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Form **990**

Return of Organization Exempt From Income Tax

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

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

Department of the Treasury
Internal Revenue Service

OMB No 1545-0047

2005

Open to Public Inspection

A For the 2005 calendar year, or tax year beginning 07-01-2005 and ending 06-30-2006

B Check if applicable
☐ Address change
☐ Name change
☐ Initial return
☐ Final return
☐ Amended return
☐ Application pending

Please use IRS label or print or type. See Specific Instructions.

C Name of organization
CORNERSTONE COMMUNITY OUTREACH

Number and street (or P O box if mail is not delivered to street address) | Room/suite
920 W WILSON

City or town, state or country, and ZIP + 4
CHICAGO, IL 60640

D Employer identification number
36-3670992

E Telephone number
(773) 506-4904

F Accounting method ☐ Cash ☑ Accrual
☐ Other (specify) ▶

● **Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).**

H and I are not applicable to section 527 organizations
H(a) Is this a group return for affiliates? ☐ Yes ☑ No
H(b) If "Yes" enter number of affiliates ▶
H(c) Are all affiliates included? ☐ Yes ☐ No
(If "No," attach a list See instructions)
H(d) Is this a separate return filed by an organization covered by a group ruling? ☐ Yes ☑ No

G Web site: ▶ wwwccolifeorg

J Organization type (check only one) ▶ ☑ 501(c) (3) ◀ (insert no) ☐ 4947(a)(1) or ☐ 527

I Group Exemption Number ▶

K Check here ▶ ☐ if the organization's gross receipts are normally not more than $25,000 The organization need not file a return with the IRS, but if the organization received a Form 990 Package in the mail, it should file a return without financial data **Some states require a complete return.**

M Check ▶ ☐ if the organization is **not** required to attach Sch B (Form 990, 990-EZ, or 990-PF)

L Gross receipts Add lines 6b, 8b, 9b, and 10b to line 12 ▶ 1,895,727

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See the instructions.)

Revenue

1	Contributions, gifts, grants, and similar amounts received				
a	Direct public support	1a	900,407		
b	Indirect public support	1b			
c	Government contributions (grants)	1c	979,225		
d	**Total** (add lines 1a through 1c) (cash $ 1,806,488 noncash $ 73,144)			1d	1,879,632
2	Program service revenue including government fees and contracts (from Part VII, line 93)			2	16,095
3	Membership dues and assessments			3	
4	Interest on savings and temporary cash investments			4	
5	Dividends and interest from securities			5	
6a	Gross rents	6a			
b	Less rental expenses	6b			
c	Net rental income or (loss) (subtract line 6b from line 6a)			6c	
7	Other investment income (describe ▶)			7	

		(A) Securities		(B) Other
8a	Gross amount from sales of assets other than inventory		8a	
b	Less cost or other basis and sales expenses		8b	
c	Gain or (loss) (attach schedule)		8c	

d	Net gain or (loss) (combine line 8c, columns (A) and (B))			8d	
9	Special events and activities (attach schedule) If any amount is from **gaming**, check here ▶ ☐				
a	Gross revenue (not including $ ______ of contributions reported on line 1a)	9a			
b	Less direct expenses other than fundraising expenses	9b			
c	Net income or (loss) from special events (subtract line 9b from line 9a)			9c	
10a	Gross sales of inventory, less returns and allowances	10a			
b	Less cost of goods sold	10b			
c	Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)			10c	
11	Other revenue (from Part VII, line 103)			11	
12	**Total revenue** (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)			12	1,895,727

Expenses

13	Program services (from line 44, column (B))	13	2,063,435
14	Management and general (from line 44, column (C))	14	207,369
15	Fundraising (from line 44, column (D))	15	8,608
16	Payments to affiliates (attach schedule)	16	
17	**Total expenses** (add lines 16 and 44, column (A))	17	2,279,412

Net Assets

18	Excess or (deficit) for the year (subtract line 17 from line 12)	18	-383,685
19	Net assets or fund balances at beginning of year (from line 73, column (A))	19	413,812
20	Other changes in net assets or fund balances (attach explanation)	20	15,444
21	Net assets or fund balances at end of year (combine lines 18, 19, and 20)	21	45,571

Part II **Statement of Functional Expenses** All organizations must complete column (A) Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others (See the instructions)

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22 Grants and allocations (attach schedule) (cash $ ______ noncash $ ______) If this amount includes foreign grants, check here ▶ ☐	**22**				
23 Specific assistance to individuals (attach schedule)	**23**				
24 Benefits paid to or for members (attach schedule)	**24**				
25 Compensation of officers, directors, etc	**25**	69,450	68,756	694	
26 Other salaries and wages	**26**	691,490	644,756	46,734	
27 Pension plan contributions	**27**				
28 Other employee benefits	**28**	299,351	270,974	28,377	
29 Payroll taxes	**29**	79,378	71,779	7,599	
30 Professional fundraising fees	**30**				
31 Accounting fees	**31**	19,459		19,459	
32 Legal fees	**32**				
33 Supplies	**33**	62,308	46,475	15,397	436
34 Telephone	**34**	33,279	32,615	662	2
35 Postage and shipping	**35**	3,157	1,189	160	1,808
36 Occupancy	**36**	118,564	118,553		11
37 Equipment rental and maintenance	**37**	85,272	83,467	1,802	3
38 Printing and publications	**38**	3,542			3,542
39 Travel	**39**	12,345	12,181	164	
40 Conferences, conventions, and meetings	**40**	4,868	1,390	3,478	
41 Interest	**41**	249,331	241,854	6,773	704
42 Depreciation, depletion, etc (attach schedule)	**42**	172,068	168,177	1,791	2,100
43 Other expenses not covered above (itemize)					
a DUES AND SUBSCRIPTIONS	**43a**	9,011	2,808	6,203	
b INSURANCE	**43b**	67,841	58,014	9,825	2
c BANK FEES	**43c**	47,280		47,280	
d SENIOR RENT SUBSIDY	**43d**	116,825	116,825		
e FOOD	**43e**	98,838	95,833	3,005	
f MISCELLANEOUS	**43f**	4,575	221	4,354	
g CLIENT ASSISTANCE	**43g**	31,180	27,568	3,612	
44 **Total functional expenses.** Add lines 22 through 43 (Organizations completing columns (B)-(D), carry these totals to lines 13–15)	**44**	2,279,412	2,063,435	207,369	8,608

Joint Costs. Check ▶ ☐ if you are following SOP 98-2

Are any joint costs from a combined educational campaign and fundraising solicitation reported in **(B)** Program services? ▶ ☐ **Yes** ☐ **No**

If "Yes," enter **(i)** the aggregate amount of these joint costs $ ______, **(ii)** the amount allocated to Program services $ ______, **(iii)** the amount allocated to Management and general $, and **(iv)** the amount allocated to Fundraising $

Part III Statement of Program Service Accomplishments (See the instructions.)

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization How the public perceives an organization in such cases may be determined by the information presented on its return Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments

		Program Service Expenses (Required for 501(c)(3) and (4) orgs , and 4947(a)(1) trusts, but optional for others)
	What is the organization's primary exempt purpose? ▶ IMPROVE THE QUALITY OF LIFE FOR DISADVANTAGED, DISPLACED AND UNDER- PRIVILEGED PEOPLE IN THE UPTOWN NEIGHBORHOOD OF CHICAGO All organizations must describe their exempt purpose achievements in a clear and concise manner State the number of clients served, publications issued, etc Discuss achievements that are not measurable (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others)	
a	TRANSITIONAL & EMERGENCY SHELTERS-PROVIDE FAMILIES WITH UP TO 120 DAYS OF SHELTER & SERVICES INCLUDING MEALS, COUNSELING, CLOTHING, JOB TRAINING, DAYCARE & LIFE SKILL TRAINING SERVES 75 PEOPLE DAILY & 340 ANNUALLY (Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	1,109,215
b	SECOND STAGE HOUSING - OFFERS 18 SINGLE HOMELESS MOTHERS AND THEIR CHILDREN ONE YEAR OF HOUSING IN 2-3 BEDROOM APARTMENTS PROVIDES SELF-SUFFICIANCYTRAINING AND PERMANENT HOUSING ASSISTANCE (Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	199,077
c	WARMING CENTERS-PROVIDE EVENING ACCOMODATIONS & MEALS TO SINGLE HOMELESS ADULTS SERVES APPROXIMATELY 100 MEN AND 100 WOMEN DAILY (Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	224,504
d	OTHER PROGRAMS INCLUDE COMPUTER & LIFE SKILLS A FREE STORE SUBSIDIZEDSENIOR HOUSING BROTHAS & SISTASWHICH PROVIDES AFTER SCHOOL ACTIVITIES & TUTORING FOR AREA YOUTH AND CHILD CARE (Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	530,639
e	Other program services (attach schedule) (Grants and allocations $) If this amount includes foreign grants, check here ▶ ☐	
f	**Total of Program Service Expenses** (should equal line 44, column (B), Program services) . . . . ▶	2,063,435

Part IV Balance Sheets (See the instructions.)

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.			(A) Beginning of year		(B) End of year
Assets					
45 Cash—non-interest-bearing			685	45	8,159
46 Savings and temporary cash investments			18,602	46	
47a Accounts receivable	47a	13,885			
b Less allowance for doubtful accounts	47b		11,118	47c	13,885
48a Pledges receivable	48a	37,000			
b Less allowance for doubtful accounts	48b		93,100	48c	37,000
49 Grants receivable			206,578	49	111,902
50 Receivables from officers, directors, trustees, and key employees (attach schedule)				50	
51a Other notes and loans receivable (attach schedule)	51a				
b Less allowance for doubtful accounts	51b			51c	
52 Inventories for sale or use				52	
53 Prepaid expenses and deferred charges				53	2,752
54 Investments—securities (attach schedule) ▶ ☐ Cost ☐ FMV				54	
55a Investments—land, buildings, and equipment basis	55a				
b Less accumulated depreciation (attach schedule)	55b			55c	
56 Investments—other (attach schedule)				56	
57a Land, buildings, and equipment basis	57a	5,203,646			
b Less accumulated depreciation (attach schedule)	57b	1,405,814	3,968,333	57c	3,797,832
58 Other assets (describe ▶ ______)			44,811	58	47,595
59 **Total assets** (must equal line 74) Add lines 45 through 58			4,343,227	59	4,019,125
Liabilities					
60 Accounts payable and accrued expenses			215,319	60	324,230
61 Grants payable				61	
62 Deferred revenue				62	
63 Loans from officers, directors, trustees, and key employees (attach schedule)				63	
64a Tax-exempt bond liabilities (attach schedule)				64a	
b Mortgages and other notes payable (attach schedule)			2,854,298	64b	2,808,702
65 Other liabilities (describe ▶ ______)			859,798	65	840,622
66 **Total liabilities** Add lines 60 through 65			3,929,415	66	3,973,554
Net Assets or Fund Balances					
Organizations that follow SFAS 117, check here ▶ ☑ and complete lines 67 through 69 and lines 73 and 74					
67 Unrestricted			381,727	67	45,571
68 Temporarily restricted			32,085	68	
69 Permanently restricted				69	
Organizations that do not follow SFAS 117, check here ▶ ☐ and complete lines 70 through 74					
70 Capital stock, trust principal, or current funds				70	
71 Paid-in or capital surplus, or land, building, and equipment fund				71	
72 Retained earnings, endowment, accumulated income, or other funds				72	
73 **Total net assets or fund balances** (add lines 67 through 69 **or** lines 70 through 72, column (A) **must** equal line 19, column (B) **must** equal line 21)			413,812	73	45,571
74 **Total liabilities and net assets / fund balances** Add lines 66 and 73			4,343,227	74	4,019,125

Part IV-A **Reconciliation of Revenue per Audited Financial Statements With Revenue per Return** *(See the instructions.)*

a	Total revenue, gains, and other support per audited financial statements			a	1,895,727
b	Amounts included on line **a** but not on line 12				
1	Net unrealized gains on investments	b1			
2	Donated services and use of facilities	b2			
3	Recoveries of prior year grants	b3			
4	Other (specify)	b4			
	Add lines **b1** through **b4**			b	
c	Subtract line **b** from line **a**			c	1,895,727
d	Amounts included on line 12, but not on line **a**				
1	Investment expenses not included on line 6b	d1			
2	Other (specify)	d2			
	Add lines **d1** and **d2**			d	
e	**Total revenue** (line 12) Add lines **c** and **d** ▶			e	1,895,727

Part IV-B **Reconciliation of Expenses per Audited Financial Statements With Expenses per Return**

a	Total expenses and losses per audited financial statements			a	2,279,412
b	Amounts included on line **a** but not on line 17				
1	Donated services and use of facilities	b1			
2	Prior year adjustments reported on line 20	b2			
3	Losses reported on line 20	b3			
4	Other (specify)	b4			
	Add lines **b1** through **b4**			b	
c	Subtract line **b** from line **a**			c	2,279,412
d	Amounts included on line 17, but not on line **a:**				
1	Investment expenses not included on line 6b	d1			
2	Other (specify)	d2			
	Add lines **d1** and **d2**			d	
e	**Total expenses** (line 17) Add lines **c** and **d** ▶			e	2,279,412

Part V-A **Current Officers, Directors, Trustees, and Key Employees** (List each person who was an officer, director, trustee, or key employee at any time during the year even if they were not compensated.) *(See the instructions.)*

(A) Name and address	**(B)** Title and average hours per week devoted to position	**(C)** Compensation **(If not paid, enter -0-.)**	**(D)** Contributions to employee benefit plans & deferred compensation plans	**(E)** Expense account and other allowances
See Additional Data Table				

Part V-A Current Officers, Directors, Trustees, and Key Employees *(continued)*

			Yes	No
75a	Enter the total number of officers, directors, and trustees permitted to vote on organization business at board meetings ▶ 12			
b	Are any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, related to each other through family or business relationships? If "Yes," attach a statement that identifies the individuals and explains the relationship(s)	75b		No
c	Do any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, receive compensation from any other organizations, whether tax exempt or taxable, that are related to this organization through common supervision or common control?	75c		No
	Note. Related organizations include section 509(a)(3) supporting organizations If "Yes," attach a statement that identifies the individuals, explains the relationship between this organization and the other organization(s), and describes the compensation arrangements, including amounts paid to each individual by each related organization			
d	Does the organization have a written conflict of interest policy?	75d	Yes	

Part V-B Former Officers, Directors, Trustees, and Key Employees That Received Compensation or Other Benefits (If any former officer, director, trustee, or key employee received compensation or other benefits (described below) during the year, list that person below and enter the amount of compensation or other benefits in the appropriate column. See the instructions.)

(A) Name and address	**(B)** Loans and Advances	**(C)** Compensation	**(D)** Contributions to employee benefit plans and deferred compensation plans	**(E)** Expense account and other allowances

Part VI Other Information *(See the instructions.)*

			Yes	No
76	Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity	76		No
77	Were any changes made in the organizing or governing documents but not reported to the IRS?	77		No
	If "Yes," attach a conformed copy of the changes			
78a	Did the organization have unrelated business gross income of $1,000 or more during the year covered by this return?	78a		No
b	If "Yes," has it filed a tax return on **Form 990-T** for this year?	78b		
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement	79		No
80a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc , to any other exempt or nonexempt organization?	80a	Yes	
b	If "Yes," enter the name of the organization ▶ See Additional Data Table and check whether it is ☐ exempt **or** ☐ nonexempt			
81a	Enter direct or indirect political expenditures (See line 81 instructions) **81a**			
b	Did the organization file **Form 1120-POL** for this year?	81b		No

Part VI Other Information *(continued)*

			Yes	No
82a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	**82a**		No
b	If "Yes," you may indicate the value of these items here Do not include this amount as revenue in Part I or as an expense in Part II (See instructions in Part III) **82b**			
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	**83a**	Yes	
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	**83b**	Yes	
84a	Did the organization solicit any contributions or gifts that were not tax deductible?	**84a**		No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	**84b**		
85	*501(c)(4), (5), or (6) organizations.* **a** Were substantially all dues nondeductible by members?	**85a**		
b	Did the organization make only in-house lobbying expenditures of $2,000 or less?	**85b**		
	If "Yes," was answered to either 85a or 85b, **do not** complete 85c through 85h below unless the organization received a waiver for proxy tax owed the prior year			
c	Dues assessments, and similar amounts from members **85c**			
d	Section 162(e) lobbying and political expenditures **85d**			
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices **85e**			
f	Taxable amount of lobbying and political expenditures (line 85d less 85e) **85f**			
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	**85g**		
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	**85h**		
86	*501(c)(7) orgs.* Enter **a** Initiation fees and capital contributions included on line 12 **86a**			
b	Gross receipts, included on line 12, for public use of club facilities **86b**			
87	*501(c)(12) orgs.* Enter **a** Gross income from members or shareholders **87a**			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them) **87b**			
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? If "Yes," complete Part IX	**88**		No
89a	*501(c)(3) organizations* Enter Amount of tax imposed on the organization during the year under section 4911 ▶ , section 4912 ▶ , section 4955 ▶			
b	*501(c)(3) and 501(c)(4) orgs.* Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction	**89b**		No

c Enter Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 ▶

d Enter Amount of tax on line 89c, above, reimbursed by the organization ▶

90a List the states with which a copy of this return is filed ▶ IL

b Number of employees employed in the pay period that includes March 12, 2005 (See instructions) **90b** 31

91a The books are in care of ▶ CURT MORTIMER Telephone no ▶ (773) 506-4904

Located at ▶ 4615 N CLIFTON CHICAGO, IL ZIP + 4 ▶ 60640

			Yes	No
b	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	**91b**		No
	If "Yes," enter the name of the foreign country ▶			
	See the instructions for exceptions and filing requirements for **Form TD F 90-22.1**, Report of Foreign Bank and Financial Accounts			
c	At any time during the calendar year, did the organization maintain an office outside of the United States?	**91c**		No
	If "Yes," enter the name of the foreign country ▶			

92 *Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of* ***Form 1041***—Check here ▶ ☐

and enter the amount of tax-exempt interest received or accrued during the tax year ▶ **92**

Part VII Analysis of Income-Producing Activities (See the instructions.)

Note: *Enter gross amounts unless otherwise indicated.*

	Unrelated business income (A) Business code	(B) Amount	Excluded by section 512, 513, or 514 (C) Exclusion code	(D) Amount	(E) Related or exempt function income
93 Program service revenue					
a CLIENT FEES					16,095
b					
c					
d					
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments					
96 Dividends and interest from securities					
97 Net rental income or (loss) from real estate					
a debt-financed property					
b non debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue **a**					
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))					16,095

105 Total (add line 104, columns (B), (D), and (E)) ▶ 16,095

Note: *Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I.*

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See the instructions.)

Line No. ▼	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes)
93A	CLIENT FEES RECEIVED IN EXCHANGE FOR CLOTHING, SHELTER AND FOOD FEES BASED ON ABILITY TO PAY, NO INDIVIDUAL IS REFUSED SERVICE BASED ON INABILITY TO PAY FEE

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See the instructions.)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
	%			
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See the instructions.)

(a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? ☐ **Yes** ☑ **No**

(b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? ☐ **Yes** ☑ **No**

NOTE: *If "Yes" to **(b)**, file Form 8870 **and** Form 4720 (see instructions).*

Please Sign Here

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

****** 2007-05-08
Signature of officer Date

CURT MORTIMER PRESIDENT
Type or print name and title

Paid Preparer's Use Only

Preparer's signature ▶ HUGH J AHERN CPA	Date 2007-05-08	Check if self-empolyed ▶ ☐	Preparer's SSN or PTIN (See Gen Inst W)
Firm's name (or yours if self-employed), address, and ZIP + 4 ▶ DESMOND & AHERN LTD 10827 S WESTERN AVENUE CHICAGO, IL 606433206			EIN ▶ Phone no ▶ (773) 779-4720

SCHEDULE A (Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Organization Exempt Under Section 501(c)(3)

(Except Private Foundation) and Section 501(e), 501(f), 501(k), 501(n), or 4947(a)(1) Nonexempt Charitable Trust

Supplementary Information—(See separate instructions.)

▶ **MUST be completed by the above organizations and attached to their Form 990 or 990-EZ**

OMB No 1545-0047

2005

Name of the organization
CORNERSTONE COMMUNITY OUTREACH

Employer identification number
36-3670992

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees

(See page 1 of the instructions. List each one. If there are none, enter "None.")

(a) Name and address of each employee paid more than $50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
None				
Total number of other employees paid over $50,000 ▶				

Part II-A Compensation of the Five Highest Paid Independent Contractors for Professional Services

(See page 2 of the instructions. List each one (whether individual or firms). If there are none, enter "None.")

(a) Name and address of each independent contractor paid more than $50,000	(b) Type of service	(c) Compensation
None		
Total number of others receiving over $50,000 for professional services ▶		

Part II-B Compensation of the Five Highest Paid Independent Contractors for Other Services

(List each contractor who performed services other than professional services, whether individual or firms. If there are none, enter "None". See page X for instructions.)

(a) Name and address of each independent contractor paid more than $50,000	(b) Type of service	(c) Compensation
None		
Total number of other contractors receiving over $50,000 for other services ▶		

Part III Statements About Activities (See page 2 of the instructions.)

			Yes	No
1	During the year, has the organization attempted to influence national, state, or local legislation, include any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ▶$ ____________ (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B)	1		No
	Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A Other organizations checking "Yes" must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities			
2	During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? *(If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)*			
a	Sale, exchange, or leasing property?	2a		No
b	Lending of money or other extension of credit?	2b		No
c	Furnishing of goods, services, or facilities?	2c		No
d	Payment of compensation (or payment or reimbursement of expenses if more than $1,000)?	2d	Yes	
e	Transfer of any part of its income or assets?	2e		No
3a	Do you make grants for scholarships, fellowships, student loans, etc ? (If "Yes," attach an explanation of how you determine that recipients qualify to receive payments)	3a		No
b	Do you have a section 403(b) annuity plan for your employees?	3b		No
c	During the year, did the organization receive a contribution of qualified real property interest under section 170(h)?	3c		No
4a	Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds?	4a		No
b	Do you provide credit counseling, debt management, credit repair, or debt negotiation services?	4b		No

Part IV Reason for Non-Private Foundation Status (See pages 3 through 6 of the instructions.)

The organization is not a private foundation because it is (Please check only **ONE** applicable box)

5 ☐ A church, convention of churches, or association of churches Section 170(b)(1)(A)(i)

6 ☐ A school Section 170(b)(1)(A)(ii) (Also complete Part V)

7 ☐ A hospital or a cooperative hospital service organization Section 170(b)(1)(A)(iii)

8 ☐ A Federal, state, or local government or governmental unit Section 170(b)(1)(A)(v)

9 ☐ A medical research organization operated in conjunction with a hospital Section 170(b)(1)(A)(iii) **Enter the hospital's name, city, and state** ▶ ____________

10 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit Section 170(b)(1)(A)(iv) (Also complete the **Support Schedule** in Part IV-A)

11a ☑ An organization that normally receives a substantial part of its support from a governmental unit or from the general public Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV-A)

11b ☐ A community trust Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV-A)

12 ☐ An organization that normally receives **(1) more than 331/3%** of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc , functions—subject to certain exceptions, and **(2) no more than 331/3%** 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) (Also complete the **Support Schedule** in Part IV-A)

13 ☐ An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in **(1)** lines 5 through 12 above, or **(2)** sections 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2) Check the box that describes the type of supporting organization ▶ ☐ Type 1 ☐ Type 2 ☐ Type 3

Provide the following information about the supported organizations (see page 5 of the instructions)

(a) Name(s) of supported organization(s)	**(b)** Line number from above

14 ☐ An organization organized and operated to test for public safety Section 509(a)(4) (See page 5 of the instructions)

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12) ***Use cash method of accounting.***

Note: *You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.*

	Calendar year (or fiscal year beginning in) ▶	(a) 2004	(b) 2003	(c) 2002	(d) 2001	(e) Total
15	Gifts, grants, and contributions received (Do not include unusual grants See line 28)	2,107,367	2,316,197	2,063,968	2,086,409	8,573,941
16	Membership fees received					0
17	Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc , purpose	8,475	8,944	12,489	21,706	51,614
18	Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975			1,257		1,257
19	Net income from unrelated business activities not included in line 18					0
20	Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					0
21	The value of services or facilities furnished to the organization by a governmental unit without charge Do not include the value of services or facilities generally furnished to the public without charge					0
22	Other income Attach a schedule Do not include gain or (loss) from sale of capital assets					0
23	Total of lines 15 through 22	2,115,842	2,325,141	2,077,714	2,108,115	8,626,812
24	Line 23 minus line 17	2,107,367	2,316,197	2,065,225	2,086,409	8,575,198
25	Enter 1% of line 23	21,158	23,251	20,777	21,081	

26 **Organizations described on lines 10 or 11:** **a** Enter 2% of amount in column (e), line 24 ▶ **26a** 171,504

b Prepare a list for your records to show the name and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2001 through 2004 exceeded the amount shown in line 26a **Do not file this list with your return.** Enter the total of all these excess amounts ▶ **26b** 0

c Total support for section 509(a)(1) test Enter line 24, column (e) ▶ **26c** 8,575,198

d Add Amounts from column (e) for lines 18 1,257 19 0
22 ____ 26b 0 ▶ **26d** 1,257

e Public support (line 26c minus line 26d total) ▶ **26e** 8,573,941

f **Public support percentage (line 26e (numerator) divided by line 26c (denominator))** ▶ **26f** 9998 53 %

27 **Organizations described on line 12:** **a** For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person " **Do not file this list with your return.** Enter the sum of such amounts for each year
(2004) ____ (2003) ____ (2002) ____ (2001) ____

b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the **larger** of **(1)** the amount on line 25 for the year or **(2)** $5,000 (Include in the list organizations described in lines 5 through 11, as well as individuals) **Do not file this list with your return.** After computing the difference between the amount received and the larger amount described in **(1)** or **(2)**, enter the sum of these differences (the excess amounts) for each year
(2004) ____ (2003) ____ (2002) ____ (2001) ____

c Add Amounts from column (e) for lines 15 ____ 16 ____
17 ____ 20 ____ 21 ____ ▶ **27c**

d Add Line 27a total ____ and line 27b total ____ ▶ **27d**

e Public support (line 27c total minus line 27d total) ▶ **27e**

f Total support for section 509(a)(2) test Enter amount from line 23, column (e) ▶ **27f**

g **Public support percentage (line 27e (numerator) divided by line 27f (denominator))** ▶ **27g**

h **Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))** ▶ **27h**

28 **Unusual Grants:** For an organization described in line 10, 11, or 12 that received any unusual grants during 2001 through 2004, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant **Do not file this list with your return.** Do not include these grants in line 15

Part V Private School Questionnaire (See page 7 of the instructions.)
(To be completed ONLY by schools that checked the box on line 6 in Part IV)

			Yes	No
29	Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?	29		
30	Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?	30		
31	Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves?	31		
	If "Yes," please describe, if "No," please explain (If you need more space, attach a separate statement)			
32	Does the organization maintain the following			
a	Records indicating the racial composition of the student body, faculty, and administrative staff?	32a		
b	Records documenting that scholarships and other financial assistance are awarded on racially nondiscriminatory basis?	32b		
c	Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32c		
d	Copies of all material used by the organization or on its behalf to solicit contributions?	32d		
	If you answered "No" to any of the above, please explain (If you need more space, attach a separate statement)			
33	Does the organization discriminate by race in any way with respect to			
a	Students' rights or privileges?	33a		
b	Admissions policies?	33b		
c	Employment of faculty or administrative staff?	33c		
d	Scholarships or other financial assistance?	33d		
e	Educational policies?	33e		
f	Use of facilities?	33f		
g	Athletic programs?	33g		
h	Other extracurricular activities?	33h		
	If you answered "Yes" to any of the above, please explain (If you need more space, attach a separate statement)			
34a	Does the organization receive any financial aid or assistance from a governmental agency?	34a		
b	Has the organization's right to such aid ever been revoked or suspended?	34b		
	If you answered "Yes" to either 34a or b, please explain using an attached statement			
35	Does the organization certify that it has complied with the applicable requirements of sections 4 01 through 4 05 of Rev Proc 75-50, 1975-2 C B 587, covering racial nondiscrimination? If "No," attach an explanation	35		

Part VI-A **Lobbying Expenditures by Electing Public Charities** (See page 9 of the instructions.)
(To be completed ONLY by an eligible organization that filed Form 5768)

Check ▶ **a** ☐ if the organization belongs to an affiliated group Check ▶ **b** ☐ if you checked "a" and "limited control" provisions apply

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred)		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
36 Total lobbying expenditures to influence public opinion (grassroots lobbying)	36		
37 Total lobbying expenditures to influence a legislative body (direct lobbying)	37		
38 Total lobbying expenditures (add lines 36 and 37)	38		
39 Other exempt purpose expenditures	39		
40 Total exempt purpose expenditures (add lines 38 and 39)	40		
41 Lobbying nontaxable amount Enter the amount from the following table—	41		
42 Grassroots nontaxable amount (enter 25% of line 41)	42		
43 Subtract line 42 from line 36 Enter -0- if line 42 is more than line 36	43		
44 Subtract line 41 from line 38 Enter -0- if line 41 is more than line 38	44		

If the amount on line 40 is—	**The lobbying nontaxable amount is—**
Not over $500,000	20% of the amount on line 40
Over $500,000 but not over $1,000,000	$100,000 plus 15% of the excess over $500,000
Over $1,000,000 but not over $1,500,000	$175,000 plus 10% of the excess over $1,000,000
Over $1,500,000 but not over $17,000,000	$225,000 plus 5% of the excess over $1,500,000
Over $17,000,000	$1,000,000

Caution: *If there is an amount on either line 43 or line 44, you must file Form 4720.*

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below
See the instructions for lines 45 through 50 on page 11 of the instructions)

	Lobbying Expenditures During 4-Year Averaging Period				
Calendar year (or fiscal year beginning in) ▶	**(a)** 2005	**(b)** 2004	**(c)** 2003	**(d)** 2002	**(e)** Total
45 Lobbying nontaxable amount					
46 Lobbying ceiling amount (150% of line 45(e))					
47 Total lobbying expenditures					
48 Grassroots nontaxable amount					
49 Grassroots ceiling amount (150% of line 48(e))					
50 Grassroots lobbying expenditures					

Part VI-B **Lobbying Activity by Nonelecting Public Charities**
(For reporting only by organizations that did not complete Part VI-A) (See page 11 of the instructions.)

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of	Yes	No	Amount
a Volunteers		No	
b Paid staff or management (Include compensation in expenses reported on lines **c** through **h.**)		No	
c Media advertisements			
d Mailings to members, legislators, or the public			
e Publications, or published or broadcast statements			
f Grants to other organizations for lobbying purposes			
g Direct contact with legislators, their staffs, government officials, or a legislative body			
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means			
i Total lobbying expenditures (Add lines **c** through **h.**)			

If "Yes" to any of the above, also attach a statement giving a detailed description of the lobbying activities

Part VII **Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations** (See page 11 of the instructions.)

51 Did the reporting organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?

		Yes	No
a Transfers from the reporting organization to a noncharitable exempt organization of			
(i) Cash	**51a(i)**		No
(ii) Other assets	**a(ii)**		No
b Other transactions			
(i) Sales or exchanges of assets with a noncharitable exempt organization	**b(i)**		No
(ii) Purchases of assets from a noncharitable exempt organization	**b(ii)**		No
(iii) Rental of facilities, equipment, or other assets	**b(iii)**		No
(iv) Reimbursement arrangements	**b(iv)**		No
(v) Loans or loan guarantees	**b(v)**		No
(vi) Performance of services or membership or fundraising solicitations	**b(vi)**		No
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees	**c**		No

d If the answer to any of the above is "Yes," complete the following schedule Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting organization If the organization received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received

(a) Line no	**(b)** Amount involved	**(c)** Name of noncharitable exempt organization	**(d)** Description of transfers, transactions, and sharing arrangements

52a Is the organization directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527? ▶ ☐ **Yes** ☑ **No**

b If "Yes," complete the following schedule

(a) Name of organization	**(b)** Type of organization	**(c)** Description of relationship

TY 2005 Depreciation and Depletion Schedule

Name: CORNERSTONE COMMUNITY OUTREACH

EIN: 36-3670992

Asset	Amount
VEHICLES	6,628
BUILDING	88,701
FURNITURE	6,381
LEASEHOLD IMPROVEMENTS	48,151
EQUIPMENT	20,911

TY 2005 Land etc. Schedule

Name: CORNERSTONE COMMUNITY OUTREACH

EIN: 36-3670992

Category/Item	Cost/Other Basis	Accumulated Depreciation	Book Value
LAND	355,947		355,947
VEHICLES	33,140	20,355	12,785
BUILDING	2,892,248	598,711	2,293,537
FURNITURE	62,700	62,700	0
LEASEHOLD IMPROVEMENTS	1,684,520	552,528	1,131,992
EQUIPMENT	174,520	171,520	3,000
EQUIPMENT	571		571

TY 2005 Mortgages and Notes Payable Schedule

Name: CORNERSTONE COMMUNITY OUTREACH

EIN: 36-3670992

Total Mortgage Amount: 2611288

Item No.	1
Lender's Name	BRIDGEVIEW BANK
Lender's Title	
Relationship to Insider	
Original Amount of Loan	
Balance Due	197414
Date of Note	
Maturity Date	
Repayment Terms	
Interest Rate	
Security Provided by Borrower	
Purpose of Loan	
Description of Lender Consideration	
Consideration FMV	

TY 2005 Officer Compensation Schedule

Name: CORNERSTONE COMMUNITY OUTREACH

EIN: 36-3670992

SANDRA RAMSEY

	Compensation	EE Benefit Plans	Expense Acct
Program Services	61,875	6,881	
Mgmt & General	625	69	
Fundraising			

TY 2005 Other Assets Schedule

Name: CORNERSTONE COMMUNITY OUTREACH

EIN: 36-3670992

Description	Beginning of Year Amount	End of Year Amount
DEBT ISSUE COSTS NET OF AMORTIZAION	24,445	23,449
DEPOSITS	20,366	24,146

TY 2005 Other Changes in Net Assets Schedule

Name: CORNERSTONE COMMUNITY OUTREACH

EIN: 36-3670992

Description	Amount
PRIOR PERIOD ADJUSTMENT TO ACCOUNTS PAYABLE	15,444

TY 2005 Other Liabilities Schedule

Name: CORNERSTONE COMMUNITY OUTREACH

EIN: 36-3670992

Description	Beginning of Year Amount	End of Year Amount
REFUNDABLE ADVANCE	50,233	31,057
FORGIVABLE LT DEBT-CHGO DEPT OF HOUSING	809,565	809,565

Additional Data

Software ID:
Software Version:
EIN: 36-3670992
Name: CORNERSTONE COMMUNITY OUTREACH

Form 990, Part V-A - Current Officers, Directors, Trustees, and Key Employees:

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (If not paid, enter -0-.)	(D) Contributions to employee benefit plans & deferred compensation plans	(E) Expense account and other allowances
CURT MORTIMER 4615 N CLIFTON CHICAGO,IL 60640	PRESIDENT 2 00	0	0	0
VICTOR WILLIAMS 4615 N CLIFTON CHICAGO,IL 60640	VICE PRESIDENT 2 00	0	0	0
NEIL TAYLOR 4615 N CLIFTON CHICAGO,IL 60640	TREASURER 2 00	0	0	0
RONALD BROWN 4615 N CLIFTON CHICAGO,IL 60640	SECRETARY 2 00	0	0	0
DAWN MORTIMER 4615 N CLIFTON CHICAGO,IL 60640	BOARD MEMBER 1 00	0	0	0
JEROME NELSON 4615 N CLIFTON CHICAGO,IL 60640	BOARD MEMBER 1 00	0	0	0
DICK CONSER 4615 N CLIFTON CHICAGO,IL 60640	BOARD MEMBER 1 00	0	0	0
TOM CAMERON 4615 N CLIFTON CHICAGO,IL 60640	BOARD MEMBER 1 00	0	0	0
JOHNNY KING 4615 N CLIFTON CHICAGO,IL 60640	BOARD MEMBER 1 00	0	0	0
HEATHLYNN BRADFORD 4615 N CLIFTON CHICAGO,IL 60640	BOARD MEMBER 1 00	0	0	0

Form 990, Part V-A - Current Officers, Directors, Trustees, and Key Employees:

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (If not paid, enter -0-.)	(D) Contributions to employee benefit plans & deferred compensation plans	(E) Expense account and other allowances
SOPHINA LATIM 4615 N CLIFTON CHICAGO,IL 60640	BOARD MEMBER 1 00	0	0	0
MICKI GRIFFIN 4615 N CLIFTON CHICAGO,IL 60640	BOARD MEMBER 1 00	0	0	0
SANDRA RAMSEY 4615 N CLIFTON CHICAGO,IL 60640	EXECUTIVE DIRECTOR 40 00	62,500	6,950	0

Form 990, Part VI, Line 80b - If "Yes", enter the name of the organization and whether it is exempt or nonexempt:

Name of the Organization	Exempt	Nonexempt
JESUS PEOPLE USA CHURCH	X	
FRIENDLY TOWERS	X	