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Form **990**
Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

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

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

OMB No 1545-0047
2014
Open to Public Inspection

A For the 2014 calendar year, or tax year beginning 07-01-2014, and ending 06-30-2015

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return/terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization ABILITY360 INC		D Employer identification number 86-0486447
	Doing business as		E Telephone number (602) 256-2245
	Number and street (or P O box if mail is not delivered to street address)	Room/suite	G Gross receipts \$ 44,512,303
	5025 EAST WASHINGTON STREET NO 200		
City or town, state or province, country, and ZIP or foreign postal code PHOENIX, AZ 85034		F Name and address of principal officer PHIL PANGRAZIO 5025 EAST WASHINGTON STREET NO 200 PHOENIX, AZ 85034	
I Tax-exempt status <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () (insert no) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527		H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
J Website: WWW.ABILITY360.ORG		H(b) Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list (see instructions)	
K Form of organization <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other		H(c) Group exemption number	
		L Year of formation 1984	M State of legal domicile AZ

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities EMPOWER PEOPLE WITH DISABILITIES SO THEY MAY ACHIEVE OR CONTINUE INDEPENDENT LIFESTYLES		
	2 Check this box <input type="checkbox"/> 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	10
4 Number of independent voting members of the governing body (Part VI, line 1b)	4	10	
5 Total number of individuals employed in calendar year 2014 (Part V, line 2a)	5	3,046	
6 Total number of volunteers (estimate if necessary)	6	338	
7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	0	
b Net unrelated business taxable income from Form 990-T, line 34	7b	0	
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9 Program service revenue (Part VIII, line 2g)	882,261	1,032,690
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	37,862,113	40,390,255
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	503,996	1,590,800
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	3,929,392	77,850
		43,177,762	43,091,595
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	0	0
	14 Benefits paid to or for members (Part IX, column (A), line 4)	0	0
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	33,391,836	35,353,082
	16a Professional fundraising fees (Part IX, column (A), line 11e)	0	0
	b Total fundraising expenses (Part IX, column (D), line 25) <u>111,008</u>		
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	5,999,095	4,860,974
18 Total expenses Add lines 13-17 (must equal Part IX, column (A), line 25)	39,390,931	40,214,056	
19 Revenue less expenses Subtract line 18 from line 12	3,786,831	2,877,539	
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Current Year	End of Year
	21 Total liabilities (Part X, line 26)	52,821,883	54,032,277
	22 Net assets or fund balances Subtract line 21 from line 20	8,066,783	7,544,143
	44,755,100	46,488,134	

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	2016-02-24 Date
	PHIL PANGRAZIO PRESIDENT & CEO Type or print name and title	

Paid Preparer Use Only	Print/Type preparer's name STEPHEN E LIVINGSTON CPA	Preparer's signature STEPHEN E LIVINGSTON CPA	Date	Check <input type="checkbox"/> if self-employed	PTIN P00317845
	Firm's name <u>CLIFTONLARSONALLEN LLP</u>	Firm's EIN <u>41-0746749</u>		Phone no (602) 266-2248	
	Firm's address <u>20 E THOMAS RD STE 2300</u> PHOENIX, AZ 85012				

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

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III

1 Briefly describe the organization's mission

ABIL OFFERS AND PROMOTES PROGRAMS DESIGNED TO EMPOWER PEOPLE WITH DISABILITIES TO TAKE PERSONAL RESPONSIBILITY SO THEY MAY ACHIEVE OR CONTINUE INDEPENDENT LIFESTYLES WITHIN THE COMMUNITY

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? Yes No

If "Yes," describe these new services on Schedule O

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? Yes No

If "Yes," describe these changes on Schedule O

4 Describe the 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 \$ 32,804,207 including grants of \$) (Revenue \$ 37,474,754)
SEE SCHEDULE O

4b (Code) (Expenses \$ 862,144 including grants of \$) (Revenue \$ 781,475)
SEE SCHEDULE O

4c (Code) (Expenses \$ 592,990 including grants of \$) (Revenue \$ 564,180)
SEE SCHEDULE O

See Additional Data

4d Other program services (Describe in Schedule O)
(Expenses \$ 3,143,514 including grants of \$) (Revenue \$ 1,653,966)

4e Total program service expenses **▶** 37,402,855

Part IV Checklist of Required Schedules

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

Part IV Checklist of Required Schedules *(continued)*

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

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V

Table with columns for question number, description, sub-part, amount, and Yes/No columns. Rows include questions 1a-1c, 2a-2b, 3a-3b, 4a-4b, 5a-5c, 6a-6b, 7a-7h, 8, 9a-9b, 10a-10b, 11a-11b, 12a-12b, 13a-13c, and 14a-14b.

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

Check if Schedule O contains a response or note to any line in this Part VI [X]

Section A. Governing Body and Management

Table with 3 columns: Question, Yes, No. Rows include: 1a Enter the number of voting members of the governing body at the end of the tax year (10); 1b Enter the number of voting members included in line 1a, above, who are independent (10); 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? (No); 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? (No); 4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? (Yes); 5 Did the organization become aware during the year of a significant diversion of the organization's assets? (No); 6 Did the organization have members or stockholders? (No); 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? (No); 7b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body? (No); 8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following: a The governing body? (Yes); b Each committee with authority to act on behalf of the governing body? (Yes); 9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O (No).

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

Table with 3 columns: Question, Yes, No. Rows include: 10a Did the organization have local chapters, branches, or affiliates? (No); 10b 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?; 11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form? (Yes); 11b Describe in Schedule O the process, if any, used by the organization to review this Form 990; 12a Did the organization have a written conflict of interest policy? If "No," go to line 13 (Yes); 12b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts? (Yes); 12c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done (Yes); 13 Did the organization have a written whistleblower policy? (Yes); 14 Did the organization have a written document retention and destruction policy? (Yes); 15 Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision? a The organization's CEO, Executive Director, or top management official (No); b Other officers or key employees of the organization (No); 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? (No); 16b 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?

Section C. Disclosure

- 17 List the States with which a copy of this Form 990 is required to be filed: AZ
18 Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c) (3)s only) available for public inspection. Indicate how you made these available. Check all that apply. [] Own website [] Another's website [X] 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, address, and telephone number of the person who possesses the organization's books and records: ABILITY360'S FINANCE DEPT

5025 E WASHINGTON ST STE 200
PHOENIX, AZ 85034 (602) 296-0520

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

Check 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, or highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations

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

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

Check this box if 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) MARY SLAUGHTER PRESIDENT	1 50	X		X			0	0	0	
(2) BRAD WEMHANER VICE PRESIDENT	1 50	X		X			0	0	0	
(3) ANDREW REILLY SECRETARY	1 00	X		X			0	0	0	
(4) JAMES WINTERTON TREASURER	1 50	X		X			0	0	0	
(5) ASHLEY BIRDWELL DIRECTOR	0 50	X					0	0	0	
(6) ASIM DIETRICH DIRECTOR	0 50	X					0	0	0	
(7) GEORGE GARCIA DIRECTOR	0 50	X					0	0	0	
(8) F LEE JACQUETTE DIRECTOR	0 50	X					0	0	0	
(9) ASIM VARMA DIRECTOR	0 50	X					0	0	0	
(10) MICHAEL S SOMSAN DIRECTOR	0 50	X					0	0	0	
(11) JENNIFER BAYNHAM DIRECTOR	0 50	X					0	0	0	
(12) BRETT M HEISING DIRECTOR	0 50	X					0	0	0	
(13) THOMAS J MANCUSO DIRECTOR	0 50	X					0	0	0	
(14) SUSAN SCOTT DIRECTOR	0 50	X					0	0	0	

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

(A) Name and Title	(B) Average hours per week (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) EDWARD L MYERS III DIRECTOR	0 50	X					0	0	0	
(16) RODRIGO OLIVARES DIRECTOR	0 50	X					0	0	0	
(17) PHIL PANGRAZIO PRESIDENT & CEO	40 00			X			109,816	0	14,772	
(18) FENG CHIOU VP OF FINANCE	40 00			X			83,537	0	13,561	
(19) GWEN DEAN VP HOME CARE SERVICES	40 00					X	100,692	0	14,375	

1b Sub-Total			
c Total from continuation sheets to Part VII, Section A			
d Total (add lines 1b and 1c)	294,045	0	42,708

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 **2**

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

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization 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
WILLIAM FERRARA GEN CONTRACTOR 11456 E REMBRANDT AVE MESA, AZ 85212	CONSUMER'S HOME MODIFICATIONS	478,036
NOTHING BUT NET 4500 S LAKESHORE DRIVE SUITE 400 TEMPE, AZ 85282	IT NETWORK AND COMPUTERS	244,567

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 **2**

Part VIII Statement of Revenue

Check 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	80,697				
	b	Membership dues 1b					
	c	Fundraising events 1c					
	d	Related organizations 1d					
	e	Government grants (contributions) 1e	395,145				
	f	All other contributions, gifts, grants, and similar amounts not included above 1f	556,848				
	g	Noncash contributions included in lines 1a-1f \$					
	h	Total. Add lines 1a-1f		1,032,690			
Program Service Revenue	2a	PAS PROGRAM INCOME	623990	37,471,442	37,471,442		
	b	OTHER PROGRAMS	900099	2,500,499	2,500,499		
	c	PROGRAM RENTAL INCOME	900099	418,314	418,314		
	d						
	e						
	f	All other program service revenue					
	g	Total. Add lines 2a-2f		40,390,255			
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts)		61,360		61,360	
	4	Income from investment of tax-exempt bond proceeds					
	5	Royalties					
	6a	Gross rents	(i) Real	20,370			
			(ii) Personal				
			Less rental expenses	26,640			
			Rental income or (loss)	-6,270			
	d	Net rental income or (loss)		-6,270		-6,270	
	7a	Gross amount from sales of assets other than inventory	(i) Securities	2,923,508			
			(ii) Other				
			Less cost or other basis and sales expenses	1,394,068			
			Gain or (loss)	1,529,440			
	d	Net gain or (loss)		1,529,440		1,529,440	
	8a	Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c) See Part IV, line 18					
	b	Less direct expenses b					
c	Net income or (loss) from fundraising events						
9a	Gross income from gaming activities See Part IV, line 19						
b	Less direct expenses b						
c	Net income or (loss) from gaming activities						
10a	Gross sales of inventory, less returns and allowances						
b	Less cost of goods sold b						
c	Net income or (loss) from sales of inventory						
Miscellaneous Revenue		Business Code					
11a	SPECIAL PROJECTS	900099	63,986	63,986			
b	OTHER REVENUE	900099	20,134	20,134			
c							
d	All other revenue						
e	Total. Add lines 11a-11d		84,120				
12	Total revenue. See Instructions		43,091,595	40,474,375	0	1,584,530	

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 domestic organizations and domestic governments See Part IV, line 21				
2	Grants and other assistance to domestic individuals See Part IV, line 22				
3	Grants and other assistance to foreign organizations, foreign governments, and foreign individuals See Part IV, lines 15 and 16				
4	Benefits paid to or for members				
5	Compensation of current officers, directors, trustees, and key employees	228,871	155,694	60,339	12,838
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	31,135,040	30,479,825	565,215	90,000
8	Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	124,278	101,669	22,609	
9	Other employee benefits	1,027,839	861,510	166,329	
10	Payroll taxes	2,837,054	2,771,267	57,617	8,170
11	Fees for services (non-employees)				
a	Management				
b	Legal	9,149	855	8,294	
c	Accounting	33,299	32,966	333	
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)	53,866	53,866		
12	Advertising and promotion				
13	Office expenses	235,215	206,960	28,255	
14	Information technology	433,856	335,679	98,177	
15	Royalties				
16	Occupancy	576,762	512,742	64,020	
17	Travel	164,171	139,295	24,876	
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings	48,400	18,897	29,503	
20	Interest	429,078		429,078	
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	1,075,054	354,768	720,286	
23	Insurance	117,198	93,705	23,493	
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	OTHER EXPENSES	794,592	457,541	337,051	
b	HOME MODIFICATION COSTS	695,899	695,899		
c	PUBLIC RELATIONS/INFORM	123,655	32,297	91,358	
d	BAD DEBT EXPENSE	55,442	55,442		
e	All other expenses	15,338	41,978	-26,640	
25	Total functional expenses. Add lines 1 through 24e	40,214,056	37,402,855	2,700,193	111,008
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 <input type="checkbox"/> if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

Check if Schedule O contains a response or note to any line in this Part X

		(A)		(B)
		Beginning of year		End of year
Assets	1 Cash-non-interest-bearing	3,246,414	1	6,052,786
	2 Savings and temporary cash investments	4,139,350	2	7,169,302
	3 Pledges and grants receivable, net	188,794	3	100,000
	4 Accounts receivable, net	6,577,879	4	5,901,025
	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	87,269	9	97,176
	10a Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 42,338,621		
	b Less accumulated depreciation	10b 8,330,124	35,083,551	10c 34,008,497
	11 Investments—publicly traded securities	2,791,039	11	
	12 Investments—other securities See Part IV, line 11	679,107	12	697,795
	13 Investments—program-related See Part IV, line 11		13	
	14 Intangible assets	28,480	14	5,696
	15 Other assets See Part IV, line 11		15	
16 Total assets. Add lines 1 through 15 (must equal line 34)	52,821,883	16	54,032,277	
Liabilities	17 Accounts payable and accrued expenses	1,375,835	17	1,659,062
	18 Grants payable		18	
	19 Deferred revenue	105,449	19	112,155
	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	5,880,334	23	5,282,338
	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	705,165	25	490,588
	26 Total liabilities. Add lines 17 through 25	8,066,783	26	7,544,143
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	44,547,446	27	46,369,273
	28 Temporarily restricted net assets	207,654	28	118,861
	29 Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
33 Total net assets or fund balances	44,755,100	33	46,488,134	
34 Total liabilities and net assets/fund balances	52,821,883	34	54,032,277	

Part XI Reconciliation of Net Assets

Check 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	43,091,595
2	Total expenses (must equal Part IX, column (A), line 25)	2	40,214,056
3	Revenue less expenses Subtract line 2 from line 1	3	2,877,539
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	44,755,100
5	Net unrealized gains (losses) on investments	5	-1,386,638
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	242,133
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	46,488,134

Part XII Financial Statements and Reporting

Check 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 <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O		
2a Were the organization's financial statements compiled or reviewed by an independent accountant? 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 <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		No
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 <input type="checkbox"/> Separate basis <input checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	Yes	
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	Yes	
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?	Yes	
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	Yes	

Additional Data

Software ID:
Software Version:
EIN: 86-0486447
Name: ABILITY360 INC

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

(Code) (Expenses \$ 610,779 including grants of \$) (Revenue \$ 503,134)

TITLE VII PART C AND AMERICAN RECOVERY & REINVESTMENT ACT (ARRA) -THE SOCIALIZATION THROUGH RECREATION PROGRAM PROVIDED PROGRAMS AND ACTIVITIES FOR 79 NEW CONSUMERS, WITH A TOTAL OF 640 CONSUMERS SERVED VOLUNTEERS CONTRIBUTED 385 VOLUNTEER HOURS -THE REINTEGRATION PROGRAM ASSISTED 17 CONSUMERS IN LEAVING NURSING HOMES TO EXPERIENCE LESS RESTRICTIVE, MORE INDEPENDENT LIVING ARRANGEMENTS OUR EARLY INTERVENTION COORDINATOR CONTACTED 381 CONSUMERS THROUGH OUTREACH TO REHAB AND OTHER FACILITIES FOR THOSE WITH NEW INJURIES OR DISABILITIES AND ATTENDED 56 COMMUNITY OUTREACH MEETINGS, IMPACTING 869 -PEER MENTOR MATCHES WERE MADE FOR 27 NEWLY INJURED CONSUMERS, AND 184 VOLUNTEER HOURS WERE CONTRIBUTED TO THIS PROGRAM PEER MENTORS CONTRIBUTED 2,242 HOURS OF ONE-ON-ONE MENTORING AND ADVOCACY TO PERSONS WITH A VARIETY OF DISABILITIES MENTORS FACILITATED 17 GROUP MENTORING SESSIONS FOR 173 PARTICIPANTS ABILITY360 MAINTAINED A POOL OF 35 TRAINED PEER MENTORS THROUGHOUT THE YEAR, TRAINED 17 NEW PEER MENTOR VOLUNTEERS AND 15 NEW MENTEES WERE MATCHED WITH PEER MENTOR VOLUNTEERS GENERAL VOLUNTEERS DONATED 7,700 HOURS OF SERVICE TO ABILITY360 -OUR ADVOCACY SPECIALIST PROVIDED SERVICES TO 440 UNDUPLICATED INDIVIDUALS ABIL ALSO OFFERED 34 ADVOCACY RELATED WORKSHOPS FOR 378 PARTICIPANTS -IN LIGHT OF RECENT STATE BUDGET CUTS HAS LIMITED ABILITY360'S ABILITY TO MATCH THE OTHER 50% OF PART C FUND THE MATCH HAS FUNDED BY ARRA WHICH WILL PREVENT THE REDUCTION OF CORE SERVICE PROGRAMS AND POSITIONS THAT CURRENTLY SERVE PEOPLE WITH DISABILITIES IN MARICOPA COUNTY AND ALSO MAKE POSSIBLE ABILITY360'S GOAL OF PROVIDING INDEPENDENT LIVING SERVICES AND OUTREACH TO PINAL COUNTY

(Code) (Expenses \$ 339,553 including grants of \$) (Revenue \$ 356,700)

AES - ABIL EMPLOYMENT SERVICES -AES IS CONTRACTED BY SSA TO PROVIDE COMPREHENSIVE EMPLOYMENT SERVICES TO SSI/SSDI BENEFICIARIES UNDER THE TICKET TO WORK PROGRAM SINCE 2002 -AES SCREENED, COUNSELED OR INTERVIEWED 550 INDIVIDUALS FOR EMPLOYMENT SERVICES, AND PROVIDED 287 INDIVIDUALS WITH COMPREHENSIVE EMPLOYMENT SERVICES, WITH 243 BENEFICIARIES WORKING EITHER FULL OR PART TIME

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

(Code) (Expenses \$	2,193,182	including grants of \$) (Revenue \$	794,132)
OTHER PROGRAMS -ABILITY360'S THIS IS MY LIFE (TIML) PROGRAM PROVIDED 60 GROUP CLASSES ON SELF-ADVOCACY WITH 798 PARTICIPANTS AND 33 GROUP CLASSES ON SELF-DETERMINATION WITH 467 PARTICIPANTS TO CONSUMERS RECEIVING SERVICES THROUGH DDD -ABIL'S VGP SPORT & FITNESS CENTER (SPOFIT) PROGRAM HAD 1,400 MEMBERS WITH TOTAL VISITS OF 75,000 -IN PARTNERSHIP WITH THE ARIZONA CENTER FOR DISABILITY LAW (ACDL), ABIL HOSTED THE ANNUAL AFRICAN AMERICAN CONFERENCE ON DISABILITIES FOR 300 ATTENDEES -ABIL COLLABORATED WITH ITS PARTNERS TO PROVIDE THE ANNUAL HEALTH & WELLNESS FAIR FOR NEARLY 1,200 PEOPLE, FEATURING 85 VENDORS AND NUMEROUS PRESENTATIONS AND DEMONSTRATIONS -THE EMPOWERING YOUTH IN TRANSITIONS PROGRAM PROVIDED 95 INTERACTIVE PRESENTATIONS AND INDEPENDENT LIVING SKILLS WORKSHOPS FOR 1,086 YOUTH, THEIR FAMILIES AND TEACHERS -ABILITY360 STAFF MEMBERS CONDUCTED 89 PRESENTATIONS IN THE COMMUNITY TO MORE THAN 899 PEOPLE, PROVIDING EDUCATION AND TECHNICAL ASSISTANCE ON A WIDE VARIETY OF TOPICS AND INFORMATION -116 CONSUMERS RECEIVED 485 HOURS OF ONE-ON-ONE OPTIONS COUNSELING, IN PLANNING FOR THEIR QUALITY OF LIFE THROUGH ACCESSING A VARIETY OF TOOLS AND RESOURCES -ABIL'S VITA SITE WAS IN PARTNERSHIP WITH THE IRS, CITY OF PHOENIX AND VALLEY CENTER FOR THE DEAF AND 11 VOLUNTEERS WHO VOLUNTEERED 423 HOURS IN PROVIDING INCOME TAX SERVICES TO 149 ARIZONANS -ABIL'S INDEPENDENT LIVING SKILLS PROGRAM SERVED 67 NEW CONSUMERS AND FACILITATED 513 GROUP OR INDIVIDUAL IL SKILLS TRAINING SESSIONS					

SCHEDULE A
(Form 990 or 990EZ)

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.

2014

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Name of the organization
ABILITY360 INC

Employer identification number
86-0486447

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions.

The organization is not a private foundation because it is (For lines 1 through 11, check only one box)

- 1 A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i)**.
- 2 A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E)
- 3 A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4 A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state _____
- 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II)
- 6 A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II)
- 8 A community trust described in **section 170(b)(1)(A)(vi)** (Complete Part II)
- 9 An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2)**. (Complete Part III)
- 10 An organization organized and operated exclusively to test for public safety See **section 509(a)(4)**.
- 11 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2) See **section 509(a)(3)**. Check the box in lines 11a through 11d that describes the type of supporting organization and complete lines 11e, 11f, and 11g
 - a **Type I.** A supporting organization operated, supervised, or controlled by its supported organization(s), typically by giving the supported organization(s) the power to regularly appoint or elect a majority of the directors or trustees of the supporting organization **You must complete Part IV, Sections A and B.**
 - b **Type II.** A supporting organization supervised or controlled in connection with its supported organization(s), by having control or management of the supporting organization vested in the same persons that control or manage the supported organization(s) **You must complete Part IV, Sections A and C.**
 - c **Type III functionally integrated.** A supporting organization operated in connection with, and functionally integrated with, its supported organization(s) (see instructions) **You must complete Part IV, Sections A, D, and E.**
 - d **Type III non-functionally integrated.** A supporting organization operated in connection with its supported organization(s) that is not functionally integrated The organization generally must satisfy a distribution requirement and an attentiveness requirement (see instructions) **You must complete Part IV, Sections A and D, and Part V.**
 - e Check this box if the organization received a written determination from the IRS that it is a Type I, Type II, Type III functionally integrated, or Type III non-functionally integrated supporting organization
 - f Enter the number of supported organizations _____
 - g 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 listed in your governing document?		(v) Amount of monetary support (see instructions)	(vi) Amount of other support (see instructions)
			Yes	No		
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) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")	2,071,087	1,071,087	589,472	882,261	1,032,690	5,646,597
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3	2,071,087	1,071,087	589,472	882,261	1,032,690	5,646,597
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)						1,638,003
6 Public support. Subtract line 5 from line 4						4,008,594

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(f) Total
7 Amounts from line 4	2,071,087	1,071,087	589,472	882,261	1,032,690	5,646,597
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	340,435	157,960	167,161	156,075	81,730	903,361
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 VI)						
11 Total support. Add lines 7 through 10						6,549,958

12 Gross receipts from related activities, etc (see instructions) **12** 184,666,277

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 2014 (line 6, column (f) divided by line 11, column (f))	14	61.200 %
15 Public support percentage for 2013 Schedule A, Part II, line 14	15	78.160 %

16a 33 1/3% support test—2014. 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—2013. 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—2014. 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 VI how the organization meets the "facts-and-circumstances" test The organization qualifies as a publicly supported organization

b 10%-facts-and-circumstances test—2013. 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 VI 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) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(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) 2010	(b) 2011	(c) 2012	(d) 2013	(e) 2014	(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 VI.)						
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 2014 (line 8, column (f) divided by line 13, column (f))	15	
16 Public support percentage from 2013 Schedule A, Part III, line 15	16	

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2014 (line 10c, column (f) divided by line 13, column (f))	17	
18 Investment income percentage from 2013 Schedule A, Part III, line 17	18	

19a 33 1/3% support tests—2014. 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—2013. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization ▶

20 Private foundation. If the organization did not check a box on line 14, 19a, or 19b, check this box and see instructions ▶

Part IV Supporting Organizations

(Complete only if you checked a box on line 11 of Part I. If you checked 11a of Part I, complete Sections A and B. If you checked 11b of Part I, complete Sections A and C. If you checked 11c of Part I, complete Sections A, D, and E. If you checked 11d of Part I, complete Sections A and D, and complete Part V.)

Section A. All Supporting Organizations

	Yes	No
1 Are all of the organization's supported organizations listed by name in the organization's governing documents? If "No," describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.		
2 Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).		
3a Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? If "Yes," answer (b) and (c) below.		
b Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? If "Yes," describe in Part VI when and how the organization made the determination.		
c Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? If "Yes," explain in Part VI what controls the organization put in place to ensure such use.		
4a Was any supported organization not organized in the United States ("foreign supported organization")? If "Yes" and if you checked 11a or 11b in Part I, answer (b) and (c) below.		
b Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.		
c Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.		
5a Did the organization add, substitute, or remove any supported organizations during the tax year? If "Yes," answer (b) and (c) below (if applicable). Also, provide detail in Part VI, including (i) the names and EIN numbers of the supported organizations added, substituted, or removed, (ii) the reasons for each such action, (iii) the authority under the organization's organizing document authorizing such action, and (iv) how the action was accomplished (such as by amendment to the organizing document).		
b Type I or Type II only. Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		
c Substitutions only. Was the substitution the result of an event beyond the organization's control?		
6 Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (a) its supported organizations, (b) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (c) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? If "Yes," provide detail in Part VI .		
7 Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (defined in IRC 4958(c)(3)(C)), a family member of a substantial contributor, or a 35-percent controlled entity with regard to a substantial contributor? If "Yes," complete Part I of Schedule L (Form 990).		
8 Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? If "Yes," complete Part II of Schedule L (Form 990).		
9a Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? If "Yes," provide detail in Part VI .		
b Did one or more disqualified persons (as defined in line 9(a)) hold a controlling interest in any entity in which the supporting organization had an interest? If "Yes," provide detail in Part VI .		
c Did a disqualified person (as defined in line 9(a)) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? If "Yes," provide detail in Part VI .		
10a Was the organization subject to the excess business holdings rules of IRC 4943 because of IRC 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? If "Yes," answer b below.		
b Did the organization have any excess business holdings in the tax year? (Use Schedule C, Form 4720, to determine whether the organization had excess business holdings).		
11 Has the organization accepted a gift or contribution from any of the following persons?		
a A person who directly or indirectly controls, either alone or together with persons described in (b) and (c) below, the governing body of a supported organization?		
b A family member of a person described in (a) above?		
c A 35% controlled entity of a person described in (a) or (b) above? If "Yes" to a, b, or c, provide detail in Part VI.		

Part IV Supporting Organizations (continued)**Section B. Type I Supporting Organizations**

- 1** Did the directors, trustees, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's directors or trustees at all times during the tax year? *If "No," describe in Part VI how the supported organization(s) effectively operated, supervised, or controlled the organization's activities. If the organization had more than one supported organization, describe how the powers to appoint and/or remove directors or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax year.*
- 2** Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization? *If "Yes," explain in Part VI how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised or controlled the supporting organization.*

	Yes	No
1		
2		

Section C. Type II Supporting Organizations

- 1** Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)? *If "No," describe in Part VI how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s).*

	Yes	No
1		

Section D. All Type III Supporting Organizations

- 1** Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (1) a written notice describing the type and amount of support provided during the prior tax year, (2) a copy of the Form 990 that was most recently filed as of the date of notification, and (3) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided?
- 2** Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? *If "No," explain in Part VI how the organization maintained a close and continuous working relationship with the supported organization(s).*
- 3** By reason of the relationship described in (2), did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? *If "Yes," describe in Part VI the role the organization's supported organizations played in this regard.*

	Yes	No
1		
2		
3		

Section E. Type III Functionally-Integrated Supporting Organizations

- 1** Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (**see instructions**)
- a** The organization satisfied the Activities Test. Complete **line 2** below
- b** The organization is the parent of each of its supported organizations. Complete **line 3** below
- c** The organization supported a governmental entity. Describe in Part VI how you supported a government entity (see instructions)

2 Activities Test **Answer (a) and (b) below.**

- a** Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? *If "Yes," then in Part VI identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.*
- b** Did the activities described in (a) constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? *If "Yes," explain in Part VI the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.*

3 Parent of Supported Organizations **Answer (a) and (b) below.**

- a** Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? *Provide details in Part VI.*
- b** Did the organization exercise a substantial degree of direction over the policies, programs and activities of each of its supported organizations? *If "Yes," describe in Part VI the role played by the organization in this regard.*

	Yes	No
2a		
2b		
3a		
3b		

Part V – Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations

Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov 20, 1970. **See instructions.** All other Type III non-functionally integrated supporting organizations must complete Sections A through E.

Section A - Adjusted Net Income

	(A) Prior Year	(B) Current Year (optional)
1 Net short-term capital gain	1	
2 Recoveries of prior-year distributions	2	
3 Other gross income (see instructions)	3	
4 Add lines 1 through 3	4	
5 Depreciation and depletion	5	
6 Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	6	
7 Other expenses (see instructions)	7	
8 Adjusted Net Income (subtract lines 5, 6 and 7 from line 4)	8	

Section B - Minimum Asset Amount

	(A) Prior Year	(B) Current Year (optional)
1 Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year)	1	
a Average monthly value of securities	1a	
b Average monthly cash balances	1b	
c Fair market value of other non-exempt-use assets	1c	
d Total (add lines 1a, 1b, and 1c)	1d	
e Discount claimed for blockage or other factors (explain in detail in Part VI) _____		
2 Acquisition indebtedness applicable to non-exempt use assets	2	
3 Subtract line 2 from line 1d	3	
4 Cash deemed held for exempt use. Enter 1-1/2% of line 3 (for greater amount, see instructions)	4	
5 Net value of non-exempt-use assets (subtract line 4 from line 3)	5	
6 Multiply line 5 by .035	6	
7 Recoveries of prior-year distributions	7	
8 Minimum Asset Amount (add line 7 to line 6)	8	

Section C - Distributable Amount

		Current Year
1 Adjusted net income for prior year (from Section A, line 8, Column A)	1	
2 Enter 85% of line 1	2	
3 Minimum asset amount for prior year (from Section B, line 8, Column A)	3	
4 Enter greater of line 2 or line 3	4	
5 Income tax imposed in prior year	5	
6 Distributable Amount. Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions)	6	
7 <input type="checkbox"/> Check here if the current year is the organization's first as a non-functionally-integrated Type III supporting organization (see instructions)		

Section D - Distributions	Current Year
1 Amounts paid to supported organizations to accomplish exempt purposes	
2 Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	
3 Administrative expenses paid to accomplish exempt purposes of supported organizations	
4 Amounts paid to acquire exempt-use assets	
5 Qualified set-aside amounts (prior IRS approval required)	
6 Other distributions (describe in Part VI) See instructions	
7 Total annual distributions. Add lines 1 through 6	
8 Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI) See instructions	
9 Distributable amount for 2014 from Section C, line 6	
10 Line 8 amount divided by Line 9 amount	

Section E - Distribution Allocations (see instructions)	(i) Excess Distributions	(ii) Underdistributions Pre-2014	(iii) Distributable Amount for 2014
1 Distributable amount for 2014 from Section C, line 6			
2 Underdistributions, if any, for years prior to 2014 (reasonable cause required--see instructions)			
3 Excess distributions carryover, if any, to 2014			
a From 2009.			
b From 2010.			
c From 2011.			
d From 2012.			
e From 2013.			
f Total of lines 3a through e			
g Applied to underdistributions of prior years			
h Applied to 2014 distributable amount			
i Carryover from 2009 not applied (see instructions)			
j Remainder Subtract lines 3g, 3h, and 3i from 3f			
4 Distributions for 2014 from Section D, line 7 \$ _____			
a Applied to underdistributions of prior years			
b Applied to 2014 distributable amount			
c Remainder Subtract lines 4a and 4b from 4			
5 Remaining underdistributions for years prior to 2014, if any Subtract lines 3g and 4a from line 2 (if amount greater than zero, see instructions)			
6 Remaining underdistributions for 2014 Subtract lines 3h and 4b from line 1 (if amount greater than zero, see instructions)			
7 Excess distributions carryover to 2015. Add lines 3j and 4c			
8 Breakdown of line 7			
a From 2010.			
b From 2011.			
c From 2012.			
d From 2013.			
e From 2014.			

Part VI Supplemental Information. Provide the explanations required by Part II, line 10; Part II, line 17a or 17b; Part III, line 12; Part IV, Section A, lines 1, 2, 3b, 3c, 4b, 4c, 5a, 6, 9a, 9b, 9c, 11a, 11b, and 11c; Part IV, Section B, lines 1 and 2; Part IV, Section C, line 1; Part IV, Section D, lines 2 and 3; Part IV, Section E, lines 1c, 2a, 2b, 3a and 3b; Part V, line 1; Part V, Section B, line 1e; Part V Section D, lines 5, 6, and 8; and Part V, Section E, lines 2, 5, and 6. Also complete this part for any additional information. (See instructions).

Facts And Circumstances Test

Return Reference

Explanation

SCHEDULE D (Form 990)

Supplemental Financial Statements

OMB No 1545-0047

2014

Open to Public Inspection

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.

Department of the Treasury Internal Revenue Service

Name of the organization ABILITY360 INC

Employer identification number

86-0486447

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

Table with 2 columns: (a) Donor advised funds, (b) Funds and other accounts. Rows include: 1 Total number at end of year, 2 Aggregate value of contributions to (during year), 3 Aggregate value of grants from (during year), 4 Aggregate value at end of year, 5 Did the organization inform all donors...?, 6 Did the organization inform all grantees...?

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

Table with 2 columns: Description, Held at the End of the Year. Rows include: 1 Purpose(s) of conservation easements..., 2 Complete lines 2a through 2d..., 3 Number of conservation easements..., 4 Number of states..., 5 Does the organization have a written policy..., 6 Staff and volunteer hours..., 7 Amount of expenses..., 8 Does each conservation easement..., 9 In Part XIII, describe how the organization reports...

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

Table with 2 columns: Description, Amount. Rows include: 1a If the organization elected, as permitted under SFAS 116..., 1b If the organization elected, as permitted under SFAS 116..., 2 If the organization received or held works of art..., a Revenue included..., b Assets included...

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

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

- a** Public exhibition
- b** Scholarly research
- c** Preservation for future generations
- d** Loan or exchange programs
- e** Other

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

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? Yes No

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

	Amount
1c Beginning balance	
1d Additions during the year	
1e Distributions during the year	
1f Ending balance	

2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? 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
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the 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

	Yes	No
(i) unrelated organizations	3a(i)	
(ii) related organizations	3a(ii)	
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?	3b	

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

Part VI Land, 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		367,671		367,671
b Buildings		35,565,843	3,933,236	31,632,607
c Leasehold improvements		3,226,822	2,237,190	989,632
d Equipment		1,779,108	1,844,074	-64,966
e Other		1,399,177	315,624	1,083,553
Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				34,008,497

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		
Other		
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
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
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.

1 (a) Description of liability	(b) Book value
Federal income taxes	
INTEREST RATE SWAP LIABILITY	398,959
SPOFIT MEMBERSHIP SPONSORSHIPS	52,157
CHARITABLE GIFT ANNUITY	5,609
TENANT SECURITY DEPOSITS	25,760
OTHER LIABILITIES	8,103
Total. (Column (b) must equal Form 990, Part X, col (B) line 25)	490,588

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

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return Complete if the organization answered 'Yes' to Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements		1	41,689,619
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12			
a	Net unrealized gains (losses) on investments	2a	-1,386,638	
b	Donated services and use of facilities	2b		
c	Recoveries of prior year grants	2c		
d	Other (Describe in Part XIII)	2d	-41,978	
e	Add lines 2a through 2d			2e -1,428,616
3	Subtract line 2e from line 1			3 43,118,235
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1			
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a		
b	Other (Describe in Part XIII)	4b	-26,640	
c	Add lines 4a and 4b			4c -26,640
5	Total revenue Add lines 3 and 4c . (This must equal Form 990, Part I, line 12)			5 43,091,595

Part XII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return. Complete if the organization answered 'Yes' to Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements		1	39,956,585
2	Amounts included on line 1 but not on Form 990, Part IX, line 25			
a	Donated services and use of facilities	2a		
b	Prior year adjustments	2b		
c	Other losses	2c		
d	Other (Describe in Part XIII)	2d	-215,493	
e	Add lines 2a through 2d			2e -215,493
3	Subtract line 2e from line 1			3 40,172,078
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	41,978	
c	Add lines 4a and 4b			4c 41,978
5	Total expenses Add lines 3 and 4c . (This must equal Form 990, Part I, line 18)			5 40,214,056

Part XIII Supplemental Information

Provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, line 2, Part XI, lines 2d and 4b, and Part XII, lines 2d and 4b Also complete this part to provide any additional information

Return Reference	Explanation
PART XI, LINE 2D - OTHER ADJUSTMENTS	EXPENSES FOR ST CONTRACTS DEDUCTED FROM REVENUE ON FINANCIAL STATEMENTS - 41,978
PART XI, LINE 4B - OTHER ADJUSTMENTS	RENTAL EXPENSES -26,640
PART XII, LINE 2D - OTHER ADJUSTMENTS	RENTAL EXPENSES 26,640 CHANGE IN VALUE OF INTEREST RATE SWAP -242,133
PART XII, LINE 4B - OTHER ADJUSTMENTS	EXPENSES FOR ST CONTRACTS INCLUDED IN EXPENSES ON 990 41,978

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

2014

**Open to Public
Inspection**

Name of the organization
ABILITY360 INC

Employer identification number

86-0486447

Return Reference	Explanation
FORM 990, PART III, LINE 4A	PERSONAL ASSISTANCE SERVICES (PAS) -THE PERSONAL ASSISTANCE SERVICES (PAS) PROGRAM RECRUITS, SCREENS, TRAINS AND EMPLOYS PERSONAL ASSISTANTS WHO PROVIDE SERVICES TO THE ELDERLY AND PHYSICALLY DISABLED THAT HAVE QUALIFIED THROUGHOUT THE ARIZONA LONG TERM CARE SYSTEM (ALTCS) AND HAVE SELECTED EVERCARE, MERCY CARE AND BRIDGEWAY HEALTH PLANS ABILITY360 ALSO PROVIDES PAS TO NATIVE AMERICANS LIVING OFF THE RESERVATION WHO ARE QUALIFIED AND RECEIVING SERVICES THROUGH HCCCS/ALTCS AND NATIVE AMERICAN COMMUNITY HEALTH CENTERS IN ADDITION, ABIL PROVIDES PAS TO PERSONS WHO ARE DEVELOPMENTALLY DISABLED WHO HAVE QUALIFIED FOR LONG-TERM CARE SERVICES UNDER THE ARIZONA DEPARTMENT OF ECONOMIC SECURITY'S DIVISION OF DEVELOPMENTAL DISABILITIES (DDD) -PAS EMPLOYS OVER 2,362 PERSONAL ASSISTANTS THROUGHOUT MARICOPA, PIMA, PINAL AND GILA COUNTIES -PERSONAL ASSISTANCE SERVICES WERE PROVIDED TO 1,984 CONSUMERS THROUGH THE PAS PROGRAM

Return Reference	Explanation
FORM 990, PART III, LINE 4B	HOME MODIFICATION PROGRAMS -ABILITY 360 INCREASES HOME ACCESSIBILITY, INDEPENDENCE AND SAFETY FOR ALTCS MEMBERS LIVING WITH DISABILITIES LICENSED CONTRACTORS PROVIDE MODIFICATIONS SUCH AS WIDENING DOORWAYS, BUILDING RAMPS, INSTALLING GRAB BARS, RAISED TOILETS AND OTHER NEEDED STRUCTURAL MODIFICATIONS - ABILITY 360'S HOME MODIFICATION PROGRAM COMPLETED 35 ACCESSIBILITY PROJECTS THROUGH COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) CONTRACTS WITH FOUR VALLEY CITIES, INCLUDING PHOENIX, GLENDALE, MESA, PEORIA, SCOTTSDALE AND SURPRISE. AN ADDITIONAL 107 HOME MODIFICATIONS WERE COMPLETED FOR CONSUMERS ELIGIBLE FOR THE ALTCS PROGRAM THROUGH HEALTH PLAN MEMBERSHIP WITH MERCY CARE FOR A TOTAL OF 142 HOME MODIFICATIONS -ABIL REGULARLY PROVIDES PRESENTATIONS IN THE COMMUNITY ON THE FAIR HOUSING ACT TO CONSUMERS, PROPERTY MANAGERS, CITY OFFICIALS, ETC ENABLING CONSUMERS TO UNDERSTAND THEIR RIGHTS MAKES A HUGE DIFFERENCE IN AVOIDING ISOLATION AND INSTITUTIONALIZATION

Return Reference	Explanation
FORM 990, PART III, LINE 4C	SOCIAL SECURITY ADMINISTRATION'S AZ BENEFITS TO WORK (AZB2W) & BENEFIT OFFSET NATIONAL DEMONSTRATION (BOND) AND AHCCCS'S WORK INCENTIVE INFORMATION NETWORK (WIIN) -BENEFITS TO WORK ARIZONA ENROLLED 1409 TOTAL BENEFICIARIES INTO WIPA DURING THIS REPORTING PERIOD 417 WERE IN SERVICES AT THE END OF THIS REPORTING PERIOD AT THE END OF THIS REPORTING PERIOD, 130 BENEFICIARIES REPORTED EMPLOYMENT -WORK INCENTIVE INFORMATION NETWORK (WIIN) COMPLETED 184 CALCULATION SESSIONS THROUGH AZ DISABILITY BENEFITS 101 (DB101) WIIN COMPLETED 40 TRAININGS EDUCATING 994 SERVICE PROVIDERS ON WORK INCENTIVES AND DB101 -ABILITY360 OPERATES A BENEFITS OFFSET NATIONAL DEMONSTRATION PROJECT (BOND), ONE OF ONLY TEN PROGRAMS NATIONALLY OUR ADVOCACY UNIT PROVIDES WORK INCENTIVE COUNSELING (WIC) AND ABIL EMPLOYMENT SERVICES (AES) PROVIDES ENHANCED WORK INCENTIVE COUNSELING (EWIC) THAT ALSO PROVIDES COMPREHENSIVE EMPLOYMENT SERVICES TO PEOPLE ON SSDI UNDER THE BOND PROJECT, ABIL PROVIDED WORK INCENTIVES CONSULTATION TO 600 BENEFICIARIES ON SSDI, WITH 269 REPORTING EMPLOYMENT AND 40 NEWLY EMPLOYMENT

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 1	EXECUTIVE COMMITTEE THE EXECUTIVE COMMITTEE SHALL CONSIST OF THE FIVE OFFICERS CHAIR, VICE CHAIR, SECRETARY, TREASURER, AND PAST CHAIR THE EXECUTIVE COMMITTEE SHALL BE RESPONSIBLE FOR REVIEWS OF THEIR PRESIDENT & CEO'S PERFORMAMCE ANNUALY, MAKES DECISIONS FOR THE ORGANIZATION IN EMERGENCY SITUATIONS, PERFORM STRATEGY PLANNING, PERFORMS ETHICAL OVERSIGHT, PERFORMS OTHER DUTIES AS ASSIGNED BY THE BOARD

Return Reference	Explanation
FORM 990, PART VI, SECTION A, LINE 4	EFFECTIVE OCTOBER 1ST, 2015, ARIZONA BRIDGE TO INDEPENDENT LIVING (ABIL) WILL BE CHANGED ITS NAME AND DOING BUSINESS UNDER ITS NEW NAME, ABILITY360, INC ABILITY360, INC WILL STILL OPERATE AS A NONPROFIT, 501 C(3) CHARITABLE ORGANIZATION THE SAME AS BEFORE UNDER THE SAME BOARD OF DIRECTORS AND MANAGEMENT, AND WILL REMAIN AT ITS CURRENT ADDRESS THE CORPORATE ARTICLES OF AMENDMENT CHANGING THE NAME ARE ATTACHED TO THIS 990

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 11	THE FORM 990 IS REVIEWED AND APPROVED BY THE FINANCE COMMITTEE. AFTER THIS REVIEW AND APPROVAL, A COPY OF THE FORM 990 IS DISTRIBUTED TO THE COMPLETE BOARD PRIOR TO FILING

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 12C	<p>CONFLICTS OF INTEREST ARE INCONSISTENT WITH THE CORE VALUES OF ABILITY360, FKA ABIL. POTENTIAL CONFLICTS OF INTEREST INCLUDE, BUT ARE NOT LIMITED TO THE EMPLOYEE PERFORMING SERVICES FOR MONEY OR OTHER PERSONAL GAIN FOR ANY SUPPLIER OR VENDOR TO ABILITY360, THE EMPLOYEE'S FAMILY MEMBER PERFORMING SERVICES FOR MONEY OR OTHER PERSONAL GAIN FOR ANY SUPPLIER OR VENDOR TO ABILITY360, THE EMPLOYEE HAVING OWNERSHIP INTERESTS (SUCH AS STOCK) IN A SUPPLIER OR VENDOR TO ABILITY360, OR THE EMPLOYEE OWING MONEY (SUCH AS A LOAN) TO A SUPPLIER OR VENDOR TO ABILITY360. ALL EMPLOYEES ARE TO BE AWARE OF POTENTIAL CONFLICTS OF INTEREST. ALL EMPLOYEES ARE EXPECTED TO DISCLOSE ANY CONFLICTS OF INTEREST TO THEIR SUPERVISOR. WHENEVER AN EMPLOYEE HAS A QUESTION ABOUT A CONFLICT OF INTEREST, IT IS EXPECTED THAT THE EMPLOYEE WILL RAISE THIS ISSUE IMMEDIATELY WITH HIS/HER SUPERVISOR. ALL EMPLOYEES ARE EXPECTED TO GRACIOUSLY DECLINE GIFTS AND TICKETS TO EVENTS THAT ARE NOT OF A NOMINAL VALUE. EMPLOYEES WHO DELIBERATELY ENGAGE IN CONFLICTS OF INTEREST MAY BE DISCIPLINED UP TO AND INCLUDING TERMINATION OF EMPLOYMENT. THIS CONFLICT OF INTEREST POLICY IS COVERED IN THE ABILITY360 (FKA ABIL) PERSONNEL HANDBOOK AND IS ALSO APPLIED TO THE BOARD OF DIRECTORS.</p>

Return Reference	Explanation
FORM 990, PART VI, SECTION B, LINE 15	COMPENSATION FOR THE ORGANIZATION'S CEO, EXECUTIVE DIRECTOR, OR TOP MANAGEMENT OFFICIAL IS REVIEWED AND APPROVED BY THE BOARD OF DIRECTORS. COMPENSATION FOR OTHER OFFICERS OR KEY EMPLOYEES OF THE ORGANIZATION IS REVIEWED AND APPROVED BY THE EXECUTIVE DIRECTOR.

Return Reference	Explanation
FORM 990, PART VI, SECTION C, LINE 19	THE ORGANIZATION MAKES ITS GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, AND FINANCIAL STATEMENTS AVAILABLE TO THE PUBLIC UPON REQUEST

Return Reference	Explanation
FORM 990, PART IX, LINE 24E	ST CONTRACT EXPENSES PROGRAM SERVICE EXPENSES 41,978 MANAGEMENT AND GENERAL EXPENSES 0 FUNDRAISING EXPENSES 0 TOTAL EXPENSES 41,978 RECLASS RENTAL EXP TO PG 9 PROGRAM SERVICE EXPENSES 0 MANAGEMENT AND GENERAL EXPENSES -26,640 FUNDRAISING EXPENSES 0 TOTAL EXPENSES -26,640

Return Reference	Explanation
FORM 990, PART XI, LINE 9	CHANGE IN VALUE OF INTEREST RATE SWAP 242,133

Return Reference	Explanation
FORM 990, PART XII, LINE 2C	THE FINANCE COMMITTEE HAS RESPONSIBILITY FOR OVERSIGHT OF THE AUDIT OF THE FINANCIAL STATEMENTS. THE FINANCE COMMITTEE CONSISTS OF THE EXECUTIVE DIRECTOR AND 5 BOARD MEMBERS, WHO REVIEW QUARTERLY FINANCIAL STATEMENTS, ANNUAL BUDGET, AND ANNUAL AUDIT BEFORE INFORMATION IS SUBMITTED TO THE BOARD. FINANCE COMMITTEE ALSO SELECTS AN INDEPENDENT ACCOUNTANT FOR THE ANNUAL FINANCIAL AUDIT. THE PROCESS OF OVERSIGHT OF FINANCIAL STATEMENTS, AUDIT AND SELECTION OF AN INDEPENDENT ACCOUNTANT HAS NOT CHANGED FROM THE PRIOR YEAR.

**SCHEDULE R
(Form 990)**

Related Organizations and Unrelated Partnerships

OMB No 1545-0047

2014

**Open to Public
Inspection**

▶ **Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.
▶ Attach to Form 990.**
▶ **Information about Schedule R (Form 990) and its instructions is at www.irs.gov/form990.**

Department of the Treasury
Internal Revenue Service

Name of the organization
ABILITY360 INC

Employer identification number

86-0486447

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

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1) ABILITY360 DEVELOPMENT LLC 5025 E WASHINGTON STSTE 200 PHOENIX, AZ 85034 20-8379903	LEASING SPACE MAINLY TO NON-PROFIT ORGANIZATIONS	AZ	416,600	22,289,249	ABILITY360 INC

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No

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

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

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end- of-year assets	(h) Percentage ownership	(i) Section 512 (b)(13) controlled entity?	
								Yes	No

Part V Transactions With Related Organizations Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35b, or 36.

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

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

- a** Receipt of **(i)** interest, **(ii)** annuities, **(iii)** royalties, or **(iv)** rent from a controlled entity
- b** Gift, grant, or capital contribution to related organization(s)
- c** Gift, grant, or capital contribution from related organization(s)
- d** Loans or loan guarantees to or for related organization(s)
- e** Loans or loan guarantees by related organization(s)

- f** Dividends from related organization(s)
- g** Sale of assets to related organization(s)
- h** Purchase of assets from related organization(s)
- i** Exchange of assets with related organization(s)
- j** Lease of facilities, equipment, or other assets to related organization(s)

- k** Lease of facilities, equipment, or other assets from related organization(s)
- l** Performance of services or membership or fundraising solicitations for related organization(s)
- m** Performance of services or membership or fundraising solicitations by related organization(s)
- n** Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)
- o** Sharing of paid employees with related organization(s)

- p** Reimbursement paid to related organization(s) for expenses
- q** Reimbursement paid by related organization(s) for expenses

- r** Other transfer of cash or property to related organization(s)
- s** Other transfer of cash or property from related organization(s)

	Yes	No
1a		
1b		
1c		
1d		
1e		
1f		
1g		
1h		
1i		
1j		
1k		
1l		
1m		
1n		
1o		
1p		
1q		
1r		
1s		

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

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved

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

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

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(e) Are all partners section 501(c)(3) organizations?		(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
				Yes	No			Yes	No		Yes	No	

Part VII **Supplemental Information**

Provide additional information for responses to questions on Schedule R (see instructions)

Return Reference**Explanation**