

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

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

A For the 2012 calendar year, or tax year beginning JUL 1, 2012 and ending JUN 30, 2013

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization COMMUNITY RESIDENCES, INC. Doing Business As Number and street (or P.O. box if mail is not delivered to street address) Room/suite 14160 NEWBROOK DRIVE, 1ST FLOOR City, town, or post office, state, and ZIP code CHANTILLY, VA 20151 F Name and address of principal officer: DENNIS J. MANNING SAME AS C ABOVE	D Employer identification number 54-1004092 E Telephone number 703-842-2300 G Gross receipts \$ 27,629,557. H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all affiliates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions) H(c) Group exemption number ▶
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		
J Website: ▶ WWW.COMMUNITYRESIDENCES.ORG		
K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶		L Year of formation: 1975 M State of legal domicile: VA

Part I Summary			
	1 Briefly describe the organization's mission or most significant activities: TO PROVIDE QUALITY SERVICES THAT ENABLE INDIVIDUALS WITH A WIDE RANGE OF DISABILITIES TO LIVE AS		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
Activities & Governance	3 Number of voting members of the governing body (Part VI, line 1a)	3	13
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	13
	5 Total number of individuals employed in calendar year 2012 (Part V, line 2a)	5	591
	6 Total number of volunteers (estimate if necessary)	6	21
	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		Prior Year	Current Year
	8 Contributions and grants (Part VIII, line 1h)	47,989.	151,956.
	9 Program service revenue (Part VIII, line 2g)	25,515,556.	27,154,257.
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	28.	9,565.
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	418,970.	313,779.
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	25,982,543.	27,629,557.
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)	17,865,467.	19,277,042.
	16a Professional fundraising fees (Part IX, column (A), line 11e)	0.	0.
	b Total fundraising expenses (Part IX, column (D), line 25) ▶ 144,645.		
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	8,192,715.	8,375,495.
	18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	26,058,182.	27,652,537.
	19 Revenue less expenses. Subtract line 18 from line 12	-75,639.	-22,980.
Net Assets or Fund Balances		Beginning of Current Year	End of Year
	20 Total assets (Part X, line 16)	3,755,159.	4,357,700.
	21 Total liabilities (Part X, line 26)	3,738,783.	4,364,304.
	22 Net assets or fund balances. Subtract line 21 from line 20	16,376.	-6,604.

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	Date		
	▶ TERENCE HURLEY, TREASURER	Type or print name and title		
Paid Preparer Use Only	Print/Type preparer's name BERT L. SWAIN	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed PTIN P00238304
	Firm's name ▶ DIXON HUGHES GOODMAN LLP	Firm's EIN ▶ 56-0747981		
	Firm's address ▶ 111 ROCKVILLE PIKE, 6TH FLOOR ROCKVILLE, MD 20850	Phone no. 240.403.3700		

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 to any question in this Part III [X]

1 Briefly describe the organization's mission: TO PROVIDE QUALITY SERVICES THAT ENABLE INDIVIDUALS WITH A WIDE RANGE OF DISABILITIES TO LIVE AS INDEPENDENTLY AND WITH A HIGH QUALITY OF LIFE AS POSSIBLE IN PURSUIT OF IT'S MISSION, COMMUNITY RESIDENCES (CR) CONTRIBUTES THROUGH THE PROVISION OF MEDICAL, THERAPEUTIC,

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 [X] No

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

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 \$ 24,337,340. including grants of \$) (Revenue \$ 27,468,036.)

SEE SCHEDULE O

4b (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4c (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4d Other program services (Describe in Schedule O.) (Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses 24,337,340.

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>	X	
2	Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> ?	X	
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>		X
4	Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>		X
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i>		X
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i>		X
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>		X
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>		X
9	Did the organization report an amount in Part X, line 21, for escrow or custodial account liability; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i>		X
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>		X
11	If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i>	X	
b	Did the organization report an amount for investments - other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i>		X
c	Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i>		X
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i>	X	
e	Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>	X	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i>	X	
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>	X	
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>	X	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>		X
14a	Did the organization maintain an office, employees, or agents outside of the United States?		X
b	Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV</i>		X
15	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? <i>If "Yes," complete Schedule F, Parts II and IV</i>		X
16	Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? <i>If "Yes," complete Schedule F, Parts III and IV</i>		X
17	Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I</i>		X
18	Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>		X
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>		X
20a	Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>		X
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)

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

Note. All Form 990 filers are required to complete Schedule O

Part V Statements Regarding Other IRS Filings and Tax Compliance

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

Input box for Schedule O response

Main table with columns for question number, description, sub-questions (1a-1b, 2a-2b, etc.), and Yes/No columns. Includes questions about Form 1096, Form W-2G, Form W-3, and various tax compliance issues.

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

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

Section A. Governing Body and Management

Table with 3 columns: Question, Yes, No. Rows include: 1a (13), 1b (13), 2 (X), 3 (X), 4 (X), 5 (X), 6 (X), 7a (X), 7b (X), 8a (X), 8b (X), 9 (X).

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 (X), 10b, 11a (X), 11b, 12a (X), 12b (X), 12c (X), 13 (X), 14 (X), 15a (X), 15b (X), 16a (X), 16b.

Section C. Disclosure

- 17 List the states with which a copy of this Form 990 is required to be filed MD, VA
18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.
19 Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.
20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization: THE ORGANIZATION - 703-842-2300 14160 NEWBROOK DRIVE, 1ST FLOOR, CHANTILLY, VA 20151

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

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

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

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

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below 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) DENNIS MANNING PRESIDENT	37.50 0.40	X		X				259,252.	0.	16,223.
(2) JESSICA PETRY SMITH BOARD CHAIR	0.10	X						0.	0.	0.
(3) BRIAN WINTERHALTER VICE-CHAIR	0.10	X						0.	0.	0.
(4) SCOTT BRANNON BOARD MEMBER	0.10	X						0.	0.	0.
(5) SUSAN CHRISTIE BOARD MEMBER	0.10	X						0.	0.	0.
(6) HARTLEY M. JONES BOARD MEMBER	0.10	X						0.	0.	0.
(7) JEFF KOHNE BOARD MEMBER	0.10 0.10	X						0.	0.	0.
(8) JENNA LUDDEN BOARD MEMBER	0.10	X						0.	0.	0.
(9) MARY LUDDEN BOARD MEMBER	0.10	X						0.	0.	0.
(10) NANCY OSWALD BOARD MEMBER	0.10 0.10	X						0.	0.	0.
(11) AMANDA SCANDLEN BOARD MEMBER	0.10	X						0.	0.	0.
(12) ANDREW SCHNEIDER BOARD MEMBER	0.10	X						0.	0.	0.
(13) MATTHEW SNOW BOARD MEMBER	0.10	X						0.	0.	0.
(14) JASON TIPTON BOARD MEMBER	0.10	X						0.	0.	0.
(15) TERENCE HURLEY TREASURER; VP & CFO	37.50 0.40			X				185,413.	0.	30,674.
(16) KATHLEEN WELLINGTON VICE PRESIDENT	37.50 0.30			X				160,733.	0.	10,262.
(17) ROCK SCHULER SECRETARY; DIR. OF DEV.	37.50 0.30			X				93,735.	0.	21,420.

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 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			
(18) LARRY SCURLOCK CIO	40.00					X		112,031.	0.	14,513.
(19) CAROLYN COLE DIRECTOR OF NURSING	40.00					X		106,505.	0.	20,499.
(20) ELIZABETH BROWN SR. DIRECTOR OF CLINICAL SERVICES	40.00					X		107,477.	0.	23,319.
1b Sub-total								1,025,146.	0.	136,910.
c Total from continuation sheets to Part VII, Section A								0.	0.	0.
d Total (add lines 1b and 1c)								1,025,146.	0.	136,910.

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 **6**

	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>		X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>	X	
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>		X

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization. Report compensation for the calendar year ending with or within the organization's tax year.

(A) Name and business address	(B) Description of services	(C) Compensation
MOUNT VERNON LEE ENTERPRISES, 7420 FULLERTON ROAD SUITE 110, SPRINGFIELD, VA	DAY SUPPORT SERVICES	781,087.
CENTRAL FAIRFAX SERVICES, INC., 6295 EDSALL ROAD, SUITE 175, ALEXANDRIA, VA	DAY SUPPORT SERVICES	572,534.
DELTA-T GROUP, VIRGINIA INC. P.O. BOX 884, BRYN MAWR, PA 19010	TEMPORARY STAFFING	175,696.
SYSCO FOOD SERVICES OF BALTIMORE P.O. BOX 1099, JESSUP, MD 20794	FOOD SUPPLIES	165,399.
SERVICE SOURCE, 6295 EDSALL RD, SUITE 175, ALEXANDRIA, VA 22312	DAY SUPPORT SERVICES	133,531.

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 **9**

Part VIII Statement of Revenue

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

		(A)	(B)	(C)	(D)	
		Total revenue	Related or exempt function revenue	Unrelated business revenue	Revenue excluded from tax under sections 512, 513, or 514	
Contributions, Gifts, Grants and Other Similar Amounts	1 a Federated campaigns	1a				
	b Membership dues	1b				
	c Fundraising events	1c				
	d Related organizations	1d				
	e Government grants (contributions)	1e	28,308.			
	f All other contributions, gifts, grants, and similar amounts not included above	1f	123,648.			
	g Noncash contributions included in lines 1a-1f: \$					
	h Total. Add lines 1a-1f		151,956.			
	Program Service Revenue	2 a MEDICAID FUNDS	Business Code 623000	21,667,811.	21,667,811.	
b COUNTY FUNDS		623990	4,014,278.	4,014,278.		
c CONSUMER FEES AND RENT		623000	1,255,727.	1,255,727.		
d PROGRAM MANAGEMENT		541200	141,528.	141,528.		
e TENANTS ASSISTANCE		623990	74,913.	74,913.		
f All other program service revenue						
g Total. Add lines 2a-2f			27,154,257.			
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)		18.		18.	
	4 Income from investment of tax-exempt bond proceeds					
	5 Royalties					
	6 a Gross rents	(i) Real				
		(ii) Personal				
		b Less: rental expenses				
		c Rental income or (loss)				
	d Net rental income or (loss)					
	7 a Gross amount from sales of assets other than inventory	(i) Securities				
		(ii) Other		9,547.		
		b Less: cost or other basis and sales expenses		0.		
		c Gain or (loss)		9,547.		
	d Net gain or (loss)		9,547.		9,547.	
	8 a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18	a				
		b Less: direct expenses	b			
c Net income or (loss) from fundraising events						
9 a Gross income from gaming activities. See Part IV, line 19	a					
	b Less: direct expenses	b				
	c Net income or (loss) from gaming activities					
10 a Gross sales of inventory, less returns and allowances	a					
	b Less: cost of goods sold	b				
	c Net income or (loss) from sales of inventory					
Miscellaneous Revenue		Business Code				
11 a _____						
	b _____					
	c _____					
	d All other revenue	900099	313,779.	313,779.		
	e Total. Add lines 11a-11d		313,779.			
12 Total revenue. See instructions.		27,629,557.	27,468,036.	0.	9,565.	

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 to any question in this Part IX X

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to governments and organizations in the United States. See Part IV, line 21				
2 Grants and other assistance to individuals in the United States. See Part IV, line 22				
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	813,463.	235,913.	577,550.	
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	14,837,870.	13,493,723.	1,291,703.	52,444.
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	484,705.	385,517.	91,184.	8,004.
9 Other employee benefits	1,940,828.	1,687,365.	220,379.	33,084.
10 Payroll taxes	1,200,176.	893,450.	287,349.	19,377.
11 Fees for services (non-employees):				
a Management				
b Legal	14,394.	990.	13,299.	105.
c Accounting	179,759.	158,893.	20,866.	
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 Sch O.)	2,894,544.	2,834,090.	59,086.	1,368.
12 Advertising and promotion	14,880.	5,883.	1,697.	7,300.
13 Office expenses	216,034.	118,666.	87,406.	9,962.
14 Information technology	198,936.	39,863.	159,073.	
15 Royalties				
16 Occupancy	1,884,011.	1,553,358.	330,653.	
17 Travel	379,656.	326,073.	47,489.	6,094.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	23,237.	5,869.	16,616.	752.
20 Interest	69,216.	12,876.	56,340.	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	317,535.	228,515.	89,020.	
23 Insurance	1,187.	1,187.		
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 DMAS ASSESSMENT	985,745.	985,745.		
b CONSUMER SUPPLIES	970,360.	949,067.	16,950.	4,343.
c BAD DEBT	135,162.	135,162.		
d INDIRECT ALLOCATION	-78,070.	134,620.	-212,690.	
e All other expenses	168,909.	150,515.	16,582.	1,812.
25 Total functional expenses. Add lines 1 through 24e	27,652,537.	24,337,340.	3,170,552.	144,645.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation.				

Check here if following SOP 98-2 (ASC 958-720)

Part X Balance Sheet

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

		(A) Beginning of year		(B) End of year	
Assets	1 Cash - non-interest-bearing	199,261.	1	5,765.	
	2 Savings and temporary cash investments		2		
	3 Pledges and grants receivable, net		3		
	4 Accounts receivable, net	2,151,902.	4	2,267,618.	
	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 instr). Complete Part II of Sch L		6		
	7 Notes and loans receivable, net		7		
	8 Inventories for sale or use		8		
	9 Prepaid expenses and deferred charges	28,071.	9	45,926.	
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 3,214,563.			
	b Less: accumulated depreciation	10b 2,488,783.	760,013.	10c 725,780.	
	11 Investments - publicly traded securities		11		
	12 Investments - other securities. See Part IV, line 11		12		
	13 Investments - program-related. See Part IV, line 11		13		
	14 Intangible assets		14		
	15 Other assets. See Part IV, line 11	615,912.	15	1,312,611.	
16 Total assets. Add lines 1 through 15 (must equal line 34)	3,755,159.	16	4,357,700.		
Liabilities	17 Accounts payable and accrued expenses	2,393,565.	17	2,791,896.	
	18 Grants payable		18		
	19 Deferred revenue	53,238.	19	0.	
	20 Tax-exempt bond liabilities		20		
	21 Escrow or custodial account liability. Complete Part IV of Schedule D	287,878.	21	263,075.	
	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	581,099.	23	1,304,824.	
	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	423,003.	25	4,509.	
	26 Total liabilities. Add lines 17 through 25	3,738,783.	26	4,364,304.	
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	16,376.	27	-6,604.	
	28 Temporarily restricted net assets		28		
	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	16,376.	33	-6,604.		
34 Total liabilities and net assets/fund balances	3,755,159.	34	4,357,700.		

Part XI Reconciliation of Net Assets

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

1	Total revenue (must equal Part VIII, column (A), line 12)	1	27,629,557.
2	Total expenses (must equal Part IX, column (A), line 25)	2	27,652,537.
3	Revenue less expenses. Subtract line 2 from line 1	3	-22,980.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	16,376.
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	0.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	-6,604.

Part XII Financial Statements and Reporting

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

	Yes	No
1 Accounting method used to prepare the Form 990: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.		
2a Were the organization's financial statements compiled or reviewed by an independent accountant? 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		X
b 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 type="checkbox"/> Consolidated basis <input checked="" type="checkbox"/> Both consolidated and separate basis	X	
c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.	X	
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		X
b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits		

Form 990 (2012)

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. ▶ See separate instructions.

OMB No. 1545-0047

2012

Open to Public Inspection

Name of the organization **COMMUNITY RESIDENCES, INC.** Employer identification number **54-1004092**

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

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

- 1 A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i).**
- 2 A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E.)
- 3 A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**
- 4 A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state: _____
- 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II.)
- 6 A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**
- 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- 8 A community trust described in **section 170(b)(1)(A)(vi).** (Complete Part II.)
- 9 An organization that normally receives: (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2).** (Complete Part III.)
- 10 An organization organized and operated exclusively to test for public safety. See **section 509(a)(4).**
- 11 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h.
 - a Type I b Type II c Type III - Functionally integrated d Type III - Non-functionally integrated
- e By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2).
- f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box
- g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

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

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

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ. Schedule A (Form 990 or 990-EZ) 2012

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) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	71,442.	88,325.	146,617.	47,989.	151,956.	506,329.
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	71,442.	88,325.	146,617.	47,989.	151,956.	506,329.
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.						506,329.

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
7 Amounts from line 4	71,442.	88,325.	146,617.	47,989.	151,956.	506,329.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	78.	20.	26.	28.	18.	170.
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)	78,183.	139,985.	227,727.	94,279.	141,528.	681,702.
11 Total support. Add lines 7 through 10						1,188,201.
12 Gross receipts from related activities, etc. (see instructions)					12	27,404,578.
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here	<input type="checkbox"/>					

Section C. Computation of Public Support Percentage

14 Public support percentage for 2012 (line 6, column (f) divided by line 11, column (f))	14	42.61	%
15 Public support percentage from 2011 Schedule A, Part II, line 14	15	44.37	%
16a 33 1/3% support test - 2012. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization	<input checked="" type="checkbox"/>		
b 33 1/3% support test - 2011. 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 - 2012. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization	<input type="checkbox"/>		
b 10% -facts-and-circumstances test - 2011. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization	<input type="checkbox"/>		
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions	<input type="checkbox"/>		

Schedule A (Form 990 or 990-EZ) 2012

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) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(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) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						

14 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and **stop here**

Section C. Computation of Public Support Percentage

15 Public support percentage for 2012 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2011 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2012 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2011 Schedule A, Part III, line 17	18	%

19a 33 1/3% support tests - 2012. 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 - 2011. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization

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

SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

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

▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2012

**Open to Public
Inspection**

Name of the organization

COMMUNITY RESIDENCES, INC.

Employer identification number

54-1004092

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

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

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

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

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

Protection of natural habitat Preservation of a certified historic structure

Preservation of open space

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

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

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

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

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds?

Yes No

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

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

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)?

Yes No

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

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

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

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

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

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

▶ \$ _____

(ii) Assets included in Form 990, Part X

▶ \$ _____

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

a Revenues included in Form 990, Part VIII, line 1

▶ \$ _____

b Assets included in Form 990, Part X

▶ \$ _____

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

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

(check all that apply):

- a Public exhibition
- 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
c Beginning balance	1c
d Additions during the year	1d
e Distributions during the year	1e
f Ending balance	1f

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

b If "Yes," explain the arrangement in Part 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:

- (i) unrelated organizations

	Yes	No
3a(i)		
- (ii) related organizations

	Yes	No
3a(ii)		

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

	Yes	No
3b		

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

Part VI Land, Buildings, and Equipment. 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		111,519.		111,519.
b Buildings		246,442.	219,799.	26,643.
c Leasehold improvements				
d Equipment		2,856,602.	2,268,984.	587,618.
e Other				
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c).)				725,780.

Part VII Investments - Other Securities. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A)		
(B)		
(C)		
(D)		
(E)		
(F)		
(G)		
(H)		
(I)		
Total. (Col. (b) must equal Form 990, Part X, col. (B) line 12.)		

Part VIII Investments - Program Related. See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation: Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Total. (Col. (b) must equal Form 990, Part X, col. (B) line 13.)		

Part IX Other Assets. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1) DEPOSITS HELD IN TRUST	169,961.
(2) RESIDUAL RECEIPTS	6.
(3) REPLACEMENT RESERVES & OTHER RESTRICTED DEPOSITS	15,966.
(4) SECURITY DEPOSITS	10,769.
(5) DUE FROM AFFILIATES	938,569.
(6) DUE FROM DEPARTMENT OF MEDICAL ASSISTANCE	164,212.
(7) START-UP COSTS	13,128.
(8)	
(9)	
(10)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.)	1,312,611.

Part X Other Liabilities. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value
(1) Federal income taxes	
(2) TENANT SECURITY DEPOSITS	3,288.
(3) ACCRUED INTEREST PAYABLE	1,221.
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
(11)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.)	4,509.

2. FIN 48 (ASC 740) Footnote. 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

1	Total revenue, gains, and other support per audited financial statements	1	27,629,557.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains on investments	2a	
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIII.)	2d	
e	Add lines 2a through 2d	2e	0.
3	Subtract line 2e from line 1	3	27,629,557.
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	
c	Add lines 4a and 4b	4c	0.
5	Total revenue. Add lines 3 and 4c . (This must equal Form 990, Part I, line 12.)	5	27,629,557.

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

1	Total expenses and losses per audited financial statements	1	27,652,537.
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	
e	Add lines 2a through 2d	2e	0.
3	Subtract line 2e from line 1	3	27,652,537.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIII.)	4b	
c	Add lines 4a and 4b	4c	0.
5	Total expenses. Add lines 3 and 4c . (This must equal Form 990, Part I, line 18.)	5	27,652,537.

Part XIII Supplemental Information

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

PART IV, LINE 2B: THE ORGANIZATION ACTS AS A REPRESENTATIVE

PAYEE/TRUSTEE ON BEHALF OF THE CONSUMER PERSONAL FUNDS. WITHDRAWALS FROM THE FUNDS ARE USED STRICTLY TO COVER THE PATIENT PAY OBLIGATIONS AND CONSUMERS AUTHORIZED SPENDING AS DETERMINED/APPROVED BY THE VIRGINIA DEPARTMENT OF SOCIAL SERVICES.

PART X, LINE 2: THE ORGANIZATION IS EXEMPT FROM FEDERAL INCOME TAXES

UNDER SECTION 501(C)(3) OF THE INTERNAL REVENUE CODE; ACCORDINGLY, THE

Part XIII Supplemental Information (continued)

ACCOMPANYING FINANCIAL STATEMENTS DO NOT REFLECT A PROVISION OR LIABILITY FOR FEDERAL AND STATE INCOME TAXES. THE ORGANIZATION HAS DETERMINED THAT IT DOES NOT HAVE ANY MATERIAL UNRECOGNIZED TAX BENEFITS OR OBLIGATIONS AS OF JUNE 30, 2013 AND 2012.

Multiple horizontal lines for supplemental information.

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 23.

▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2012

Open to Public Inspection

Name of the organization

COMMUNITY RESIDENCES, INC.

Employer identification number

54-1004092

Part I Questions Regarding Compensation

	Yes	No
1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items. <input type="checkbox"/> First-class or charter travel <input type="checkbox"/> Travel for companions <input type="checkbox"/> Tax indemnification and gross-up payments <input type="checkbox"/> Discretionary spending account <input type="checkbox"/> Housing allowance or residence for personal use <input type="checkbox"/> Payments for business use of personal residence <input type="checkbox"/> Health or social club dues or initiation fees <input type="checkbox"/> Personal services (e.g., maid, chauffeur, chef)		
b If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain	1b	
2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	2	
3 Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III. <input checked="" type="checkbox"/> Compensation committee <input type="checkbox"/> Independent compensation consultant <input type="checkbox"/> Form 990 of other organizations <input checked="" type="checkbox"/> Written employment contract <input type="checkbox"/> Compensation survey or study <input checked="" type="checkbox"/> Approval by the board or compensation committee		
4 During the year, did any person listed in Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization: a Receive a severance payment or change-of-control payment?	4a	X
b Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b	X
c Participate in, or receive payment from, an equity-based compensation arrangement?	4c	X
If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.		
Only section 501(c)(3) and 501(c)(4) organizations must complete lines 5-9.		
5 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of: a The organization?	5a	X
b Any related organization?	5b	X
If "Yes" to line 5a or 5b, describe in Part III.		
6 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of: a The organization?	6a	X
b Any related organization?	6b	X
If "Yes" to line 6a or 6b, describe in Part III.		
7 For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	7	X
8 Were any amounts reported in Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III	8	X
9 If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?	9	

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

Schedule J (Form 990) 2012

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii). Do not list any individuals that are not listed on Form 990, Part VII.

Note. The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual.

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported as deferred in prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) DENNIS MANNING PRESIDENT	(i)	259,252.	0.	0.	15,181.	1,042.	275,475.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(2) TERENCE HURLEY TREASURER; VP & CFO	(i)	185,413.	0.	0.	8,694.	21,980.	216,087.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
(3) KATHLEEN WELLINGTON VICE PRESIDENT	(i)	160,733.	0.	0.	9,698.	564.	170,995.	0.
	(ii)	0.	0.	0.	0.	0.	0.	0.
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							

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.

OMB No. 1545-0047

2012

Open to Public
Inspection

Name of the organization

COMMUNITY RESIDENCES, INC.

Employer identification number

54-1004092

FORM 990, PART I, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

INDEPENDENTLY AND WITH A HIGH QUALITY OF LIFE AS POSSIBLE IN PURSUIT OF
IT'S MISSION, COMMUNITY RESIDENCES (CR) CONTRIBUTES THROUGH THE
PROVISION OF MEDICAL, THERAPEUTIC, EDUCATIONAL, VOCATIONAL, RESIDENTIAL
AND INTEGRATIVE RECREATIONAL SERVICES TO THE FORMATION OF VITAL
RELATIONAL COMMUNITIES THROUGH WHICH OUR CONSUMERS EXPERIENCE GREATER
INDEPENDENCE, DIGNITY, FULFILLMENT AND HAPPINESS.

FORM 990, PART III, LINE 1, DESCRIPTION OF ORGANIZATION MISSION:

EDUCATIONAL, VOCATIONAL, RESIDENTIAL AND INTEGRATIVE RECREATIONAL
SERVICES TO THE FORMATION OF VITAL RELATIONAL COMMUNITIES THROUGH WHICH
OUR CONSUMERS EXPERIENCE GREATER INDEPENDENCE, DIGNITY, FULFILLMENT AND
HAPPINESS.

FORM 990, PART III, LINES 4A-C,

DESCRIPTION OF PROGRAM SERVICES:

COMMUNITY RESIDENCES SERVED PEOPLE WITH MENTAL ILLNESSES, INTELLECTUAL
DISABILITIES AND HOMELESSNESS THROUGH THE PROVISION OF MEDICAL
THERAPEUTIC, EDUCATIONAL, VOCATIONAL, RESIDENTIAL AND INTEGRATIVE
RECREATIONAL SERVICES.

COMMUNITY RESIDENCES' ICF/IDDS PROVIDE COMPREHENSIVE AND INDIVIDUALIZED
HEALTH CARE AND REHABILITATION SERVICES TO INDIVIDUALS TO PROMOTE THEIR
FUNCTIONAL STATUS AND SUPPORT INDEPENDENCE, SELF-DETERMINATION AND
COMMUNITY INTEGRATION. THIS MOST INTENSIVE LEVEL OF SUPPORT IS
AVAILABLE ONLY FOR INDIVIDUALS IN NEED OF, AND RECEIVING, ACTIVE

LHA For Paperwork Reduction Act Notice, see the Instructions for Form 990 or 990-EZ.

Schedule O (Form 990 or 990-EZ) (2012)

232211
01-04-13

Name of the organization COMMUNITY RESIDENCES, INC.	Employer identification number 54-1004092
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TREATMENT SERVICES. ACTIVE TREATMENT REFERS TO A CONTINUOUS, AGGRESSIVE AND CONSISTENT IMPLEMENTATION OF A PROGRAM OF SPECIALIZED AND GENERIC TRAINING, TREATMENT AND HEALTH OR RELATED SERVICES BASED UPON AN INDIVIDUALIZED SERVICE PLAN. EACH ICF/IDD HAS A FULL RANGE OF CLINICAL SERVICES AND SUPPORTS DESIGNED TO MEET THE DESIRES AND ASSESSED NEEDS OF THE INDIVIDUAL. THIS INCLUDES COMPREHENSIVE IN-HOME NURSING AND BEHAVIORAL SERVICES AS WELL AS CONSULTATION BY A MEDICAL DIRECTOR WHO OVERSEES THE INDIVIDUALS' HEALTH PROFILE. EACH INDIVIDUAL IS PROVIDED WITH A WIDE ARRAY OF SKILLS TRAINING, SUPPORT AND COACHING WITH ACTIVITIES OF DAILY LIVING, COMMUNITY INTEGRATION, RECREATIONAL OPPORTUNITIES, AND MEDICATION MONITORING AND/OR ADMINISTRATION.

INDIVIDUALS WITH INTELLECTUAL DISABILITIES WHO ARE SUPPORTED IN COMMUNITY RESIDENCES' CONGREGATE HOUSING PROGRAM RESIDE IN NEIGHBORHOOD HOMES WITH A SHARED LIVING ENVIRONMENT. EACH INDIVIDUAL HAS A PRIVATE BEDROOM, BUT SHARES KITCHEN, DINING AND/OR BATHING AREAS. EVERY HOME IS LOCATED WITHIN REASONABLE ACCESS TO SHOPPING, RECREATIONAL, SOCIAL, CULTURAL AND RELIGIOUS ACTIVITIES; HEALTH CARE FACILITIES, TRANSPORTATION AND VOCATIONAL OPPORTUNITIES. COMMUNITY RESIDENCES OFFERS A WIDE VARIETY OF SERVICES AND ACTIVITIES THAT ARE FLEXIBLE AND RESPONSIVE TO THE PERSON SUPPORTED AND ARE FULLY INTEGRATED INTO COMMUNITY LIFE. WHILE EACH PERSON'S SERVICE PLAN IS DIFFERENT, AVAILABLE SERVICES AND ACTIVITIES MAY INCLUDE LIFE SKILLS EDUCATION AND COACHING, SUPPORT WITH DAILY LIVING SKILLS, MEDICAL/CLINICAL COORDINATION AND OVERSIGHT, PSYCHO-EDUCATIONAL COUNSELING, POSITIVE BEHAVIORAL AND CRISIS SUPPORT, RECREATION AND LEISURE ACTIVITIES, TRANSPORTATION AND RESOURCE AND BENEFITS COORDINATION.

Name of the organization COMMUNITY RESIDENCES, INC.	Employer identification number 54-1004092
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SERVING PEOPLE WITH MENTAL ILLNESS: COMMUNITY RESIDENCES PROVIDES RESIDENTIAL PROGRAMS FOR INDIVIDUALS WITH MENTAL HEALTH DIAGNOSES AND SERVICES TO INDIVIDUALS WHO LIVE IN THE COMMUNITY. THE RESIDENTIAL PROGRAMS ARE SINGLE FAMILY HOMES AND LOCATED IN NEIGHBORHOODS THAT ARE CLOSE TO SHOPPING, PUBLIC TRANSPORTATION, AND SOCIAL, RECREATIONAL AND CULTURAL ACTIVITIES. COMMUNITY SERVICES ARE DESIGNED TO PROMOTE COMMUNITY TENURE, TO PREVENT HOMELESSNESS, HOSPITALIZATION, INCARCERATION THROUGH LEARNING SKILLS, AND DEVELOPING NATURAL SUPPORTS. THE PROGRAMS REFLECT THE BELIEF THAT INDIVIDUALS CAN GROW, CHANGE AND RECOVER FROM THE SYMPTOMS OF MENTAL ILLNESS AND CAN LIVE MORE INDEPENDENTLY IN THE COMMUNITY OF THEIR CHOOSING.

FORM 990, PART VI, SECTION A, LINE 2: MARY LUDDEN AND JENNA LUDDEN HAVE A FAMILY RELATIONSHIP.

FORM 990, PART VI, SECTION A, LINE 7A: THE BYLAWS INDICATE THAT THE MEMBERS ARE EITHER MEMBERS OF THE COMMUNITY RESIDENCES, INC (CRI) BOARD OR APPOINTED BY THE CRI BOARD.

FORM 990, PART VI, SECTION A, LINE 7B: BASED ON THE BYLAWS REGARDING MEMBERS AND APPOINTMENT TO THE BOARD THERE IS AN APPROVAL PROCESS BY THE MEMBERS REGARDING DECISIONS OF THE GOVERNING BOARD.

FORM 990, PART VI, SECTION B, LINE 11: THE FORM 990 IS PREPARED BY THE AGENCY'S AUDITORS AFTER MANAGEMENT'S INPUT AND CRITICAL REVIEW. IT IS THEN DISTRIBUTED AND REVIEWED WITH THE FINANCE COMMITTEE OF THE CRI BOARD FOR ITS APPROVAL PRIOR TO FILING. IN ADDITION, THE FINANCE COMMITTEE THEN REPORTS TO THE CRI BOARD, AT ITS NEXT SCHEDULED MEETING, ON ITS REVIEW

Name of the organization COMMUNITY RESIDENCES, INC.	Employer identification number 54-1004092
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PROCESS AND ANY SIGNIFICANT ISSUES DISCUSSED WITH THE AUDITORS. COPIES OF THE FORM 990 ARE PROVIDED TO THE CRI BOARD MEMBERS AT THAT TIME.

FORM 990, PART VI, SECTION B, LINE 12C: THE ORGANIZATION REVIEWS ITS POLICIES WITH ALL THE NEW BOARD MEMBERS AND EMPLOYEES DURING AN ORIENTATION. IN ADDITION, ALL EXPENDITURES REQUIRE TWO EMPLOYEES' SIGNATURES FOR DISBURSEMENTS. THE ORGANIZATION ALSO HAS A WHISTLEBLOWER POLICY AND A DIRECTOR ACCOUNTABLE FOR INDEPENDENT INVESTIGATIONS OF ANY ALLEGED MISCONDUCT.

FORM 990, PART VI, SECTION B, LINE 15: THE CRI BOARD FORMED A COMMITTEE MADE UP OF BOARD MEMBERS AND COMMUNITY REPRESENTATIVES TO SELECT AND HIRE THE CURRENT PRESIDENT IN OCTOBER 2006. THE AGENCY AND INCUMBENT ENTERED A CONTRACT THAT WAS IN EFFECT DURING FISCAL YEAR 2013. DURING FY 2013 THE CRI BOARD ENGAGED A THIRD PARTY CONSULTANT TO ASSIST IN THE PROCESS FOR REVIEWING THE CEO'S CONTRACT WHICH INCLUDED COMPENSATION. THIS PROCESS CONCLUDED IN FY 2014 WITH THE SIGNING OF A CONTRACT AMENDMENT ON DECEMBER 30, 2013. THE COMPENSATION OF THE OFFICERS IS DETERMINED BY THE CEO AS PART OF THE ANNUAL BUDGET AND EVALUATION PROCESSES.

FORM 990, PART VI, SECTION C, LINE 19: ALL GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY AND/OR FINANCIAL STATEMENTS ARE PROVIDED AS REQUIRED BY LAW. IN ADDITION, THE AGENCY PROVIDES AN ANNUAL REPORT TO THE COMMUNITY THAT DOCUMENTS ITS ACCOMPLISHMENTS AND FINANCIAL STATUS. THE AGENCY ALSO SUBMITS REPORTS TO VARIOUS STATE LICENSING AGENCIES AS PART OF ITS MISSION.

FORM 990, PART IX, LINE 11G, OTHER FEES:

HEALTH CARE PROFESSIONALS :

232212
01-04-13

Name of the organization COMMUNITY RESIDENCES, INC.	Employer identification number 54-1004092
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PROGRAM SERVICE EXPENSES	214,029.
MANAGEMENT AND GENERAL EXPENSES	0.
FUNDRAISING EXPENSES	0.
TOTAL EXPENSES	214,029.

EMPLOYEE BACKGROUND CHECKS :

PROGRAM SERVICE EXPENSES	16,758.
MANAGEMENT AND GENERAL EXPENSES	2,786.
FUNDRAISING EXPENSES	144.
TOTAL EXPENSES	19,688.

OTHER CONSULTING SERVICES :

PROGRAM SERVICE EXPENSES	10,899.
MANAGEMENT AND GENERAL EXPENSES	56,300.
FUNDRAISING EXPENSES	1,224.
TOTAL EXPENSES	68,423.

HAB/VOC TRAINING:

PROGRAM SERVICE EXPENSES	2,592,404.
MANAGEMENT AND GENERAL EXPENSES	0.
FUNDRAISING EXPENSES	0.
TOTAL EXPENSES	2,592,404.
TOTAL OTHER FEES ON FORM 990, PART IX, LINE 11G, COL A	2,894,544.

FORM 990, PART XII, LINE 2C:

OVERSIGHT OF THE AUDIT PROCESS:

THE ORGANIZATION HAS A COMMITTEE THAT ASSUMES THE RESPONSIBILITY FOR

THE OVERSIGHT OF THE AUDIT OF ITS FINANCIAL STATEMENTS AND SELECTION OF

Name of the organization
COMMUNITY RESIDENCES, INC.

Employer identification number
54-1004092

AN INDEPENDENT AUDITOR. THERE WERE NO CHANGES IN THE PROCESSES FROM THE
PRIOR YEAR.

Multiple horizontal lines for text entry.

Related Organizations and Unrelated Partnerships

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

Name of the organization **COMMUNITY RESIDENCES, INC.** Employer identification number **54-1004092**

Part I Identification of Disregarded Entities (Complete if the organization answered "Yes" to 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

Part II Identification of Related Tax-Exempt Organizations (Complete if the organization answered "Yes" to 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
COMMUNITY HAVENS, INC. - 54-2006078 14610 NEWBROOK DRIVE CHANTILLY, VA 201512297	SERVES PEOPLE WITH MENTAL ILLNESSES AND INTELLECTUAL DISABILITIES	VIRGINIA	501(C)(3)	LINE 9	COMMUNITY RESIDENCES, INC		X
COMMUNITY RESIDENCES FOUNDATION, INC. - 54-1753414, 14610 NEWBROOK DRIVE, CHANTILLY, VA 201512297	SERVES PROGRAMS OF CRI THROUGH FINANCIAL ASSISTANCE	VIRGINIA	501(C)(3)	LINE 7	COMMUNITY RESIDENCES, INC		X
COMMUNITY RESIDENCES OF ARLINGTON, INC. - 52-1303297, 14610 NEWBROOK DRIVE, CHANTILLY, VA 201512297	SERVES PEOPLE WITH MENTAL ILLNESSES AND INTELLECTUAL DISABILITIES	VIRGINIA	501(C)(4)		COMMUNITY RESIDENCES, INC		X
RESIDENTIAL YOUTH SERVICES, INC. - 54-0857751, 14610 NEWBROOK DRIVE, CHANTILLY, VA 201512297	SERVES THE NEEDS OF ABUSED, NEGLECTED, AT RISK & YOUNG ADULTS	VIRGINIA	501(C)(3)	LINE 9	COMMUNITY RESIDENCES, INC		X

Part III Identification of Related Organizations Taxable as a Partnership (Complete if the organization answered "Yes" to 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) Disproportion- ate 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" to 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" to 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?

	Yes	No
a Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity		X
b Gift, grant, or capital contribution to related organization(s)	X	
c Gift, grant, or capital contribution from related organization(s)	X	
d Loans or loan guarantees to or for related organization(s)		X
e Loans or loan guarantees by related organization(s)		X
f Dividends from related organization(s)		X
g Sale of assets to related organization(s)		X
h Purchase of assets from related organization(s)		X
i Exchange of assets with related organization(s)		X
j Lease of facilities, equipment, or other assets to related organization(s)		X
k Lease of facilities, equipment, or other assets from related organization(s)	X	
l Performance of services or membership or fundraising solicitations for related organization(s)	X	
m Performance of services or membership or fundraising solicitations by related organization(s)	X	
n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	X	
o Sharing of paid employees with related organization(s)	X	
p Reimbursement paid to related organization(s) for expenses		X
q Reimbursement paid by related organization(s) for expenses		X
r Other transfer of cash or property to related organization(s)	X	
s Other transfer of cash or property from related organization(s)	X	

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

(a) Name of other organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1) COMMUNITY HAVENS, INC.	B	0.	NO AMOUNT DUE TO HIGH VOLUME
(2) COMMUNITY HAVENS, INC.	K	0.	NO AMOUNT DUE TO HIGH VOLUME
(3) COMMUNITY HAVENS, INC.	M	0.	NO AMOUNT DUE TO HIGH VOLUME
(4) COMMUNITY HAVENS, INC.	N	0.	NO AMOUNT DUE TO HIGH VOLUME
(5) COMMUNITY HAVENS, INC.	O	0.	NO AMOUNT DUE TO HIGH VOLUME
(6) COMMUNITY RESIDENCES OF ARLINGTON, INC.	M	0.	NO AMOUNT DUE TO HIGH VOLUME

Part V Continuation of Transactions With Related Organizations (Schedule R (Form 990), Part V, line 2)

(a) Name of other organization	(b) Transaction type (a-r)	(c) Amount involved	(d) Method of determining amount involved
(7)COMMUNITY RESIDENCES OF ARLINGTON, INC.	N	0.	NO AMOUNT DUE TO HIGH VOLUME
(8)COMMUNITY RESIDENCES OF ARLINGTON, INC.	O	0.	NO AMOUNT DUE TO HIGH VOLUME
(9)COMMUNITY RESIDENCES FOUNDATION, INC.	C	0.	NO AMOUNT DUE TO HIGH VOLUME
(10)COMMUNITY RESIDENCES FOUNDATION, INC.	L	0.	NO AMOUNT DUE TO HIGH VOLUME
(11)COMMUNITY RESIDENCES FOUNDATION, INC.	N	0.	NO AMOUNT DUE TO HIGH VOLUME
(12)COMMUNITY RESIDENCES FOUNDATION, INC.	O	0.	NO AMOUNT DUE TO HIGH VOLUME
(13)RESIDENTIAL YOUTH SERVICES, INC.	L	0.	NO AMOUNT DUE TO HIGH VOLUME
(14)RESIDENTIAL YOUTH SERVICES, INC.	N	0.	NO AMOUNT DUE TO HIGH VOLUME
(15)RESIDENTIAL YOUTH SERVICES, INC.	O	0.	NO AMOUNT DUE TO HIGH VOLUME
(16)RESIDENTIAL YOUTH SERVICES, INC.	R	0.	NO AMOUNT DUE TO HIGH VOLUME
(17)			
(18)			
(19)			
(20)			
(21)			
(22)			
(23)			
(24)			

2012 DEPRECIATION AND AMORTIZATION REPORT

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Asset No.	Description	Date Acquired	Method	Life	Conv	Line No.	Unadjusted Cost Or Basis	Bus % Excl	Section 179 Expense	* Reduction In Basis	Basis For Depreciation	Beginning Accumulated Depreciation	Current Sec 179 Expense	Current Year Deduction	Ending Accumulated Depreciation
	BUILDINGS														
2	BUILDINGS	VARIOUS	VAR	.000		HY16	171,848.				171,848.	171,848.		0.	171,848.
3	IMPROVEMENTS	VARIOUS	VAR	.000		HY16	74,120.				74,120.	42,932.		5,019.	47,951.
5	CONSTRUCTION IN PROGRESS	VARIOUS	VAR	.000		HY16	474.				474.			0.	
	* 990 PAGE 10 TOTAL BUILDINGS						246,442.				246,442.	214,780.		5,019.	219,799.
	TRANSPORTATION EQUIPMENT														
4	VEHICLES AND EQUIPMENT	VARIOUS	VAR	.000		HY16	2,856,602.				2,856,602.	1,956,864.		312,120.	2,268,984.
	* 990 PAGE 10 TOTAL TRANSPORTATION EQUIPMENT						2,856,602.				2,856,602.	1,956,864.		312,120.	2,268,984.
	LAND														
1	LAND	VARIOUS	L				111,519.				111,519.			0.	
	* 990 PAGE 10 TOTAL LAND						111,519.				111,519.	0.		0.	0.
	OTHER														
6	START-UP COSTS	VARIOUS		60M		HY43	21,049.				21,049.	7,525.		396.	7,921.
	* 990 PAGE 10 TOTAL OTHER						21,049.				21,049.	7,525.		396.	7,921.
	* GRAND TOTAL 990 PAGE 10 DEPR & AMORT						3,235,612.				3,235,612.	2,179,169.		317,535.	2,496,704.