

Form **990-EZ**

Short Form

Return of Organization Exempt From Income Tax

OMB No 1545-0047

2020

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

▶ Do not enter social security numbers on this form, as it may be made public.

▶ Go to www.irs.gov/Form990EZ for instructions and the latest information.

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

A For the 2020 calendar year, or tax year beginning **January 1**, 2020, and ending **December 31**, 20 **20**

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 Compass Arts Creativity Project, Inc.	D Employer identification number 84-2932313
	Number and street (or P O box if mail is not delivered to street address) Room/suite 53 Russell Ave	E Telephone number (917) 648-4454
	City or town, state or province, country, and ZIP or foreign postal code Beacon, NY 12508	F Group Exemption Number ▶

G Accounting Method: Cash Accrual Other (specify) ▶

I Website: ▶ **www.compassarts.org**

J Tax-exempt status (check only one) - 501(c)(3) 501(c) () ◀ (insert no) 4947(a)(1) or 527

K Form of organization: Corporation Trust Association Other

L Add lines 5b, 6c, and 7b to line 9 to determine gross receipts. If gross receipts are \$200,000 or more, or if total assets (Part II, column (B)) are \$500,000 or more, file Form 990 instead of Form 990-EZ. ▶ \$

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (see the instructions for Part I)
Check if the organization used Schedule O to respond to any question in this Part I

SCANNED APR 4 2022

Revenue		Expenses		Net Assets	
1	Contributions, gifts, grants, and similar amounts received	10	Grants and similar amounts paid (list in Schedule O)	18	Excess or (deficit) for the year (subtract line 17 from line 9)
2	Program service revenue including government fees and contracts	11	Benefits paid to or for members	19	Net assets or fund balances at beginning of year (from line 27, column (A)) (must agree with end-of-year figure reported on prior year's return)
3	Membership dues and assessments	12	Salaries, other compensation, and employee benefits	20	Other changes in net assets or fund balances (explain in Schedule O)
4	Investment income	13	Professional fees and other payments to independent contractors	21	Net assets or fund balances at end of year. Combine lines 18 through 20
5a	Gross amount from sale of assets other than inventory	14	Occupancy, rent, utilities, and maintenance		
5b	Less: cost or other basis and sales expenses	15	Printing, publications, postage, and shipping		
5c	Gain or (loss) from sale of assets other than inventory (subtract line 5b from line 5a)	16	Other expenses (describe in Schedule O)		
6	Gaming and fundraising events:	17	Total expenses. Add lines 10 through 16		
6a	Gross income from gaming (attach Schedule G if greater than \$15,000)				
6b	Gross income from fundraising events (not including \$ of contributions from fundraising events reported on line 1) (attach Schedule G if the sum of such gross income and contributions exceeds \$15,000)				
6c	Less: direct expenses from gaming and fundraising events				
6d	Net income or (loss) from gaming and fundraising events (add lines 6a and 6b and subtract line 6c)				
7a	Gross sales of inventory, less returns and allowances				
7b	Less: cost of goods sold				
7c	Gross profit or (loss) from sales of inventory (subtract line 7b from line 7a)				
8	Other revenue (describe in Schedule O)				
9	Total revenue. Add lines 1, 2, 3, 4, 5c, 6d, 7c, and 8				

SEP 28 2021

GARDEN, UTAH

7a 90
7b 50

G + 11

Part II Balance Sheets (see the instructions for Part II)

Check if the organization used Schedule O to respond to any question in this Part II

	(A) Beginning of year	(B) End of year
22 Cash, savings, and investments	8 22	23,268
23 Land and buildings	0 23	0
24 Other assets (describe in Schedule O)	2,200 24	400
25 Total assets	2,208 25	23,668
26 Total liabilities (describe in Schedule O)	1,550 26	12,046
27 Net assets or fund balances (line 27 of column (B) must agree with line 21)	2,208 27	11,622

Part III Statement of Program Service Accomplishments (see the instructions for Part III)

Check if the organization used Schedule O to respond to any question in this Part III

What is the organization's primary exempt purpose? charitable work; community arts education

Expenses
(Required for section 501(c)(3) and 501(c)(4) organizations, optional for others)

Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. In a clear and concise manner, describe the services provided, the number of persons benefited, and other relevant information for each program title

28 Regular classes (see Schedule O)	(Grants \$ 0) If this amount includes foreign grants, check here <input type="checkbox"/>	28a	46,081
29 Ensembles: (see Schedule O)	(Grants \$ 0) If this amount includes foreign grants, check here <input type="checkbox"/>	29a	30,874
30 Special Community Programs: (see Schedule O)	(Grants \$ 0) If this amount includes foreign grants, check here <input type="checkbox"/>	30a	14,395
31 Other program services (describe in Schedule O)	(Grants \$ 0) If this amount includes foreign grants, check here <input type="checkbox"/>	31a	812
32 Total program service expenses (add lines 28a through 31a)		32	

Part IV List of Officers, Directors, Trustees, and Key Employees (list each one even if not compensated—see the instructions for Part IV)

Check if the organization used Schedule O to respond to any question in this Part IV

(a) Name and title	(b) Average hours per week devoted to position	(c) Reportable compensation (Forms W-2/1099-MISC) (if not paid, enter -0-)	(d) Health benefits, contributions to employee benefit plans, and deferred compensation	(e) Estimated amount of other compensation
Gina Samardge, chair, executive director, teacher	40	39,050	0	0
Andrew Reinhardt, chief operating officer	4	6,483	0	0
Romina Robinson, vice chair, board member, teacher	2	2,474	0	0
Jessica Jelliffe, board member	1	0	0	0
Erin Dotson, board member	1	0	0	0
Gwendolyn Laster, board member	1	0	0	0
Autumn Williams-Wussow, board member	1	0	0	0
Lauren Santangelo, secretary, board member	1	0	0	0

Part V Other Information (Note the Schedule A and personal benefit contract statement requirements in the instructions for Part V.) Check if the organization used Schedule O to respond to any question in this Part V

	Yes	No
33 Did the organization engage in any significant activity not previously reported to the IRS? If "Yes," provide a detailed description of each activity in Schedule O		<input checked="" type="checkbox"/>
34 Were any significant changes made to the organizing or governing documents? If "Yes," attach a conformed copy of the amended documents if they reflect a change to the organization's name. Otherwise, explain the change on Schedule O. See instructions		<input checked="" type="checkbox"/>
35a Did the organization have unrelated business gross income of \$1,000 or more during the year from business activities (such as those reported on lines 2, 6a, and 7a, among others)?		<input checked="" type="checkbox"/>
b If "Yes" to line 35a, has the organization filed a Form 990-T for the year? If "No," provide an explanation in Schedule O		
35b		
c Was the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization subject to section 6033(e) notice, reporting, and proxy tax requirements during the year? If "Yes," complete Schedule C, Part III		<input checked="" type="checkbox"/>
35c		
36 Did the organization undergo a liquidation, dissolution, termination, or significant disposition of net assets during the year? If "Yes," complete applicable parts of Schedule N		<input checked="" type="checkbox"/>
37a Enter amount of political expenditures, direct or indirect, as described in the instructions	37a	0
b Did the organization file Form 1120-POL for this year?	37b	<input checked="" type="checkbox"/>
38a Did the organization borrow from, or make any loans to, any officer, director, trustee, or key employee, or were any such loans made in a prior year and still outstanding at the end of the tax year covered by this return?	38a	<input checked="" type="checkbox"/>
b If "Yes," complete Schedule L, Part II, and enter the total amount involved	38b	
39 Section 501(c)(7) organizations Enter		
a Initiation fees and capital contributions included on line 9	39a	
b Gross receipts, included on line 9, for public use of club facilities	39b	
40a Section 501(c)(3) organizations. Enter amount of tax imposed on the organization during the year under: section 4911 <input type="text" value="0"/> ; section 4912 <input type="text" value="0"/> ; section 4955 <input type="text" value="0"/>		
b Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations Did the organization engage in any section 4958 excess benefit transaction during the year, or did it engage in an excess benefit transaction in a prior year that has not been reported on any of its prior Forms 990 or 990-EZ? If "Yes," complete Schedule L, Part I	40b	<input checked="" type="checkbox"/>
c Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Enter amount of tax imposed on organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 <input type="text" value="0"/>		
d Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Enter amount of tax on line 40c reimbursed by the organization <input type="text" value="0"/>		
e All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction? If "Yes," complete Form 8886-T	40e	<input checked="" type="checkbox"/>
41 List the states with which a copy of this return is filed <input checked="" type="checkbox"/> New York		
42a The organization's books are in care of <input checked="" type="checkbox"/> Andrew Reinhardt Telephone no. <input checked="" type="checkbox"/> 203.313.9932 Located at <input checked="" type="checkbox"/> 53 Russell Ave Beacon, NY ZIP + 4 <input checked="" type="checkbox"/> 12508-3819		
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)? If "Yes," enter the name of the foreign country <input type="text"/>	42b	<input checked="" type="checkbox"/>
See the instructions for exceptions and filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).		
c At any time during the calendar year, did the organization maintain an office outside the United States? If "Yes," enter the name of the foreign country <input type="text"/>	42c	<input checked="" type="checkbox"/>
43 Section 4947(a)(1) nonexempt charitable trusts filing Form 990-EZ in lieu of Form 1041 - Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the tax year <input type="text" value="43"/>		
44a Did the organization maintain any donor advised funds during the year? If "Yes," Form 990 must be completed instead of Form 990-EZ	44a	<input checked="" type="checkbox"/>
b Did the organization operate one or more hospital facilities during the year? If "Yes," Form 990 must be completed instead of Form 990-EZ	44b	<input checked="" type="checkbox"/>
c Did the organization receive any payments for indoor tanning services during the year?	44c	<input checked="" type="checkbox"/>
d If "Yes" to line 44c, has the organization filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O	44d	
45a Did the organization have a controlled entity within the meaning of section 512(b)(13)?	45a	<input checked="" type="checkbox"/>
b Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? If "Yes," Form 990 and Schedule R may need to be completed instead of Form 990-EZ. See instructions	45b	<input checked="" type="checkbox"/>

		Yes	No
46 Did the organization engage, directly or indirectly, in political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	46	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Part VI Section 501(c)(3) Organizations Only

All section 501(c)(3) organizations must answer questions 47-49b and 52, and complete the tables for lines 50 and 51.

Check if the organization used Schedule O to respond to any question in this Part VI

		Yes	No
47 Did the organization engage in lobbying activities or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II	47	<input type="checkbox"/>	<input checked="" type="checkbox"/>
48 Is the organization a school as described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	48	<input type="checkbox"/>	<input checked="" type="checkbox"/>
49a Did the organization make any transfers to an exempt non-charitable related organization?	49a	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b If "Yes," was the related organization a section 527 organization?	49b	<input type="checkbox"/>	<input type="checkbox"/>

50 Complete this table for the organization's five highest compensated employees (other than officers, directors, trustees, and key employees) who each received more than \$100,000 of compensation from the organization. If there is none, enter "None."

(a) Name and title of each employee	(b) Average hours per week devoted to position	(c) Reportable compensation (Forms W-2/1099-MISC)	(d) Health benefits, contributions to employee benefit plans, and deferred compensation	(e) Estimated amount of other compensation
None				

f Total number of other employees paid over \$100,000 ▶ 0

51 Complete this table for the organization's five highest compensated independent contractors who each received more than \$100,000 of compensation from the organization. If there is none, enter "None."

(a) Name and business address of each independent contractor	(b) Type of service	(c) Compensation
None		

d Total number of other independent contractors each receiving over \$100,000 ▶ 0

52 Did the organization complete Schedule A? **Note:** All section 501(c)(3) organizations must attach a completed Schedule A ▶ Yes No

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		9/21/2021
	Signature of officer	Date
	Andrew Reinhardt, chief operating officer	
	Type or print name and title	

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶	Firm's EIN ▶			
	Firm's address ▶	Phone no			

May the IRS discuss this return with the preparer shown above? See instructions ▶ Yes No

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

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

▶ Attach to Form 990 or Form 990-EZ.

▶ Go to www.irs.gov/Form990 for instructions and the latest information.

OMB No 1545-0047

2020

Open to Public Inspection

Name of the organization Compass Arts Creativity Project, Inc.	Employer identification number 84-2932313
--	---

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 12, 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 (Form 990 or 990-EZ).)
 - 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 agricultural research organization described in **section 170(b)(1)(A)(ix)** operated in conjunction with a land-grant college or university or a non-land-grant college of agriculture (see instructions). Enter the name, city, and state of the college or university
 - 10 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.)
 - 11 An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**.
 - 12 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 12a through 12d that describes the type of supporting organization and complete lines 12e, 12f, and 12g.
 - 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).

07

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1-10 above (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		
(A)						
(B)						
(C)						
(D)						
(E)						
Total						

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

(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2016	(b) 2017	(c) 2018	(d) 2019	(e) 2020	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")				0	33,482	33,482
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf				0	0	0
3 The value of services or facilities furnished by a governmental unit to the organization without charge				0	0	0
4 Total. Add lines 1 through 3				0	33,482	33,482
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public support. Subtract line 5 from line 4						33,482

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2016	(b) 2017	(c) 2018	(d) 2019	(e) 2020	(f) Total
7 Amounts from line 4				0	33,482	33,482
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources				0	0	0
9 Net income from unrelated business activities, whether or not the business is regularly carried on				0	0	0
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI)				0	0	0
11 Total support. Add lines 7 through 10						33,482
12 Gross receipts from related activities, etc (see instructions)					12	68,144
13 First 5 years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here ▶ <input checked="" type="checkbox"/>						

Section C. Computation of Public Support Percentage

14 Public support percentage for 2020 (line 6, column (f), divided by line 11, column (f))	14	%
15 Public support percentage from 2019 Schedule A, Part II, line 14	15	%
16a 33 1/3% support test—2020. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ▶ <input type="checkbox"/>		
b 33 1/3% support test—2019. If the organization did not check a box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization ▶ <input type="checkbox"/>		
17a 10%-facts-and-circumstances test—2020. 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 ▶ <input type="checkbox"/>		
b 10%-facts-and-circumstances test—2019. 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 ▶ <input type="checkbox"/>		
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions ▶ <input type="checkbox"/>		

**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.

▶ Go to www.irs.gov/Form990 for the latest information.

OMB No 1545-0047

2020

**Open to Public
Inspection**

Name of the organization

Compass Arts Creativity Project, Inc.

Employer identification number

84-2932313

Item 16, OTHER EXPENSES: bank fees: \$5.00, continuing education: \$1,200.00, depreciation: \$200.00, dues: \$130.00, insurance: \$1,978.95,
legal/professional: \$600.00, meals-classes: \$138.99, meals-meetings: \$155.96, payment gateway fees: \$1,899.85, payroll service: \$486.55,
refunds: \$4,952.50, registration system: \$604.80, supplies-art/drama: \$3,349.04, supplies-consumables: \$318.10

Item 20, CHANGES IN NET ASSETS FROM PRIOR YEAR'S FORM 990-EZ: Compass Arts Creativity Project was not active in 2019 so we
reported net assets of \$0 for the end of 2019. On January 1, 2020 Compass Arts, LLC transferred 98% of its business to
Compass Arts Creativity Project, Inc. and the transfer included \$2,208 in net assets from that organization.

Item 24, OTHER ASSETS: January 1, 2020: \$1,200 security deposit + \$1,000 furniture & fixtures = \$2,200

December 31, 2020: (\$400) reimbursable expenses receivable + \$800 furniture & fixtures = \$400

Item 26, TOTAL LIABILITIES: January 1, 2020: \$1,550 accounts payable || December 31, 2020: \$1,386 accounts payable + \$160 credit card +
\$10,500 suspense (PPP loan forgiveness as yet undetermined) = \$12,046

Item 35b, UNRELATED BUSINESS INCOME: Compass Arts Creativity Project had no unrelated business income during 2020

Part III Line 28, Regular classes: Compass Arts classes in 2020 were successful in bringing roughly 250 sessions of arts-based problem
solving experiences to the surrounding community. Due to covid-19 many classes were adapted for online platforms and in order to widen
accessibility roughly 10 to 20 free Facebook live streams of singalongs, theater games, and art activities were offered.

Part III Line 29, Ensembles: In 2020 the Compass Arts music and theater ensembles were transitioned to online experiences that culminated
in the production of multiple student-performed music videos. Prior to covid, a multi-ensemble spring show was produced along with a
chorus ensemble concert that raised roughly \$700 for local charities.

Name of the organization

Employer identification number

Compass Arts Creativity Project, Inc.

84-2932313

Part III Line 30, Special community programs: In response to covid and the downsides of too much Zoom time Compass Arts developed multiple self-directed multi-week learning experiences complete with provided art materials, planned self-guided excursions, guidance videos, and weekly meetings that reached roughly 40 to 50 students and drew grant and individual donations of support. These programs met early learning standards while focusing on social emotional development and providing resources for families to navigate the stresses of learning during a pandemic. Due to financial support received we were able to provide 5 sponsored spots to young students. Grant funding enabled us to create art bags for students in the Beacon City school who receive free food distribution on Wednesdays through the school. Additionally, Compass Arts partnered with the City of Beacon Recreation Department to offer a free family concert series at the local Pete and Toshi Seeger park that reached hundreds of attendees.

Part III Line 30, Other: Before Compass Arts let go of our commercial space in April 2020 we were able to offer area artists a venue for a few experimental arts or health-related programs for the community and parents a space in which to throw a few arts education-themed parties.

Compass Arts Creativity Project, Inc.
53 Russell Ave
Beacon, NY 12508

September 21, 2021

Dear IRS; attention: Collett Watkins,

I am writing to provide a reasonable cause explanation in response to your attached letter dated September 2, 2021.

In examining the 2020 Form 990-EZ I see numerous places where prompts are given to make it clear when or if one of the schedules is required to be filled-in and attached. Examples of this can be found in question 8 ("describe in Schedule O"), question 35c ("if 'Yes,' complete Schedule C"), question 36 ("complete applicable parts of Schedule N"), question 38b ("if 'Yes,' complete Schedule L"), and question 52 ("Did the organization complete Schedule A?"). This is a fraction of the number of schedule prompts given throughout Form 990-EZ. In total, I count 10 verbal prompts for Schedule O, 1 prompt for Schedule N, 3 prompts for Schedule C, 2 prompts for Schedule L, 1 prompt for Schedule E, and 1 prompt for Schedule A among various other prompts within Form 990-EZ to inform filers of related forms that may be required or if Form 990 must be utilized instead of Form 990-EZ. I do not see such a prompt for Schedule B next to question 1 on Form 990-EZ.

Additionally, when examining the instructions for Form 990-EZ, line 1 (found at <https://www.irs.gov/instructions/i990ez>) the only mention of Schedule B I am able to find is towards the end of section B. What Isn't Included on Line 1?

I understand that instructions regarding Schedule B and when it is required are present in the general instructions for Form 990-EZ and that box H at the top of Form 990-EZ refers to Schedule B. However, the lack of a prompt next to line 1 and there being no subsequent mention of Schedule B throughout the rest of Form 990-EZ seems inconsistent with the diligent reminders regarding other required forms given elsewhere throughout Form 990-EZ. Since this was only the first year during which we utilized Form 990-EZ to report anything other than across-the-board zeros (our first filing for 2019 exhibited that we were not yet operational) I want to request leniency with regard to penalties for an incomplete filing. It was clearly my mistake for not realizing Schedule B was required but I hope you will take into account the inconsistency of prompts in Form 990-EZ.

I should also point out that your letter, which appears to be dated September 2, 2021 states:

"To avoid penalties, we must receive your complete and accurate return within 10 days of the date of this letter."

However, your letter was postmarked 9/16/2021 (see attached photo of outside of mailing) and I received the letter on September 21, 2021. In spite of responding to this within an hour of receiving your letter (including examining the issues raised, completing a Schedule B, composing this letter and finalizing the revised return for mailing) the possibility of getting our adjusted return back to you by September 12, four days before your letter was even postmarked, could not exist. In relation to this issue I again would like to request leniency - I have made every effort to respond quickly on this but have not been given the means to meet your stated deadline.

I have included our revised return in this mailing. Thank you for your consideration.

Sincerely, Andrew Reinhardt, Operating Officer, Compass Arts Creativity Project, Inc.

A handwritten signature in black ink, appearing to read "Andrew Reinhardt". The signature is fluid and cursive, with a long horizontal stroke extending to the right from the end of the name.

September 21, 2021