	All other program service revenue .				
g	Total. Add lines 2a-2f ▶					
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts) ▶				
	4	Income from investment of tax-exempt bond proceeds ▶				
	5	Royalties ▶				
			(i) Real	(ii) Personal		
	6a	Gross rents				
	b	Less: rental expenses				
	c	Rental income or (loss)				
	d	Net rental income or (loss) ▶				
	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) ▶				
	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			
	b	Less: cost of goods sold	b			
c	Net income or (loss) from sales of inventory . . ▶					
Miscellaneous Revenue		Business Code				
11a						
b						
c						
d	All other revenue					
e	Total. Add lines 11a-11d ▶					
12	Total revenue. See instructions. ▶		480,479			

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).

Check if Schedule O contains a response or note to any line in this Part IX ☒**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 United States. See Part IV, line 21				
2 Grants and other assistance to individuals in the United States. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the United States. 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	185,029	184,909	120	
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)				
9 Other employee benefits				
10 Payroll taxes	27,461	26,623	838	
11 Fees for services (non-employees):				
a Management				
b Legal				
c Accounting	25,265	25,265		
d Lobbying				
e Professional fundraising services. See Part IV, line 17				
f Investment management fees				
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O.)	59,480	58,439	1,041	
12 Advertising and promotion				
13 Office expenses	6,359	6,062	297	
14 Information technology				
15 Royalties				
16 Occupancy	24,280	23,080	1,200	
17 Travel	26,909	24,038	2,871	
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	3,505		3,505	
23 Insurance	1,937		1,937	
24 Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a TESTS	25,056	25,056		
b EQUIPMENT AND MAINTENANCE	18,500	17,595	905	
c INCENTIVES	12,434	12,434		
d EDUCATIONAL SUPPLIES	3,077	3,077		
e All other expenses	34,592	16,414	1,823	16,355
25 Total functional expenses. Add lines 1 through 24e	453,884	422,992	14,537	16,355
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation. Check here ☐ if following SOP 98-2 (ASC 958-720)				

Part X Balance SheetCheck if Schedule O contains a response or note to any line in this Part X ☐

		(A) Beginning of year		(B) End of year
Assets	1 Cash—non-interest-bearing	8,943	1	22,564
	2 Savings and temporary cash investments		2	
	3 Pledges and grants receivable, net	55,834	3	100,569
	4 Accounts receivable, net		4	
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6 Loans and other 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). Complete Part II of Schedule L		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use		8	
	9 Prepaid expenses and deferred charges	3,607	9	7,743
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 189,753		
	b Less: accumulated depreciation	10b 188,416	2,168	10c 1,337
	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		15	
16 Total assets. Add lines 1 through 15 (must equal line 34)	70,552	16	132,213	
Liabilities	17 Accounts payable and accrued expenses	83,242	17	118,308
	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 Loans and other 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		24	
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D		25	
	26 Total liabilities. Add lines 17 through 25	83,242	26	118,308
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here ☒ and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	(34,676)	27	(2,862)
	28 Temporarily restricted net assets	21,986	28	16,767
	29 Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117 (ASC 958), check here ☐ and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
	33 Total net assets or fund balances.	(12,690)	33	13,905
34 Total liabilities and net assets/fund balances.	70,552	34	132,213	

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	480,479
2	Total expenses (must equal Part IX, column (A), line 25)	2	453,884
3	Revenue less expenses. Subtract line 2 from line 1	3	26,595
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	(12,690)
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	13,905

Part XII Financial Statements and ReportingCheck if Schedule O contains a response or note to any line 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.		X
2a Were the organization's financial statements compiled or reviewed by an independent accountant? . . . If "Yes," check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both: ☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis	X	
2b Were the organization's financial statements audited by an independent accountant? . . . If "Yes," check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both: ☒ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis	X	
2c 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
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? . . .		
3b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits.		

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

▶ Attach to Form 990 or Form 990-EZ.
▶ Information about Schedule A (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No. 1545-0047

2013

Open to Public Inspection

Name of the organization

Coari, Inc.

Employer identification number

66-0481897

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)(vii).** (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—Non-functionally integrated
 - e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in **section 509(a)(1)** or **section 509(a)(2).**
 - f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box ☐
 - g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

	Yes	No
(i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?	11g(i)	
(ii) A family member of a person described in (i) above?	11g(ii)	
(iii) A 35% controlled entity of a person described in (i) or (ii) above?	11g(iii)	
 - h Provide the following information about the 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 monetary support
			Yes	No	Yes	No	Yes	No	
(A)									
(B)									
(C)									
(D)									
(E)									
Total									

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

(Complete only if you checked the box on line 5, 7, or 8 of Part I 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) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	946,916	607,431	540,510	475,903	480,479	3,051,239
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			9,600	9,600	9,600	28,800
4 Total. Add lines 1 through 3	946,916	607,431	550,110	485,503	490,079	3,080,039
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.						3,080,039

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
7 Amounts from line 4	946,916	607,431	550,110	485,503	490,079	3,080,039
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
11 Total support. Add lines 7 through 10						3,080,039
12 Gross receipts from related activities, etc. (see instructions)					12	
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here ► ☐						

Section C. Computation of Public Support Percentage

14 Public support percentage for 2013 (line 6, column (f) divided by line 11, column (f))	14	100 %
15 Public support percentage from 2012 Schedule A, Part II, line 14	15	100 %
16a 33 1/3% support test—2013. 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—2012. 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—2013. 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—2012. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization ► ☐		
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ► ☐		

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

(Complete only if you checked the box on line 9 of Part I 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) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(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) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(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 2013 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2012 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2013 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2012 Schedule A, Part III, line 17	18	%
19a 33 1/3% support tests—2013. 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—2012. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and stop here . The organization qualifies as a publicly supported organization ☐		
20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ☐		

**SCHEDULE D
(Form 990)**

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ **Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.**

▶ **Attach to Form 990.**

▶ **Information about Schedule D (Form 990) and its instructions is at www.irs.gov/form990.**

OMB No 1545-0047

2013

**Open to Public
Inspection**

Name of the organization

Employer identification number

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts.

Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control?		☐ Yes ☐ No
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit?		☐ Yes ☐ No

Part II Conservation Easements.

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

1 Purpose(s) of conservation easements held by the organization (check all that apply).

☐ Preservation of land for public use (e.g., recreation or education) ☐ Preservation of an historically important land area

☐ Protection of natural habitat ☐ Preservation of a certified historic structure

☐ Preservation of open space

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

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

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

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

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

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

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

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items.

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

(i) Revenues included in Form 990, Part VIII, line 1 ▶ \$

(ii) Assets included in Form 990, Part X ▶ \$

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:

a Revenues included in Form 990, Part VIII, line 1 ▶ \$

b Assets included in Form 990, Part X ▶ \$

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

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):

a ☐ Public exhibition

d ☐ Loan or exchange programs

b ☐ Scholarly research

e ☐ Other _____

c ☐ Preservation for future generations

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

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.

1 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 XIII and complete the following table:

	Amount
1c	
1d	
1e	
1f	

2a Did the organization include an amount on Form 990, Part X, line 21? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided in Part XIII ☐

Part V Endowment Funds.

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

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1 Statement 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 current year end balance (line 1g, column (a)) held as:

a Board designated or quasi-endowment %

b Permanent endowment %

c Temporarily restricted endowment %

The percentages in lines 2a, 2b, and 2c should equal 100%.

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

(i) unrelated organizations

(ii) related organizations

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

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

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

Part VI Real Estate, Buildings, and Equipment.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements	3,325		3,325	0
d Equipment	186,428		185,091	1,337
e Other				
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				1,337

Part VII Investments—Other Securities.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11b. 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) _____		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 12.) ►		

Part VIII Investments—Program Related.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation. Cost or end-of-year market value
(1) _____		
(2) _____		
(3) _____		
(4) _____		
(5) _____		
(6) _____		
(7) _____		
(8) _____		
(9) _____		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 13.) ►		

Part IX Other Assets.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1) _____	
(2) _____	
(3) _____	
(4) _____	
(5) _____	
(6) _____	
(7) _____	
(8) _____	
(9) _____	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.) ►	

Part X Other Liabilities.

Complete if the organization answered "Yes" to Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

(a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) _____	
(3) _____	
(4) _____	
(5) _____	
(6) _____	
(7) _____	
(8) _____	
(9) _____	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ►	

2. Liability for uncertain tax positions. In Part XIII, 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). Check here if the text of the footnote has been provided in Part XIII ☐

Complete if the organization answered "Yes" to Form 990, Part IV, line 12a.

Part XIII		Reconciliation of Expenses		Total	
Complete if the organization answered "Yes" to Form 990, Part IV, line 12a.					
1	Total expenses and losses per audited financial statements	1	463,484		
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		6,600		
a	Donated services and use of facilities	2a	9,600		
b	Prior year adjustments	2b			
c	Other losses	2c			
e	Add lines 2a through 2d	2e			
3	Subtract line 2e from line 1	3	453,884		
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 XIII.)	4b			
c	Add lines 4a and 4b	4c			
5	Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)	5	453,884		

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 3; Part XI, lines 1c and 4b, and Part XII, lines 2d and 4b. Also complete this part to provide any additional information.

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

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.

▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2013

**Open to Public
Inspection**

Name of the organization

COAI, INC.

Employer identification number

66-0481897

PART II - LINE 4D

Ache HRSA Program - Expenses of \$63,681. This program is addressed principally to offer services of primary and secondary prevention and education of HIV/AIDS to the community of men who have sex with men (MSM), between the ages of 25 to 49 years old. The program provides outreach, preventive and educational services, and CTRS focusing on MSM, males and transsexuals sex workers who live in any of the thirty (30) towns comprising the San Juan Statistical Metropolitan Area.

Ache Program - Expenses of \$126 - These charges were miscellaneous bank charges

PART VI - LINE 11B - Form 990 is prepared and revised by the Fiscal Manager.

PART VI - LINE 19 - We make all our documents available upon request

PART IX - LINE 11G - These are the persons contracted under Program ECO 8 / ECO 9. They interview the various populations regarding the study conducted.

PART IX - LINE 24E - The detail of the All Other Expenses is presented in the schedule attached

COAI, INC.
ALL OTHER EXPENSES - PART IX LINE 24e
FOR THE YEAR ENDED JUNE 30, 2014

EXPENSES:	AMOUNT
FUND RAISING EXPENSE	\$ 16,355.00
UTILITIES	12,727.00
OTHER EXPENSES	3,367.00
PRINTING AND REPRODUCTION	<u>2,143.00</u>
	<u>\$ 34,592.00</u>

Teresa R. Figueroa Rodríguez, CPA

6050 Cdr. 34 Box 13

San Juan, Puerto Rico 00926-7815

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Coai, Inc. (A Puerto Rico Non-Profit Organization)

Report on the Financial Statements

I have audited the accompanying financial statements of Coai, Inc., a Puerto Rico Non-Profit Organization, which comprise the statement of financial position as of June 30, 2014, and the related statements of activities and changes in net assets, cash flows and functional expenses for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

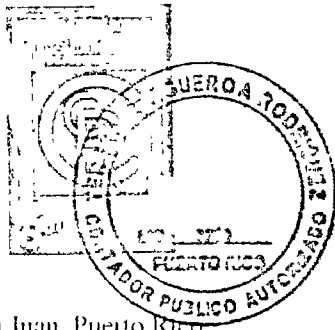
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

To the Board of Directors of
Coai, Inc. (A Puerto Rico Non-Profit Organization)
Page 2

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Coai, Inc. as of June 30, 2014, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America



San Juan, Puerto Rico
December 15, 2014

Teresa R. Figueroa Rodríguez

Telephone: (787) 378-5425
Email: tfigueroa@coai-inc.com

COAI, Inc.
(A Puerto Rico Non-Profit Organization)
Statement of Financial Position
June 30, 2014

3

	<u>Unrestricted</u>	<u>Temporarily restricted</u>					
	<u>General Fund</u>	<u>"Ache"</u>	<u>"Ache HRSA"</u>	<u>"Ache del Oeste"</u>	<u>S.E.V.</u>	<u>Subtotal</u>	<u>Grand Total</u>
Cash	\$ 1,550	\$ 305	\$ 8,894	\$ 2,690	\$ 9,125	\$ 21,014	\$ 22,564
Accounts receivable, net	28,897	30,391	9,200	19,816	12,265	71,672	100,569
Prepaid expenses	1,210	-	-	6,533	-	6,533	7,743
Property and equipment - net	1,337	-	-	-	-	-	1,337
Other assets	-	-	-	-	-	-	-
Total Assets	<u>\$ 32,994</u>	<u>\$ 30,696</u>	<u>\$ 18,094</u>	<u>\$ 29,039</u>	<u>\$ 21,390</u>	<u>\$ 99,219</u>	<u>\$ 132,213</u>
Liabilities and Net Assets							
Accounts payable	\$ 35,670	\$ 15,953	\$ 16,052	\$ 15,953	\$ 16,425	\$ 64,383	\$ 100,053
Accrued expenses	186	-	2,042	13,086	2,941	18,069	18,255
Other liabilities	-	-	-	-	-	-	-
Total liabilities	35,856	15,953	18,094	29,039	19,366	82,452	118,308
Net assets:							
Unrestricted	(2,862)	-	-	-	-	-	(2,862)
Temporarily Restricted	-	14,743	-	-	2,024	16,767	16,767
	(2,862)	14,743	-	-	2,024	16,767	13,905
Total liabilities and net assets	<u>\$ 32,994</u>	<u>\$ 30,696</u>	<u>\$ 18,094</u>	<u>\$ 29,039</u>	<u>\$ 21,390</u>	<u>\$ 99,219</u>	<u>\$ 132,213</u>

See notes to financial statements

COAL, Inc.
(A Puerto Rico Non-Profit Organization)
Statement of Activities and Changes in Net Assets
Year Ended June 30, 2014

4

	Unrestricted	Temporarily restricted						
	General Fund	"Ache"	"Ache HRSA"	"Ache del Oeste"	"Estudio de la Conducta"	S.E.V.	Subtotal	Grand Total
Revenues:								
Grants	\$ 4,700	\$ -	\$ 63,789	\$ 211,879	\$ 79,935	\$ 67,371	\$ 422,974	\$ 427,674
Other contributions	100	-	-	-	-	9,600	9,600	9,700
Fund raising activities	43,530	-	-	-	-	-	-	43,530
Other revenues	9,175	-	-	-	-	-	-	9,175
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>57,505</u>	<u>-</u>	<u>63,789</u>	<u>211,879</u>	<u>79,935</u>	<u>76,971</u>	<u>432,574</u>	<u>490,079</u>
Expenses:								
Program services:								
"Ache"	-	126	-	-	-	-	126	126
"Ache HRSA"	-	-	63,681	-	-	-	63,681	63,681
"Ache del Oeste"	-	-	-	211,879	-	-	211,879	211,879
Estudio de la Conducta	-	-	-	-	79,935	-	79,935	79,935
S.E.V.	-	-	-	-	-	76,971	76,971	76,971
Administrative and General	14,537	-	-	-	-	-	-	14,537
Fund raising activities	16,355	-	-	-	-	-	-	16,355
Total expenses	<u>30,892</u>	<u>126</u>	<u>63,681</u>	<u>211,879</u>	<u>79,935</u>	<u>76,971</u>	<u>432,592</u>	<u>463,484</u>
Change in net assets	26,613	(126)	108	-	-	-	(18)	26,595
Net assets (deficiency), beginning of year	(29,475)	14,869	(108)	-	-	2,024	16,785	(12,690)
Net transfers between funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net assets (deficiency), end of year	<u>\$ (2,862)</u>	<u>\$ 14,743</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,024</u>	<u>\$ 16,767</u>	<u>\$ 13,905</u>

See notes to financial statements

Coai, Inc.
(A Puerto Rico Non-Profit Organization)
Statement of Cash Flows

5

Year Ended June 30, 2014

Cash flows from operating activities:

Change in net assets: \$ 23,812

Adjustments to reconcile change in net assets
to net cash provided by operating activities

Depreciation and amortization	3,505
Changes in assets and liabilities	-
(Increase) in accounts receivable	(43,289)
(Increase) in prepaids and other assets	(4,136)
Increase in accounts payable and accrued expenses	<u>35,066</u>
Total adjustments	<u>(8,854)</u>

Net cash provided by operating activities 14,958

Net cash used in investing activities

Acquisition of fixed assets (1,337)

Net increase in cash 13,621

Cash, beginning of year 8,943

Cash, end of year \$ 22,564

See notes to financial statements

COAI, Inc.
(A Non-Profit Organization)
Statement of Functional Expenses
Year Ended June 30, 2014

6

	Unrestricted	Temporarily restricted						
	General Fund	"Ache"	"Ache HRSA"	"Ache del Oeste"	Estudio de la Conducta	S.E.V.	Subtotal	Grand Total
Revenues:								
Grants	\$ 4,700	\$ -	\$ 63,789	\$ 211,879	\$ 79,935	\$ 67,371	\$ 422,974	\$ 427,674
Other contributions	100	-	-	-	-	9,600	9,600	9,700
Fund raising activities	43,530	-	-	-	-	-	-	43,530
Other revenues	9,175	-	-	-	-	-	-	9,175
	-	-	-	-	-	-	-	-
Total revenues	57,505	-	63,789	211,879	79,935	76,971	432,574	490,079
Expenses:								
Personnel	120	-	42,272	92,093	-	50,544	184,909	185,029
Fringe benefits	838	-	5,539	15,456	-	5,628	26,623	27,461
Tests and supplies	-	-	7,309	10,301	6,272	1,174	25,056	25,056
Promotional and educational material	-	-	433	1,495	1,149	-	3,077	3,077
Fund raising activities	16,355	-	-	-	-	-	-	16,355
Incentives	-	-	-	1,446	10,652	336	12,434	12,434
Printing and reproduction	-	-	-	1,329	-	814	2,143	2,143
Office supplies	297	-	954	3,979	150	979	6,062	6,359
Travel expenses	2,871	-	2,266	20,042	-	1,730	24,038	26,909
Depreciation expense	3,505	-	-	-	-	-	-	3,505
Insurance expense	1,937	-	-	-	-	-	-	1,937
Equipment and maintenance	905	-	-	14,920	2,675	-	17,595	18,500
Professional fees	1,041	-	4,908	15,885	58,711	4,200	83,704	84,745
Rent	1,200	-	-	22,780	300	9,600	32,680	33,880
Utilities	1,146	-	-	9,683	-	1,898	11,581	12,727
Other expenses	677	126	-	2,470	26	68	2,690	3,367
Total expenses	30,892	126	63,681	211,879	79,935	76,971	432,592	463,484
Change in net assets	26,613	(126)	108	-	-	-	(18)	26,595
Net assets (deficiency), beginning of year	(29,475)	14,869	(108)	-	-	2,024	16,785	(12,690)
Net transfers between funds	-	-	-	-	-	-	-	-
Net assets (deficiency), end of year	<u>\$ (2,862)</u>	<u>\$ 14,743</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,024</u>	<u>\$ 16,767</u>	<u>\$ 13,905</u>

See notes to financial statements

COAI, INC.
(A Puerto Rico Non-Profit Organization)

Notes to Financial Statements
June 30, 2014

Note 1 - Organization and summary of significant accounting policies:

Organization - Coai, Inc. (the Organization) is a Puerto Rico non-profit entity incorporated on February 2, 1992 under the laws of the Commonwealth of Puerto Rico, created to serve the community. The Organization is a community-based organization (CBO) and its basic objective is to provide educational services to the general public of Puerto Rico, aimed at the prevention of physical, mental, and emotional disease, with emphasis on Human Immunodeficiency Virus and Acquired immunodeficiency Syndrome (HIV/AIDS) infections, and all factors directly or indirectly related to the same. Some of the services provided by the Organization are the following:

- Workshops on the prevention of HIV directed to individuals as well as to groups
- Workshops on safe sex
- Workshops on the prevention of HIV directed to children of pre-school as well as school ages
- Workshops to health professionals, school personnel, private professionals, community organizations and other interested groups
- Confidential counseling before and after HIV test
- Counseling and referral services

To accomplish these services, the following programs have been established by the Organization:

"Ache" (MAC AIDS Fund & AIDS United Fund - HIV Prevention Projects of CBO) — This program is addressed principally to offer services of primary and secondary prevention and education of HIV/AIDS to the community of men who have sex with men (MSM) between the ages of 25 to 49 years old. The program provides outreach, preventive, educational services, and Counseling, Testing and Referrals Services (CTRS), focusing on MSM, males and transsexuals sex workers who live in any of the thirty (30) towns comprising the San Juan Statistical Metropolitan Area.

"Ache" - HRSA (Human Resources Services Administration) - This program is addressed principally to offer services of primary and secondary prevention and education of HIV/AIDS to the community of men who have sex with men (MSM) between the ages of 25 to 49 years old. The program provides outreach, preventive and educational services, and Testing & Referrals Services (CTRS) focusing on MSM, males and transsexuals sex workers who live in any of the thirty (30) towns comprising the San Juan Statistical Metropolitan Area.

"Ache del Oeste" (PA 08803 - HIV/AIDS Prevention Projects for the Commonwealth of Puerto Rico and US Virgin Islands) - This program provides outreach, preventive and educational services, and CTRS, focusing on MSM between the ages 18 to 49 years old, to individuals who live in any of the fifteen (15) towns comprising the Aguadilla and Mayaguez Health Regions.

"Estudio de la Conducta" ("ECO 7 & ECO 8") - These projects study the practices, knowledge, and attitude towards the VIH/AIDS and other related areas by performing interviews to various populations at different hours per week using tablets and performing HIV testing. ECO 7 — UDI ("Usuarios/as de

COAI, INC.
(A Puerto Rico Non-Profit Organization)

Notes to Financial Statements – (continued)
June 30, 2014

Note 1 - Organization and summary of significant accounting policies – (continued):

Organization – (continued):

Droga Intravenosa") ECO 8 — HET ("Heterosexuales en Alto Riesgo") monitors and discloses the statistics of HIV/AIDS. They are included within the general fund.

"Salud, Esperanza y Vida "(S.E.V.) — This program offers HIV/AIDS workshops directed to the prevention and education of this virus and offer CTRS to school drop-outs between the ages of 13 to 21 years old in any of the fifteen (15) towns comprising the Ponce Health Region.

Summary of significant accounting policies — The accounting policies used by the Organization conforms to predominant industry practices and follow accounting principles generally accepted in the United States of America.

The following summarizes the most significant account policies:

Basis of presentation — Not-for-profit organizations are required to present a statement of financial position (balance sheet), a statement of activities, and a statement of cash flows, and functional expenses. In addition, net assets are classified in one or more of the following categories:

- *Unrestricted net assets* — Resources available to support operations. These resources are unrestricted as to their use and expendable at the discretion of the Board of Directors.
- *Temporarily restricted net assets* — Resources that are restricted by a donor for use for a particular purpose or in a particular future period.
- *Permanently restricted net assets* - Resources whose use is limited by donor-imposed restrictions that neither expires by being used in accordance with a donor's restriction nor by the passage of time.

As of June 30, 2014 the Organization's net assets are classified as unrestricted and temporarily restricted.

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

Property and equipment — Property and equipment are stated at cost or, if donated, at fair value at date of receipt. Depreciation expense is determined using the straight line method over the estimated useful lives of the related assets.

COAI, INC.
(A Puerto Rico Non-Profit Organization)

Notes to Financial Statements – (continued)
June 30, 2014

Note 1 - Organization and summary of significant accounting policies – (continued):

Summary of significant accounting policies – (continued):

Property and equipment – (continued):

Following is a summary of property and equipment as of June 30, 2014:

<u>Description</u>	<u>Useful life</u>	<u>Cost</u>
Leasehold Improvements	5 years	3,325
Office equipment	3 years	<u>186,428</u>
		189,753
Less: accumulated depreciation and amortization		<u>(188,416)</u>
Total property and equipment, net		<u>\$ 1,337</u>

At the time property and equipment is sold, or otherwise disposed of, the asset cost and related accumulated depreciation are removed from the books and the resulting gain or loss, if any, is credited or charged to operations. Property and equipment is capitalized if it has a cost of \$750 or more.

Contributed support — The Organization recognizes all contributed support received as income in the period received. All contributions are considered to be available for unrestricted use, unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted support and are reported as net assets that increases the net assets of those net asset classes. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. However, if a restriction is fulfilled in the same time period in which the contribution is received, the Organization reports the support as unrestricted.

Contributed services — Contributions of services are only recognized if (a) the services (i) are provided to enhance non-financial assets or would typically need to be purchased if not provided by donation and (b) require specialized skills and are provided by individuals possessing these skills. The contribution revenue for services received is recognized at the fair value of these services. For the years ended June 30, 2014 there were no contributed services.

Contributed use of facilities - Contributions are recognized at the estimated fair rental value of the property.

COAI, INC.
(A Puerto Rico Non-Profit Organization)

Notes to Financial Statements – (continued)
June 30, 2014

Note 1 - Organization and summary of significant accounting policies – (continued):

Summary of significant accounting policies – (continued):

Operational expenditures — Operational expenditures related to programs or functions of the Organization are included in the respective caption in the accompanying statements of activities and functional expenses for those programs or functions. Certain expenses are allocated to programs or functions proportionately to the time spent by employees in supporting such activities. Those expenses that are not related to such programs or functions are accounted for as management and administrative.

Income taxes — As a non-profit organization, the Organization is exempt from local income taxes under the provision of Section 1101(a)(2) of the Commonwealth of Puerto Rico Internal Revenue Code of 1994, as amended, and from federal income taxes under the provision of Section 501(c)(3), of the United States Internal Revenue Code, as amended.

Accounting principles generally accepted in the United States of America require the Organization management to evaluate tax positions taken by the Organization and recognize a tax liability (or asset) if the Organization has taken an uncertain position that more likely than not would not be sustained upon examination of taxing authorities. Management evaluated the tax positions taken by the Organization and concluded that the Organization as of June 30, 2014, had maintained its tax exempt status and had taken no uncertain tax positions that require adjustment to the financial statements. Therefore, no provision or liability for income taxes has been included in the accompanying financial statements.

All tax returns through fiscal year June 30, 2013 have been appropriately filed by the Organization. The Organization's open audit periods are fiscal years ended June 30, 2010 to June 30, 2014.

Functional allocation of expenses — The costs of providing the various programs or functions, management and administrative, and project support have been summarized on a functional basis in the Statement of Functional Expenses. Accordingly, certain costs have been allocated proportionately to the time spent by employees in supporting these activities.

Advertising costs — The Organization charges advertising costs to expense as incurred.

Note 2 - Concentration of credit risk:

As of June 30, 2014, financial instruments which potentially may subject the Organization to concentration of credit risk consist principally of accounts receivable. Current vulnerability arises due to certain concentration with several grantors from the Federal Government under one Federal grant.

COAI, INC.
(A Puerto Rico Non-Profit Organization)

Notes to Financial Statements – (continued)
June 30, 2014

Note 3 - Accounts receivable

As of June 30, 2014, accounts receivable consist of the following:

<u>General Fund:</u>	
S.E.V.	\$ 11,212
"Ache HRSA"	1,976
Recinto Ciencias Medicas	200
Walgreens	9,559
Grant Receivable	450
Other - Razones	5,500
	<u>\$28,897</u>
<u>"Ache"</u>	
Fondo General	\$4,650
RWCA	\$14,076
Other	11,665
	<u>\$30,391</u>
"Ache HRSA" Grant Receivable	<u>\$9,200</u>
<u>"Ache del Oeste"</u>	
General Fund	\$ 537
"Ache"	15,953
Grant Receivable	3,326
	<u>\$19,816</u>
S.E.V. Grant Receivable	<u>\$12,265</u>
	<u>\$100,569</u>

Accounts receivable as of June 30, 2014 were considered by management as fully collectible.

Note 4 - Contributions and grants

Federal grants:

On July 1, 2008, the CDC awarded a grant to the Organization under Ache del Oeste (HIV Prevention Projects for the Commonwealth of Puerto Rico and U.S. Virgin Islands) for a period of five years until June 30, 2013.

COAI, INC.
(A Puerto Rico Non-Profit Organization)

Notes to Financial Statements – (continued)
June 30, 2014

Note 4 - Contributions and grants – (continued)

Federal grants – (continued):

On March 1, 2012, the Municipality of San Juan awarded a grant to the Organization under the HRSA Ryan White HIV/AIDS Treatment Modernization Act of 2006 for a period of one year, until February 28, 2013, for the total amount of approximately \$77,000. On April 26, 2013, the contract was renewed for an additional year, until February 28, 2014, for a total amount of \$29,721.

The Organization is assessing and will submit other identified request for proposals or funding opportunities from other sources such as the Center for Diseases Control and Prevention (CDC), the Human Resources and Services Administration (HRSA), and the National Institute of Health (NIH), in order to continue providing services to the target population established by the Ache Program HIV Prevention Project of CBO.

Simultaneously, the Board of Directors, with the support of the Executive and Programmatic sections, is currently developing fund-raising strategies and activities. They are also including developing a sustainability plan for the Organization under the strategic planning, currently under development

Federal grant revenues are being recognized as the qualifying expenses are incurred. These grants are subject to financial and compliance audits in accordance with the provisions of the U.S. Office of Management and Budget Circular A-133. As of June 30, 2014, the total of federal awards expended for all federal programs did not exceed \$500,000. Therefore, an audit in accordance with OMB Circular

Local government grants:

On July 1, 2002, the Organization signed a contract with the Puerto Rico Department of Health related to "Programa Salud, Esperanza y Vida" (S.E.V.). This contract has been renewed annually since it was originally granted in 2002. On July 1, 2013 this contract was renewed for approximately \$89,700.

On January 1, 2013 the Organization signed a contract with the Puerto Rico Department of Health related to "ECO 7" and "ECO 8 Estudio de la Conducta" program for the amount of \$120,000.

Contributed use of facilities:

During the year ended June 30, 2014 the Organization occupied an office facility pertaining to the Municipality of Juana Diaz, whereby it offers preventive educational health clinics and consulting services, among others, under the S.E.V. program. The use of these facilities is considered an in-kind contribution and the fair rental value was estimated at \$9,600 during the years ended June 30, 2014. This amount was reflected as temporarily restricted revenues in the

COAI, INC.
(A Puerto Rico Non-Profit Organization)

Notes to Financial Statements – (continued)
June 30, 2014

Note 5 – Commitments

Operating lease agreements:

The Organization operates in various leased premises under one short-term and one long-term non-cancellable operating lease agreements. The short-term lease agreement is expected to be renewed on a year-to-year basis. This agreement calls for monthly rental payments of approximately \$2,400 through June 30, 2014. This contract was renewed on July 1, 2013 for a monthly payment of \$1,300.

The long-term non-cancellable operating lease agreement calls for monthly rental payments of \$100 through April 30, 2017. Future minimum rental payments under this long-term agreement for each of the following five years, is as follows:

<u>Year ending June 30,</u>	<u>Amount</u>
2015	\$1,200
2016	1,200
2017	<u>1,000</u>
	<u>\$3,400</u>

Total rent expense for the year ended June 30, 2014, under the above lease agreements, amounted to approximately \$34,000.

Subsequent events:

The Organization's management evaluated subsequent events through December 15, 2014, which is the date the financial statements were available to be issued. No further events have occurred subsequent to the balance sheet date and to the date the financial statements were available to be issued, that would require adjustment to, or disclosure in, the financial statements.

**Application for Extension of Time To File an
Exempt Organization Return**

OMB No. 1545-1709

► File a separate application for each return.

► Information about Form 8868 and its instructions is at www.irs.gov/form8868.

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

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

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

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

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

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

Enter filer's identifying number, see instructions

Type or print File by the due date for filing your return. See instructions.	Name of exempt organization or other filer, see instructions.	Employer identification number (EIN) or
	COAI, INC.	66-0481897
	Number, street, and room or suite no. If a P.O. box, see instructions.	Social security number (SSN)
	PO Box 8634	
	City, town or post office, state, and ZIP code. For a foreign address, see instructions.	
	SAN JUAN, PR 00910-0634	

Enter the Return code for the return that this application is for (file a separate application for each return) ☐ 0 ☐ 1

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

- The books are in the care of ► RICARDO MONTALVO MARTINEZ

Telephone No. ► 787-793-7530 Fax No. ► 787-793-7550

- If the organization does not have an office or place of business in the United States, check this box ☒

• If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) . If this is

for the whole group, check this box ☐. If it is for part of the group, check this box ☐ and attach

a list with the names and EINs of all members the extension is for.

- 1 I request an automatic 3-month (6 months for a corporation required to file Form 990-T) extension of time until FEBRUARY 15, 20 15, to file the exempt organization return for the organization named above. The extension is for the organization's return for:

► ☐ calendar year 20 or

► ☒ tax year beginning JULY 1, 20 13, and ending JUNE 30, 20 14.

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

☐ Change in accounting period

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

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