

**MONROE COUNTY
HUMAN SERVICES ADVISORY BOARD
Application for Funding
Fiscal Year 2011
October 1, 2010 – September 30, 2011**

| | |
|--|----------------------------------|
| Agency Name | Star of the Sea Foundation, Inc. |
| Physical Address | 5640 Maloney Ave. |
| Mailing Address | |
| City, State, Zip | Key West, Florida 33040 |
| Phone | 305-292-3013 |
| Fax | 305-292-3014 |
| Email | thomasmcallahan@gmail.com |
| Who should we contact with questions about this application? | Tom Callahan, Treasurer |

| | |
|---|----------|
| Amount received for prior fiscal year ending 09/30/09 | \$0 |
| Amount received for current fiscal year ending 09/30/10 | \$10,000 |
| Amount requested for upcoming fiscal year ending 09/30/11 | \$65,400 |

ORIGINAL

① AHE
 Expenditure 401K
 ② [unclear] [unclear]
 [unclear]

RECEIVED
APR 21 2010

BY: *P. Lipp*
DMB

CERTIFICATION

To the best of our knowledge and belief, the information contained in this application and attachments is true and correct. Monroe County is hereby authorized to verify all information contained herein, and we understand that any inaccuracies, omissions, or any other information found to be false may result in rejection of this application. This certifies that this request for funding is consistent with our organization's Articles of Incorporation and Bylaws and has been approved by a majority of the Board of Directors.

We affirm that the Agency will use Monroe County funds for the purposes as submitted in this Application for Funding. Any change will require written approval from the Monroe County Board of County Commissioners.

We understand that the agency must substantially meet the eligibility criteria to be considered for Monroe County funding and that any applicable attachments not included disqualify the agency's application.

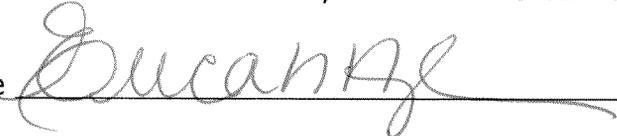
We further understand that meeting the Eligibility Criteria in no way ensures that the agency will be recommended for funding by the Human Services Advisory Board. These recommendations are determined by service needs of the community, availability of funds, etc. HSAB funding recommendations must be approved by the Monroe County Board of County Commissioners.

Typed Name of Executive Director: **Roger Morse**

Signature  _____

Date: 4-18-2010

Typed Name of Board President/Chairman: **Erica Hughes-Sterling**

Signature  _____

Date: 4.18.2010

Detailed instructions for each question appear in the separate instruction document.

1. Insert your agency's board-approved mission statement below.

The Mission will provide all of its services to help all of God's people regardless of religion, race, color, national origin, sex, age or disability.

2. List the services your agency provides. ***Certified food pantry, prescription drug reimbursement assistance, bus tickets, donated clothing and goods redistribution, human services referrals.***

3. What services will be funded by this request? . ***Certified food pantry, prescription drug reimbursement assistance, bus tickets***

4. Will County HSAB funds be used as match for a grant? **No**

5. If you answered "yes" to number four, please specify the:

a. grant award title, granting agency, and purpose:

b. grant amount:

c. match percentage requirement and amount:

6. Will any part of this HSAB grant, if awarded, be sub-granted to another organization? **No**

7. Does your organization allocate sub-grants to other organizations using other sources (non County) of funding? **No**

8. Will you or have you applied for other sources of funding from within the County? If yes, please list source(s) and amount(s). **No**

9. What needs or problems in this community does your agency address? ***Hunger, addiction, mental and physical health.***

10. What statistical data support the needs listed in number six? ***The simple fact that we see an average of 90 clients per day for food alone***

11. What are the causes (not the symptoms) of these problems? ***Weak economy and unemployment. High cost of living in the lower Keys.***

12. What does your agency do to address these causes? ***We provide food for the hungry, prescription drug reimbursement for the sick, and one way bus tickets for those needing to get away from the temptations of drugs and alcohol here and to get back to where they have better support.***

13. Describe your target population as specifically as possible. **Working poor, seniors on fixed incomes and the homeless and infirmed.**

14. How are clients referred to your agency? **Local social services organizations, Monroe County Detention Center, addiction counselors and health professionals.**

15. What steps are taken to be sure that prospective clients are eligible and that the neediest clients are given priority? **The US Department of Agriculture requires us to complete intake forms on which clients must attest to below poverty level income.**

16. Describe any networking arrangements that are in place with other agencies. **We are members of the Southernmost Homeless Assistance League (SHAL), and regularly network with other social services agencies. In October of 2009 we initiated our Collaborative Food Effort (see attachment R), and in the past six months have distributed over 20,000 pounds of food directly to Monroe County residents housed in facilities such as Samuel's House and MARC House. We are able to procure this food on the most economical basis possible (from Feeding America-the USDA sponsored National Food Bank) and through our support nine other agencies receive weekly food deliveries (see also attachment R). These include FKOC, Samuels House, Wesley House, Florida Keys Children's Center, Domestic Abuse Shelter, Heron Peacock Assisted Living, Volunteers of America, Helpline, Project Lighthouse, and Aids Help. Our ultimate goal with this program is to achieve enough scale to become a Regional Food Distribution Center through Feeding America. This would increase the amount of food available to the needy citizens of Monroe County by many times over, and with MCHSB support can continue and expand upon this program.**

We also receive referrals from the Monroe County Detention Center, JIP program, and other Monroe County social services agencies and churches.

17. List all sites and hours of operation. **Monday through Friday 9:30 AM to 5 PM 5640 Maloney Ave. Key West, FL 33040.**

18. What financial challenges do you expect in the next two years, and how do you plan to respond to them? **We have seen an explosion in demand for services due to the weakening economy and have redoubled our fundraising efforts as well as reduced the frequency of food distribution. Previously, clients were able to come in every week, and we now limit them to every 10 days.**

19. What organizational challenges do you expect in the next two years, and how do you plan to respond to them? **We received a very generous grant of \$800,000 this past year to purchase the building that we occupy. This note will be paid off within the next 24 months at which time we would like to expand our services to include healthcare. This will require an expansion of our existing facility. We have received pledges from other area organizations to assist us in this endeavor.**

20. How are clients represented in the operation of your agency? **Many clients volunteer with us and are represented at volunteers and Board meetings.**

21. Is your agency monitored by an outside entity? **We report on a monthly basis to the US Department of Agriculture, and are regularly audited for compliance.**

22. **8744** hours of program service were contributed by **469** volunteers in the last year.

23. Will any services funded by the County be performed under subcontract by another agency?
No

24. What measurable outcomes do you plan to accomplish in the next funding year?
Unfortunately, the problem of hunger is never ending, but we do plan to extend our services to include health care. This will hopefully allow us to help treat physical ailments before they become debilitating for the clients (ie: treat hypertension before a stroke occurs)

25. How will you measure these outcomes? **Measure patient compliance by regular testing.**

26. Provide information about units of service below.

| Service | Unit (yearly.) | Cost per unit (current year) |
|-----------------------------|----------------------------|------------------------------|
| Food Distribution | 298,000 lbs. | .39 |
| Prescription Drug Formulary | 978 prescriptions provided | \$7.00 (ave). |
| Bus Tickets | 86 bus tickets | \$63.00 (ave.) |
| | | |
| | | |
| | | |
| | | |

27. In 300 words or less, address any topics not covered above (optional).
Feeding South Florida is located in Plantation Florida but is the nearest distribution center for Feeding America (National Food Bank) to Monroe County. They admit that Monroe County is underserved but have been loath to increase our food allocation because of geographic limitations. It is very expensive to ship food all the way down here in refrigerated trucks and the truck they are currently using comes only once a week and is limited to 10,000 pounds. With additional funding for our Collaborative Food Effort we could dramatically increase the amount of food we order thus necessitating a much larger truck. We have already allowed modified our facility to accommodate the tractor-trailer (semi) they have promised to begin sending when we become a Regional Food Distribution Center. This will benefit all of Monroe County because they deliver from Key Largo to Big Pine (other local food banks) on their way to us in Key West every week. We have not yet achieved the scale of their other partners in Miami and Fort Lauderdale, but at 30,000 pounds a month, we are very close. Distributing food to needy residents of the many other social services agencies in our area benefits everyone, and we can continue to do that with adequate funding from the County.

REQUIRED ATTACHMENTS

Please note: the required attachments A through F are only available in Microsoft Excel format. We require that you use this format, since it will automatically expand rows, generate totals and percentages, and align figures for easier reading.

ATTACHMENT CHECKLIST

| LABEL AND ATTACH THE FOLLOWING IN THE ORDER SHOWN, AFTER THIS PAGE IF NOT APPLICABLE, PLEASE SO INDICATE AND EXPLAIN | ATTACHED? | | COMMENTS |
|---|-----------|----|-----------------------------------|
| | YES | NO | You must explain any "NO" answers |
| A. Board Information Form | X | | |
| B. Agency Compensation Detail | X | | |
| C. Profile of Clients and Services | X | | |
| D – F. Financial Information | X | | |
| G. Copy of most recent CPA Audit Report or financial statement * | X | | |
| H. Copy of most recent IRS Form 990 | X | | |
| I. Copy of current fee schedule | | X | No fees charged |
| J. Copy of IRS Tax Exempt 501(c)(3) Certificate | X | | |
| K. Copy of Current Monroe County and City Occupational Licenses | X | | |
| L. Copy of Florida Dept. of Children And Families License or Certification | | X | N/A |
| M. Copy of any other Federal or State Licenses | | X | N/A |
| N. Copy of Florida Dept. of Health Licenses/Permits | | X | N/A |
| O. Copy of front page of Agency's EEO Policy/Plan | X | | |
| P. Copy of Summary Report of most current Evaluation/Monitoring * | | X | N/A |
| Q. Data showing need for your program (optional, see question 7) | | X | optional |
| R. Other (specify) TWO PAGE LIMIT | x | | ATTACHMENT R |

* must include summary of deficiencies and suggested corrective action; may include your responses and actions taken.

ATTACHMENT A 1 - BOARD INFORMATION

This attachment has changed; please note additional information request at bottom of page.

2010

You must have at least five directors.

(enter your agency name in D-3 above and it will automatically appear in subsequent sheets)

| Name/Board Position | Affiliation/Title | City/State | Years Served | Current Term Expiration Date |
|---------------------------------|-------------------|------------------|--------------|------------------------------|
| Erica Hughes Sterling, Chairman | President | Key West Florida | 3 | 7/1/2012 |
| Doria H. Goodrich | Secretary | Key West Florida | 3 | 7/1/2012 |
| Thomas M. Callahan | Treasurer | Key West Florida | 3 | 7/1/2012 |
| Peter H. Batty | Director | Key West Florida | 3 | 7/1/2011 |
| John C. Baker | Director | Key West Florida | 3 | 7/1/2011 |

**** ATTACHMENT A 2 - EVIDENCE OF ANNUAL ELECTION OF OFFICERS** (Please attach a copy of the minutes of the meeting in which the most recent elections took place.)

A-2

STAR OF THE SEA FOUNDATION (SOS), INC.
BOARD OF DIRECTORS MEETING DECEMBER 19, 2008
MINUTES

The meeting was called to order at 4:59 PM with the following directors present; Erica Hughes, Doria Goodrich, Tom Callahan, and Peter Batty, said directors constituting a quorum. The following director was absent; Father John Baker.

On a motion from Tom, seconded by Peter the resolution was unanimously passed authorizing Erica Hughes to execute any and all documents related to the purchase of certain real property known as 5640 Maloney Ave., Key West, FL 33040. Erica indicated that there should be no problem scheduling a settlement date before the end of the year, and Peter and Erica agreed to get together next Monday to sign the necessary documents. Tom agreed to arrange for continuation of the existing insurance coverage post-settlement.

On a motion from Tom, seconded by Erica, the 2009 budget presented was unanimously approved.

On a motion from Tom, seconded by Peter the resolution was unanimously passed appointing Erica Hughes President, Tom Callahan Treasurer, and Doria Goodrich Secretary, said officers to serve two year terms (January 2011) or until removed.

On a motion from Tom, second by Peter, the decision was made to make best efforts to limit the purchase of food to only that available through the Miami Food Bank. Recognizing that this might not always be possible, the decision was made to create an executive committee to oversee the actual day-to-day operations of the food pantry. For 2009, that committee shall consist of directors Tom Callahan and Father John Baker, as well as the executive director of the Mission, Roger Morse.

The discussion of additional fund raising measures was tabled for a later date.

The meeting was adjourned at 5:32 PM.

ATTACHMENT E - AGENCY EXPENSES

2010

Complete this worksheet for the entire agency.
Please round all amounts to the nearest dollar.

#REF!

| | Proposed Expense Budget for Upcoming Year Ending: | | Projected Expenses for Current Year Ending: | |
|--|--|-------------|--|-------------|
| | 12/31/2011 | | 12/31/2010 | |
| | Total | % | Total | % |
| Expenditures | | | | |
| Salaries | 36,400 | 16% | 36,400 | 18% |
| Payroll Taxes | 3,276 | 1% | 3,276 | 2% |
| Employee Benefits | | 0 | | 0 |
| Subtotal Personnel | 39,676 | 18% | 39,676 | 19% |
| Postage | 766 | 0% | 766 | 0% |
| Office Supplies | 592 | 0% | 592 | 0% |
| Telephone | 3,941 | 2% | 3,941 | 2% |
| Professional Fees | 4,500 | 2% | 4,500 | 2% |
| Rent | | 0 | | 0 |
| Utilities | 6,500 | 3% | 6,203 | 3% |
| Repair and Maint. | 6,600 | 3% | 6,481 | 3% |
| Travel | | 0 | | 0 |
| Miscellaneous | | 0 | | 0 |
| Grants to Other Organizations | | 0 | | 0 |
| <i>List others below</i> | | 0 | | 0 |
| Fuel and Vehicle Maint | 1,901 | 1% | 1,801 | 1% |
| Property and vehicle insurance | 10,600 | 5% | 10,487 | 5% |
| Business Reg. Fees & Dues | 806 | 0% | 806 | 0% |
| Food Prep supplies | 2,600 | 1% | 2,389 | 1% |
| Direct Assistance (Food, Prescriptions, Bus Tick's | 120,000 | 54% | 108,000 | 53% |
| Capacity buildout and handicap access | 23,500 | 11% | 18,700 | 9% |
| | | 0 | | 0 |
| | | 0 | | 0 |
| | | 0 | | 0 |
| | | 0 | | 0 |
| | | 0 | | 0 |
| | | 0 | | 0 |
| | | 0 | | 0 |
| | | 0 | | 0 |
| | | 0 | | 0 |
| Total Expenses | 221,982 | 100% | 204,342 | 100% |
| Revenue Over/(Under) Expenses | 8,518 | | 8,378 | |

Attachment "G"

STAR OF THE SEA FOUNDATION, INC.
Financial Statements
and
Independent Auditor's Report
Year ended December 31, 2008

(2009 supplemental material - also attached.)

PAUL S. MILLS
CERTIFIED PUBLIC ACCOUNTANT

KEY WEST, FLORIDA

STAR OF THE SEA FOUNDATION, INC.
Financial Statements
December 31, 2008

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Paul S. Mills, C.P.A.

1541 Fifth Street
Key West, Florida 33040

Telephone (305) 294-3699
Fax (305) 292-1192
pmillscpa@aol.com

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Star of the Sea Foundation, Inc.
Key West, Florida

I have audited the accompanying statement of financial position of the Star of Sea Foundation, Inc. (a nonprofit organization) as of December 31, 2008 and the related statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of the Organization's Management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Star of the Sea Foundation, Inc. as of December 31, 2008, and the results of its activities and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.



Paul S. Mills
Certified Public Accountant
January 29, 2010

STAR OF THE SEA FOUNDATION, INC.
Statement of Financial Position
December 31, 2008

| ASSETS | |
|---|--------------------------|
| CURRENT ASSETS | |
| Cash and Cash Equivalents | \$ 47,406 |
| Prepaid Expenses | <u>5,224</u> |
| TOTAL CURRENT ASSETS | <u>52,630</u> |
| NONCURRENT ASSETS | |
| Land and Building, Net of Accumulated Depreciation of \$ 382 | <u>732,466</u> |
| TOTAL ASSETS | <u><u>\$ 785,096</u></u> |
| LIABILITIES AND NET ASSETS | |
| CURRENT LIABILITIES | |
| Mortgage Payable - Short Term | <u>\$ 240,000</u> |
| LONG TERM LIABILITIES | |
| Mortgage Payable - Long Term | <u>240,000</u> |
| TOTAL LIABILITIES | <u>480,000</u> |
| NET ASSETS | |
| Unrestricted | 31,496 |
| Temporarily Restricted | <u>273,600</u> |
| TOTAL NET ASSETS | <u>305,096</u> |
| TOTAL LIABILITIES AND NET ASSETS | <u><u>\$ 785,096</u></u> |

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

STAR OF THE SEA FOUNDATION, INC.
Statement of Activities
Year Ended December 31, 2008

REVENUES

| | |
|-----------------------|--------------------------|
| Grants and Awards | \$ 254,505 |
| Public Donations | <u>52,665</u> |
| TOTAL REVENUES | \$ <u>307,170</u> |

EXPENSES

| | |
|-----------------------------------|--------------------------|
| Bank Service Charges | \$ 34 |
| Depreciation | 382 |
| Licenses & Taxes - Other | <u>1,658</u> |
| TOTAL EXPENSES | \$ 2,074 |
| Increase (Decrease) in Net Assets | 305,096 |
| NET ASSETS - Beginning of Year | <u>-</u> |
| NET ASSETS - End of Year | <u><u>\$ 305,096</u></u> |

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

STAR OF THE SEA FOUNDATION, INC.
Statement of Cash Flows
Year Ended December 31, 2008

| | |
|---|-------------------------|
| Cash Flows from Operating Activities: | |
| Increase (Decrease) in Net Assets | \$ 305,096 |
| Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities | |
| Depreciation | 382 |
| (Increase) Decrease in Prepaid Expenses | <u>(5,224)</u> |
| Net Cash Provided by Operating Activities | <u>\$ 300,254</u> |
| Investing Activities: | |
| Acquisition of Land & Building | <u>(732,848)</u> |
| Financing Activities | |
| Proceeds from Mortgage Payable | <u>480,000</u> |
| Net Increase (Decrease) in Cash | 47,406 |
| Cash and Cash Equivalents - Beginning of Year | <u>-</u> |
| Cash and Cash Equivalents - End of Year | <u><u>\$ 47,406</u></u> |

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

STAR OF THE SEA FOUNDATION, INC.
Notes to Financial Statements
December 31, 2008

1. Organization

Star of the Sea Foundation, Inc. (Foundation) was incorporated July 21, 2008, under the not-for-profit statutes of the State of Florida to provide goods and services to the indigent and underprivileged residents of Key West, Florida. The services are provided with respect and compassion, and at no cost to individuals, without regard to race, creed or religion.

Programs of the Foundation are as follows:

Distributing food to all those in need.

Collection and redistribution of clothing, furniture, bed linens and other household items donated by individuals and local businesses and the U.S. Navy.

Negotiation of discounts with local pharmacies for prescription drugs.

Providing one-way bus tickets (at the recommendation of local human service agencies and counselors) affording people the opportunity to return to their homes, where they can get the support they need.

2. Summary of Significant Accounting Policies

The following is a summary of the significant generally accepted accounting principles followed in the preparation of the financial statements.

(A) **Financial Statement Presentation**

The Foundation has adopted Statement of Financial Standards (SFAS) No 117, "Financial Statements of Not-for-Profit Organizations." Under SFAS No 117, the Foundation is required to report information regarding its financial position and activities according to three classes of assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. In addition, the Foundation is required to present a statement of cash flows.

(B) **Contributions**

The Foundation has adopted SFAS No.116 " Accounting for Contributions, Received and Contributions Made." In accordance with SFAS No. 116, contributions received are considered to be available for the general programs of the Foundation. The Foundation reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends, or purpose restriction is accomplished, temporarily restricted net assets are classified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Donor restricted contributions, where the restrictions are met in the same reporting period are reported in the unrestricted class of net assets.

STAR OF THE SEA FOUNDATION, INC.
Notes to Financial Statements
December 31, 2008

2. Summary of Significant Accounting Policies, (continued)

(C) Donated Services

The Foundation records amounts for donated services when those services create or enhance non-financial assets or require specialized skills provided by individuals possessing those skills and which would not be typically purchased if not provided by donation.

(D) Land, Building and Equipment

Land, Building and Equipment are recorded as cost, except for donated assets which are recorded at their estimated fair market value as of the date of receipt. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets.

(E) Income Taxes

The Foundation is a publicly supported organization exempt from income tax under Section 501(C)(3) of the U.S. Internal Revenue Code.

(F) Functional Expense Allocation

Expenses identified as applying to a specific program or supporting service are recorded in the appropriate service as incurred. Expenses not directly attributable to a program or supporting service are allocated between service areas based upon the cumulative results of time studies of professional staff time.

(G) Cash and Cash Equivalents

For purposes of the statement of cash flows, the Foundation considers all highly liquid deposits with an initial maturity of three months or less to be cash equivalents.

(H) Use of Estimates

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

3. Fred M. Klaus and Harold L. Murphy Charitable Foundation

For the year ended December 31, 2008, the Foundation received a grant from the Fred M. Klaus and Harold L. Murphy Charitable Foundation. The Grant is not to exceed \$ 804,000, and is to be used to purchase the real property, building and all attachments located in Stock Island, Florida. As of December 31, 2008, the foundation has received \$ 254,505 which consists of the purchase down payment and applicable closing costs.

4. Mortgage Payable

For the year ended December 31, 2008, the Foundation received a purchase money mortgage from the seller of the Stock Island property in the amount of \$ 480,000. The mortgage is collateralized by the real estate and the mortgage terms are as follows: Two annual installments of principal in the amount \$ 240,000 with interest at 7 percent per annum.



OMB No. 1545-1150

Short Form Return of Organization Exempt From Income Tax

Form **990-EZ**

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

2008

**Open to Public
Inspection**

Department of the Treasury
Internal Revenue Service

▶ Sponsoring organizations of donor advised funds and controlling organizations as defined in section 512(b)(13) must file Form 990. All other organizations with gross receipts less than \$1,000,000 and total assets less than \$2,500,000 at the end of the year may use this form.
▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

A For the 2008 calendar year, or tax year beginning 01/01, 2008, and ending 12/31, 20 08

- B** Check if applicable:
- Address change
 - Name change
 - Initial return
 - Termination
 - Amended return
 - Application pending

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

C Name of organization
Star of the Sea Foundation Inc

Number and street (or P.O. box, if mail is not delivered to street address) Room/suite
5640 Maloney Ave

City or town, state or country, and ZIP + 4
Key West, FL 33040

D Employer identification number
30 0496670

E Telephone number
(305) 292-3013

F Group Exemption Number . . . ▶

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

G Accounting method: Cash Accrual
Other (specify) ▶

I Website: ▶ n/a

H Check if the organization is not required to attach Schedule B (Form 990, 990-EZ, or 990-PF).

J Organization type (check only one) — 501(c) (3) ◀ (insert no.) 4947(a)(1) or 527

K Check if the organization is not a section 509(a)(3) supporting organization and its gross receipts are normally not more than \$25,000. A return is not required, but if the organization chooses to file a return, be sure to file a complete return.

L Add lines 5b, 6b, and 7b, to line 9 to determine gross receipts; if \$1,000,000 or more, file Form 990 instead of Form 990-EZ ▶ \$ 303,044

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

| | | Revenue | | Expenses | | Net Assets | |
|----|--|---------|---------|----------|-------|------------|---------|
| 1 | Contributions, gifts, grants, and similar amounts received | 1 | 303,044 | 10 | | 18 | 297,022 |
| 2 | Program service revenue including government fees and contracts | 2 | 0 | 11 | | 19 | 0 |
| 3 | Membership dues and assessments | 3 | 0 | 12 | | 20 | 0 |
| 4 | Investment income | 4 | | 13 | | 21 | 297,022 |
| 5a | Gross amount from sale of assets other than inventory | 5a | 0 | 14 | 5,988 | | |
| b | Less: cost or other basis and sales expenses | 5b | 0 | 15 | | | |
| c | Gain or (loss) from sale of assets other than inventory (Subtract line 5b from line 5a) (attach schedule) | 5c | 0 | 16 | 34 | | |
| 6 | Special events and activities (complete applicable parts of Schedule G). If any amount is from gaming, check here <input type="checkbox"/> | | | 17 | 6,022 | | |
| a | Gross revenue (not including \$ _____ of contributions reported on line 1) | 6a | | | | | |
| b | Less: direct expenses other than fundraising expenses | 6b | | | | | |
| c | Net income or (loss) from special events and activities (Subtract line 6b from line 6a) | 6c | 0 | | | | |
| 7a | Gross sales of inventory, less returns and allowances | 7a | | | | | |
| b | Less: cost of goods sold | 7b | | | | | |
| c | Gross profit or (loss) from sales of inventory (Subtract line 7b from line 7a) | 7c | 0 | | | | |
| 8 | Other revenue (describe ▶ _____) | 8 | 0 | | | | |
| 9 | Total revenue. Add lines 1, 2, 3, 4, 5c, 6c, 7c, and 8 | 9 | 303,044 | | | | |
| 10 | Grants and similar amounts paid (attach schedule) | 10 | | | | | |
| 11 | Benefits paid to or for members | 11 | | | | | |
| 12 | Salaries, other compensation, and employee benefits | 12 | | | | | |
| 13 | Professional fees and other payments to independent contractors | 13 | | | | | |
| 14 | Occupancy, rent, utilities, and maintenance | 14 | 5,988 | | | | |
| 15 | Printing, publications, postage, and shipping | 15 | | | | | |
| 16 | Other expenses (describe ▶ See Statement 1) | 16 | 34 | | | | |
| 17 | Total expenses. Add lines 10 through 16 | 17 | 6,022 | | | | |
| 18 | Excess or (deficit) for the year (Subtract line 17 from line 9) | 18 | 297,022 | | | | |
| 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) | 19 | 0 | | | | |
| 20 | Other changes in net assets or fund balances (attach explanation) | 20 | 0 | | | | |
| 21 | Net assets or fund balances at end of year. Combine lines 18 through 20 | 21 | 297,022 | | | | |

Part II Balance Sheets. If Total assets on line 25, column (B) are \$2,500,000 or more, file Form 990 instead of Form 990-EZ.

(See the instructions for Part II.)

| | | (A) Beginning of year | (B) End of year |
|----|--|-----------------------|-----------------|
| 22 | Cash, savings, and investments | 0 | 32,045 |
| 23 | Land and buildings | | 729,618 |
| 24 | Other assets (describe ▶ See Statement 2) | 0 | 15,359 |
| 25 | Total assets | 0 | 777,022 |
| 26 | Total liabilities (describe ▶ See Statement 3) | 0 | 480,000 |
| 27 | Net assets or fund balances (line 27 of column (B) must agree with line 21) | 0 | 297,022 |

Part V Other Information (Note the statement requirements in the instructions for Part VI.)

| | | Yes | No |
|------------|--|------------|--------------------------|
| 33 | Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity | | ✓ |
| 34 | Were any changes made to the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes | | ✓ |
| 35 | If the organization had income from business activities, such as those reported on lines 2, 6a, and 7a (among others), but not reported on Form 990-T, attach a statement explaining your reason for not reporting the income on Form 990-T. | | |
| a | Did the organization have unrelated business gross income of \$1,000 or more or section 6033(e) notice, reporting, and proxy tax requirements? | | ✓ |
| b | If "Yes," has it filed a tax return on Form 990-T for this year? | | |
| 36 | Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," complete applicable parts of Schedule N | | ✓ |
| 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? | | ✓ |
| 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 unpaid at the start of the period covered by this return? | | ✓ |
| 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 ▶ 0 ; section 4912 ▶ 0 ; section 4955 ▶ 0 | | |
| b | Section 501(c)(3) and (4) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," complete Schedule L, Part I | | ✓ |
| c | Enter amount of tax imposed on organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 ▶ 0 | | |
| d | Enter amount of tax on line 40c reimbursed by the organization ▶ 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. | | ✓ |
| 41 | List the states with which a copy of this return is filed. ▶ FL | | |
| 42a | The books are in care of ▶ Thomas M Callahan Telephone no. ▶ (305) 292-3013 Located at ▶ 822 Georgia St, Key West, FL 33040 ZIP + 4 ▶ 33040 | | |
| 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: ▶ See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts. | 42b | ✓ |
| c | At any time during the calendar year, did the organization maintain an office outside of the U.S.? If "Yes," enter the name of the foreign country: ▶ | 42c | ✓ |
| 43 | Section 4947(a)(1) nonexempt charitable trusts filing Form 990-EZ in lieu of Form 1041 —Check here and enter the amount of tax-exempt interest received or accrued during the tax year ▶ 43 | | <input type="checkbox"/> |
| 44 | Did the organization maintain any donor advised funds? If "Yes," Form 990 must be completed instead of Form 990-EZ | 44 | ✓ |
| 45 | Is any related organization a controlled entity of the organization within the meaning of section 512(b)(13)? If "Yes," Form 990 must be completed instead of Form 990-EZ | 45 | ✓ |

Part VI Section 501(c)(3) organizations only. All section 501(c)(3) organizations must answer questions 46-49 and complete the tables for lines 50 and 51.

- | | Yes | No |
|------------|-----|----|
| 46 | | ✓ |
| 47 | | ✓ |
| 48 | | ✓ |
| 49a | | ✓ |
| 49b | | |
- 46** Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I
- 47** Did the organization engage in lobbying activities? If "Yes," complete Schedule C, Part II
- 48** Is the organization operating a school as described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E
- 49a** Did the organization make any transfers to an exempt non-charitable related organization?
- b** If "Yes," was the related organization(s) a section 527 organization?
- 50** Complete this table for the 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 address of each employee paid more than \$100,000 | (b) Title and average hours per week devoted to position | (c) Compensation | (d) Contributions to employee benefit plans & deferred compensation | (e) Expense account and other allowances |
|--|--|------------------|---|--|
| None | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| | | | | |
| Total number of other employees paid over \$100,000 ▶ | | | | |

51 Complete this table for the 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 address of each independent contractor paid more than \$100,000 | (b) Type of service | (c) Compensation |
|--|---------------------|------------------|
| None | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| Total number of other independent contractors each receiving over \$100,000 . . . ▶ | | |

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 _____

▶ **Thomas Callahan, Treasurer**
Type or print name and title.

Paid Preparer's Use Only

Preparer's signature ▶ _____ Date _____ Check if self-employed

Firm's name (or yours if self-employed), address, and ZIP + 4 ▶ _____ EIN ▶ _____

Phone no. ▶ () _____

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

SCHEDULE A
(Form 990 or 990-EZ)

Public Charity Status and Public Support

OMB No. 1545-0047

2008

Open to Public Inspection

To be completed by all section 501(c)(3) organizations and section 4947(a)(1) nonexempt charitable trusts.

▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

Department of the Treasury
Internal Revenue Service

| | |
|---|---|
| Name of the organization Star of the Sea Foundation Inc | Employer identification number 30 0496670 |
|---|---|

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: (Please check only **one** organization.)

- 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)**. (Attach Schedule H.)
- 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)**. (see instructions)
- 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—Other
- 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?
 - (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?
 - (ii) A family member of a person described in (i) above?
 - (iii) A 35% controlled entity of a person described in (i) or (ii) above?

| | Yes | No |
|----------|-----|----|
| 11g(i) | | |
| 11g(ii) | | |
| 11g(iii) | | |

h Provide the following information about the organizations the organization supports.

| (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 support |
|------------------------------------|----------|---|---|----|--|----|---|----|-------------------------|
| | | | Yes | No | Yes | No | Yes | No | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| | | | | | | | | | |
| Total | | | | | | | | | |

Part II Support Schedule for Organizations Described in Sections 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)
 (Complete only if you checked the box on line 5, 7, or 8 of Part I.)

Section A. Public Support

| Calendar year (or fiscal year beginning in) ► | (a) 2004 | (b) 2005 | (c) 2006 | (d) 2007 | (e) 2008 | (f) Total |
|---|----------|----------|----------|----------|----------|-----------|
| 1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") | | | | | 303,210 | 303,210 |
| 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 1-3 | 0 | 0 | 0 | 0 | 303,210 | 303,210 |
| 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. | | | | | | 303,210 |

Section B. Total Support

| Calendar year (or fiscal year beginning in) ► | (a) 2004 | (b) 2005 | (c) 2006 | (d) 2007 | (e) 2008 | (f) Total |
|--|----------|----------|----------|----------|----------|-----------|
| 7 Amounts from line 4 | 0 | 0 | 0 | 0 | 303,210 | 303,210 |
| 8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources | | | | | | |
| 9 Net income from unrelated business activities, whether or not the business is regularly carried on | | | | | | |
| 10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.) | | | | | | |
| 11 Total support. Add lines 7 through 10 | | | | | | 303,210 |
| 12 Gross receipts from related activities, etc. (see instructions) | | | | | 12 | |
| 13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here <input checked="" type="checkbox"/> | | | | | | |

Section C. Computation of Public Support Percentage

| | | |
|---|----|---|
| 14 Public support percentage for 2008 (line 6, column (f) divided by line 11, column (f)) | 14 | % |
| 15 Public support percentage from 2007 Schedule A, Part IV-A, line 26f | 15 | % |
| 16a 33 1/3 % support test—2008. 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—2007. 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—2008. 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—2007. 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"/> | | |

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.)

Section A. Public Support

| Calendar year (or fiscal year beginning in) ► | (a) 2004 | (b) 2005 | (c) 2006 | (d) 2007 | (e) 2008 | (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 1-5 | | | | | | |
| 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 1% of the total of lines 9, 10c, 11, and 12 for the year or \$5,000 | | | | | | |
| 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) 2004 | (b) 2005 | (c) 2006 | (d) 2007 | (e) 2008 | (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 2008 (line 8, column (f) divided by line 13, column (f)) | 15 | % |
| 16 Public support percentage from 2007 Schedule A, Part IV-A, line 27g | 16 | % |

Section D. Computation of Investment Income Percentage

| | | |
|--|-----------|---|
| 17 Investment income percentage for 2008 (line 10c, column (f) divided by line 13, column (f)) | 17 | % |
| 18 Investment income percentage from 2007 Schedule A, Part IV-A, line 27h | 18 | % |

19a 33 1/3 % support tests—2008. 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—2007. 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 ►

Statement 1 : Other Expenses Schedule

Statement 2 : Other Assets

Statement 3 : Liabilities Schedule

Statement 4 : Program Service Accomplishments

Statement 5 : Officers, Directors, Trustees and Key Employees Compensation

Statement 1

Form: 990-EZ

Page: 1

Line Number: Part I Line 16

OtherExpensesSchedule2

Star of the Sea Foundation Inc

30-0496670

Other Expenses Schedule

| Description | Amount |
|--------------------|---------------|
| Check printing | \$34 |
| Total: | \$34 |

Statement 2

Form: 990-EZ

Page: 1

Line Number: Part II Line 24

OtherAssetsSchedule3

Star of the Sea Foundation Inc

30-0496670

Other Assets

| Description | BOY Amount | EOY Amount |
|--------------------------------------|---------------|-----------------|
| Owed from Settlement (sec depo, etc) | \$0 | \$15,359 |
| Total: | \$0 | \$15,359 |

Statement 3

Form: 990-EZ

Page: 1

Line Number: Part II Line 26

OtherLiabilitiesSchedule3

Star of the Sea Foundation Inc

30-0496670

Liabilities Schedule

| Description | BOY Amount | EOY Amount |
|------------------------------|---------------|------------------|
| Mortgage on 5640 Maloney Ave | \$0 | \$480,000 |
| Total: | \$0 | \$480,000 |

Statement 4

Form: 990-EZ

Page: 2

Line Number: Part III Line 28

ProgramServiceAccomplishmentStatement

Star of the Sea Foundation Inc

30-0496670

Program Service Accomplishments

| Achievement | Grants And Allocations | includes Foreign Grants | Program Service Expenses |
|--|------------------------|-------------------------|--------------------------|
| We paid \$250,000 down payment on a building from which we distributed over 200,000 lbs of food, and an additional 14,000 lbs of furniture to the homeless and working poor (serving 21,017 individuals and dependents). In addition we funded over 400 prescriptions and medical devices to this same population. We also provided 67 bus tickets for travel back to their home where better services are available to recently released inmates. | \$0 | | \$254,527 |
| Total: | | | \$254,527 |

Statement 5

Form: 990-EZ

Page: 2

Line Number: Part IV

OfficersDirectorsEtcStatement

Star of the Sea Foundation Inc

30-0496670

Officers, Directors, Trustees and Key Employees Compensation

| Name | Title and Hrs | Compensation | Benefits | Expense |
|---|--------------------------|-----------------|----------------|------------|
| Erica Hughes Sterling 500 Fleming St Key West, FL 33040 | President/ Chairman 5 | \$0 | \$0 | \$0 |
| Doria H Goodrich 1201 Simonton St Key West, FL 33040 | Secretary 5 | \$0 | \$0 | \$0 |
| Thomas M Callahan 822 Georgia St Key West, FL 33040 | Treasurer 20 | \$0 | \$0 | \$0 |
| Peter H Batty 500 Simonton St Key West, FL 33040 | Director 3 | \$0 | \$0 | \$0 |
| John C Baker 1010 Windsor Ln Key West, FL 33040 | Director 5 | \$0 | \$0 | \$0 |
| Leny Manrique 913 Georgia St Key West, FL 33040 | Managing Director 40 | \$20,050 | \$3,600 | \$0 |
| Total: | | \$20,050 | \$3,600 | \$0 |

STAR OF THE SEA FOUNDATION, INC.

**Financial Statements
and
Independent Auditor's Report
Year ended December 31, 2009**

**PAUL S. MILLS
CERTIFIED PUBLIC ACCOUNTANT**

KEY WEST, FLORIDA

STAR OF THE SEA FOUNDATION, INC.
Financial Statements
December 31, 2009

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| FINANCIAL STATEMENTS | |
| Statement of Financial Position..... | 2 |
| Statement of Activities..... | 3 |
| Statement of Cash Flows..... | 4 |
| Notes to Financial Statements..... | 5-6 |

Paul S. Mills, C.P.A.

1541 Fifth Street
Key West, Florida 33040

Telephone (305) 294-3699
Fax (305) 292-1192
pmillscpa@aol.com

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Star of the Sea Foundation, Inc.
Key West, Florida

I have audited the accompanying statement of financial position of the Star of Sea Foundation, Inc. (a nonprofit organization) as of December 31, 2009 and the related statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of the Organization's Management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Star of the Sea Foundation, Inc. as of December 31, 2009, and the results of its activities and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.



Paul S. Mills
Certified Public Accountant
May 20, 2010

STAR OF THE SEA FOUNDATION, INC.
Statement of Financial Position
December 31, 2009

| ASSETS | |
|---|--------------------------|
| CURRENT ASSETS | |
| Cash and Cash Equivalents | \$ 58,067 |
| Prepaid Expenses | <u>12,686</u> |
| TOTAL CURRENT ASSETS | <u>70,753</u> |
| NONCURRENT ASSETS | |
| Land and Building | 732,848 |
| Furniture | 11,000 |
| Vehicles | 28,470 |
| Accumulated Depreciation | <u>(14,044)</u> |
| TOTAL NONCURRENT ASSETS | 758,274 |
| TOTAL ASSETS | <u><u>\$ 829,027</u></u> |
| LIABILITIES AND NET ASSETS | |
| CURRENT LIABILITIES | |
| Payroll Taxes Payable | \$ 880 |
| Mortgage Payable - Short Term | <u>240,000</u> |
| TOTAL LIABILITIES | 240,880 |
| NET ASSETS | |
| Unrestricted | 314,547 |
| Temporarily Restricted | <u>273,600</u> |
| TOTAL NET ASSETS | <u>588,147</u> |
| TOTAL LIABILITIES AND NET ASSETS | <u><u>\$ 829,027</u></u> |

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

STAR OF THE SEA FOUNDATION, INC.
Statement of Activities
Year Ended December 31, 2009

REVENUES

| | |
|-----------------------|--------------------------|
| Grants and Awards | \$ 348,907 |
| Public Donations | 72,650 |
| In-Kind Donations | 67,806 |
| Interest Income | 421 |
| TOTAL REVENUES | <u>\$ 489,784</u> |

EXPENSES

| | |
|--|---------------------------------|
| Building & Equipment Repairs & Maintenance | 6,482 |
| Depreciation | 13,662 |
| Dues, Subscriptions & Memberships | 1,067 |
| Food & Specific Assistance to Individuals | 87,169 |
| Fundraising | 2,750 |
| Insurance | 5,734 |
| Interest - Mortgage | 33,600 |
| Licenses & Taxes - Other | 307 |
| Office & Postage | 1,240 |
| Payroll and Related Payroll Expenses | 42,621 |
| Staff Development | 140 |
| Telephone | 3,942 |
| Utilities | 6,203 |
| Vehicle Expenses | <u>1,816</u> |
| TOTAL EXPENSES | \$ 206,733 |
| Increase (Decrease) in Net Assets | 283,051 |
| NET ASSETS - Beginning of Year | <u>305,096</u> |
| NET ASSETS - End of Year | <u><u>\$ 588,147</u></u> |

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

STAR OF THE SEA FOUNDATION, INC.
Statement of Cash Flows
Year Ended December 31, 2009

| | |
|---|-------------------------|
| Cash Flows from Operating Activities: | |
| Increase (Decrease) in Net Assets | \$ 283,051 |
| Adjustments to Reconcile Change in Net Assets to Net Cash Provided by Operating Activities | |
| Depreciation | 13,662 |
| (Increase) Decrease in Prepaid Expenses | (7,462) |
| Increase (Decrease) in Payroll Liabilities | <u>880</u> |
| Net Cash Provided by Operating Activities | <u>\$ 290,131</u> |
| Investing Activities: | |
| Acquisition of Vehicles & Furniture | <u>(39,470)</u> |
| Financing Activities | |
| Principal paid - Mortgage | <u>(240,000)</u> |
| Net Increase (Decrease) in Cash | 10,661 |
| Cash and Cash Equivalents - Beginning of Year | <u>47,406</u> |
| Cash and Cash Equivalents - End of Year | <u><u>\$ 58,067</u></u> |

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE FINANCIAL STATEMENTS

STAR OF THE SEA FOUNDATION, INC.
Notes to Financial Statements
December 31, 2009

1. Organization

Star of the Sea Foundation, Inc. (Foundation) was incorporated July 21, 2008, under the not-for-profit statutes of the State of Florida to provide goods and services to the indigent and underprivileged residents of Key West, Florida. The services are provided with respect and compassion, and at no cost to individuals, without regard to race, creed or religion.

Programs of the Foundation are as follows:

Distributing food to all those in need.

Collection and redistribution of clothing, furniture, bed linens and other household items donated by individuals and local businesses and the U.S. Navy.

Negotiation of discounts with local pharmacies for prescription drugs.

Providing one-way bus tickets (at the recommendation of local human service agencies and counselors) affording people the opportunity to return to their homes, where they can get the support they need.

2. Summary of Significant Accounting Policies

The following is a summary of the significant generally accepted accounting principles followed in the preparation of the financial statements.

(A) Financial Statement Presentation

The Foundation has adopted Statement of Financial Standards (SFAS) No 117, "Financial Statements of Not-for-Profit Organizations." Under SFAS No 117, the Foundation is required to report information regarding its financial position and activities according to three classes of assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. In addition, the Foundation is required to present a statement of cash flows.

(B) Contributions

The Foundation has adopted SFAS No.116 "Accounting for Contributions, Received and Contributions Made." In accordance with SFAS No. 116, contributions received are considered to be available for the general programs of the Foundation. The Foundation reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction ends, or purpose restriction is accomplished, temporarily restricted net assets are classified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Donor restricted contributions, where the restrictions are met in the same reporting period are reported in the unrestricted class of net assets.

STAR OF THE SEA FOUNDATION, INC.
Notes to Financial Statements
December 31, 2009

2. Summary of Significant Accounting Policies, (continued)

(C) **Donated Services**

The Foundation records amounts for donated services when those services create or enhance non-financial assets or require specialized skills provided by individuals possessing those skills and which would not be typically purchased if not provided by donation.

(D) **Land, Building and Equipment**

Land, Building and Equipment are recorded at cost, except for donated assets which are recorded at their estimated fair market value as of the date of receipt. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets.

(E) **Income Taxes**

The Foundation is a publicly supported organization exempt from income tax under Section 501(C)(3) of the U.S. Internal Revenue Code.

(F) **Functional Expense Allocation**

Expenses Identified as applying to a specific program or supporting service are recorded in the appropriate service as incurred. Expenses not directly attributable to a program or supporting service are allocated between service areas based upon the cumulative results of time studies of professional staff time.

(G) **Cash and Cash Equivalents**

For purposes of the statement of cash flows, the Foundation considers all highly liquid deposits with an initial maturity of three months or less to be cash equivalents. Cash consists of a general checking account and a money market account. Both accounts are insured by the FDIC.

(H) **Use of Estimates**

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

3. Fred M. Klaus and Harold L. Murphy Charitable Foundation

For the year ended December 31, 2009, the Foundation received a grant from the Fred M. Klaus and Harold L. Murphy Charitable Foundation. The Grant is not to exceed \$ 804,000, and is to be used to purchase the real property, building and all attachments located in Stock Island, Florida. As of December 31, 2009, the foundation has received \$ 528,105 from the Foundation.

4. Mortgage Payable

For the year ended December 31, 2009, the Foundation received a purchase money mortgage from the seller of the Stock Island property in the amount of \$ 480,000. The mortgage is collateralized by the real estate and the mortgage terms are as follows: Two annual installments of principal in the amount \$ 240,000 with interest at 7 percent per annum. The first annual installment has been paid, leaving the final installment, and interest due by December 2010.

Return of Organization Exempt From Income Tax

2009

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

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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

For the 2009 calendar year, or tax year beginning . 2009, and ending

| | | | |
|--|---|---|---|
| B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Termination <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending | Please use IRS label or print or type. See specific instructions. | C Name of organization Star of the Sea Foundation, Inc. | D Employer Identification Number 30-0496670 |
| | | Number and street (or P.O. box if mail is not delivered to street addr) Room/suite 5640 Maloney Avenue | E Telephone number (305) 292-3013 |
| | | City, town or country State ZIP code + 4 Key West FL 33040 | G Gross receipts \$ 489,784. |
| | | F Name and address of principal officer: Thomas M Callahan 822 Georgia Street Key West FL 33040 | |
| I Tax-exempt status <input checked="" type="checkbox"/> 501(c) (3) (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527 | | J Website: N/A H(c) Group exemption number | |
| 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: 2008 | M State of legal domicile: FL |

Part I Summary

| | |
|--|--|
| Activities & Governance | 1 Briefly describe the organization's mission or most significant activities: <u>The Organization provides goods and services to the indigent and underprivileged residents of Key West, Florida. The services are provided with respect and compassion and at no costs to individuals.</u> |
| | 2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its assets. |
| | 3 Number of voting members of the governing body (Part VI, line 1a) 3 5 |
| | 4 Number of independent voting members of the governing body (Part VI, line 1b) 4 5 |
| | 5 Total number of employees (Part V, line 2a) 5 4 |
| | 6 Total number of volunteers (estimate if necessary) 6 80 |
| | 7a Total gross unrelated business revenue from Part VIII, Icolumn (C), ine 12 7a 0. b Net unrelated business taxable income from Form 990-T, line 34 7b |
| Revenue | 8 Contributions and grants (Part VIII, line 1h) 307,170. 489,363. |
| | 9 Program service revenue (Part VIII, line 2g) |
| | 10 Investment income (Part VIII, column (A), lines 3, 4, and 7d) 0. 421. |
| | 11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e) |
| | 12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12) 307,170. 489,784. |
| | Expenses |
| 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) 0. 42,621. | |
| 16a Professional fundraising fees (Part IX, column (A), line 11e) 0. 2,750. | |
| b Total fundraising expenses (Part IX, column (D), line 25) 3,070. | |
| 17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f) 2,074. 161,362. | |
| Net Assets or Fund Balances | 18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25) 2,074. 206,733. |
| | 19 Revenue less expenses. Subtract line 18 from line 12 305,096. 283,051. |
| | 20 Total assets (Part X, line 16) 785,096. 829,027. |
| | 21 Total liabilities (Part X, line 26) 480,000. 240,880. |
| | 22 Net assets or fund balances. Subtract line 21 from line 20 305,096. 588,147. |

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: _____

Thomas M. Callahan **Treasurer**

Type or print name and title.

| | | | |
|---------------------------------|--|--|--|
| Paid Preparer's Use Only | Preparer's signature: _____ Date: _____ | Check if self-employed <input checked="" type="checkbox"/> | Preparer's identifying number (see instructions) |
| | Firm's name (or yours if self-employed), address, and ZIP + 4: Paul S. Mills, CPA 1541 Fifth Street Key West FL 33040 | EIN: _____ | Phone no.: (305) 294-3699 |

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

Part III Statement of Program Service Accomplishments

1 Briefly describe the organization's mission:

The Organization provides goods and services to the indigent and underprivileged residents
See Form 990, Page 2, Part III, Line 1 (continued)

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

If 'Yes,' describe these new services on Schedule O.

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

If 'Yes,' describe these changes on Schedule O.

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses, Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts 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 \$ 202,307. including grants of \$ 0.) (Revenue \$ 489,363.)

Goods (food) and services are distributed to the indigent and underprivileged residents of Key West, Florida.

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 202,307.

Part IV Checklist of Required Schedules

| | | Yes | No |
|------|---|-----|----|
| 1 | Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If 'Yes,' complete Schedule A | X | |
| 2 | Is the organization required to complete Schedule B, Schedule of Contributors? | X | |
| 3 | Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If 'Yes,' complete Schedule C, Part I | | X |
| 4 | Section 501(c)(3) organizations. Did the organization engage in lobbying activities? If 'Yes,' complete Schedule C, Part II | | X |
| 5 | Section 501(c)(4), 501(c)(5), and 501(c)(6) organizations. Is the organization subject to the section 6033(e) notice and reporting requirement and proxy tax? If 'Yes,' complete Schedule C, Part III | | |
| 6 | Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If 'Yes,' complete Schedule D, Part I | | X |
| 7 | Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? If 'Yes,' complete Schedule D, Part II | | X |
| 8 | Did the organization maintain collections of works of art, historical treasures, or other similar assets? If 'Yes,' complete Schedule D, Part III | | X |
| 9 | Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If 'Yes,' complete Schedule D, Part IV | | X |
| 10 | Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? If 'Yes,' complete Schedule D, Part V | | X |
| 11 | Is the organization's answer to any of the following questions 'Yes'? If so, complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable | | X |
| | • Did the organization report an amount for land, buildings and equipment in Part X, line 10? If 'Yes,' complete Schedule D, Part VI | | |
| | • Did the organization report an amount for investments— other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If 'Yes,' complete Schedule D, Part VII | | |
| | • Did the organization report an amount for investments— program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If 'Yes,' complete Schedule D, Part VIII | | |
| | • Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If 'Yes,' complete Schedule D, Part IX | | |
| | • Did the organization report an amount for other liabilities in Part X, line 25? If 'Yes,' complete Schedule D, Part X | | |
| | • 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? If 'Yes,' complete Schedule D, Part X | | |
| 12 | Did the organization obtain separate, independent audited financial statement for the tax year? If 'Yes,' complete Schedule D, Parts XI, XII, and XIII | X | |
| 12A | Was the organization included in consolidated, independent audited financial statement for the tax year? If 'Yes,' completing Schedule D, Parts XI, XII, and XIII is optional | | |
| | | Yes | No |
| 12 A | | | X |
| 13 | Is the organization a school described in section 170(b)(1)(A)(ii)? If 'Yes,' complete Schedule E | | X |
| 14a | Did the organization maintain an office, employees, or agents outside of the United States? | | X |
| 14b | Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? If 'Yes,' complete Schedule F, Part 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? If 'Yes,' complete Schedule F, Part II | | 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? If 'Yes,' complete Schedule F, Part III | | X |
| 17 | Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If 'Yes,' complete Schedule G, Part I | | X |
| 18 | Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If 'Yes,' complete Schedule G, Part II | | X |
| 19 | Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If 'Yes,' complete Schedule G, Part III | | X |
| 20 | Did the organization operate one or more hospitals? If 'Yes,' complete Schedule H | | X |

Part IV Checklist of Required Schedules (continued)

| | Yes | No |
|---|-----|----|
| 21 Did the organization report more than \$5,000 of grants and other assistance to governments and organizations 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, and 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, highly 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 a grant selection committee member, or to a person related to such an individual? <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 of the organization (or a family member) 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, Parts II, III, IV, and V, line 1</i> | | X |
| 35 Is any related organization a controlled entity within the meaning of section 512(b)(13)? <i>If 'Yes,' complete Schedule R, Part V, line 2</i> | | X |
| 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 11 and 19? Note. All Form 990 filers are required to complete Schedule O | X | |

BAA

Part V Statements Regarding Other IRS Filings and Tax Compliance

| | | Yes | No |
|-------------|--|-----|----|
| 1 a | Enter the number reported in Box 3 of form 1096, Annual Summary and Transmittal of U.S. Information Returns. Enter -0- if not applicable | | |
| 1 a | | | 0 |
| 1 b | Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable | | |
| 1 b | | | 0 |
| 1 c | Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners? | | |
| 1 c | | | |
| 2 a | Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return | | |
| 2 a | | | 4 |
| 2 b | If at least one is reported on line 2a, did the organization file all required federal employment tax returns? Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file this return. (see instructions) | X | |
| 3 a | Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return? | | X |
| 3 b | If 'Yes' has it filed a Form 990-T for this year? If 'No,' provide an explanation in Schedule O | | |
| 3 b | | | |
| 4 a | 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)? | | X |
| 4 a | | | |
| 4 b | If 'Yes,' enter the name of the foreign country: See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts. | | |
| 4 b | | | |
| 5 a | Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? | | X |
| 5 a | | | |
| 5 b | Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction? | | X |
| 5 b | | | |
| 5 c | If 'Yes,' to line 5a or 5b, did the organization file Form 8886-T, Disclosure by Tax-Exempt Entity Regarding Prohibited Tax Shelter Transaction? | | |
| 5 c | | | |
| 6 a | Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible? | | X |
| 6 a | | | |
| 6 b | If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not deductible? | | |
| 6 b | | | |
| 7 | Organizations that may receive deductible contributions under section 170(c). | | |
| 7 a | Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor? | | X |
| 7 a | | | |
| 7 b | If 'Yes,' did the organization notify the donor of the value of the goods or services provided? | | |
| 7 b | | | |
| 7 c | Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282? | | X |
| 7 c | | | |
| 7 d | If 'Yes,' indicate the number of Forms 8282 filed during the year | | |
| 7 d | | | |
| 7 e | Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? | | X |
| 7 e | | | |
| 7 f | Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? | | X |
| 7 f | | | |
| 7 g | For all contributions of qualified intellectual property, did the organization file Form 8899 as required? | | |
| 7 g | | | |
| 7 h | For contributions of cars, boats, airplanes, and other vehicles, did the organization file a Form 1098-C as required? | | |
| 7 h | | | |
| 8 | Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year? | | |
| 8 | | | |
| 9 | Sponsoring organizations maintaining donor advised funds. | | |
| 9 a | Did the organization make any taxable distributions under section 4966? | | |
| 9 a | | | |
| 9 b | Did the organization make any distribution to a donor, donor advisor, or related person? | | |
| 9 b | | | |
| 10 | Section 501(c)(7) organizations. Enter: | | |
| 10 a | Initiation fees and capital contributions included on Part VIII, line 12 | | |
| 10 a | | | |
| 10 b | Gross Receipts, included on Form 990, Part VIII, line 12, for public use of club facilities | | |
| 10 b | | | |
| 11 | Section 501(c)(12) organizations. Enter: | | |
| 11 a | Gross income from other members or shareholders | | |
| 11 a | | | |
| 11 b | Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.) | | |
| 11 b | | | |
| 12 a | Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041? | | |
| 12 a | | | |
| 12 b | If 'Yes,' enter the amount of tax-exempt interest received or accrued during the year | | |
| 12 b | | | |

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.

Section A. Governing Body and Management

| | | Yes | No |
|-----|---|-----|----|
| 1 a | Enter the number of voting members of the governing body | | |
| | 1 a 5 | | |
| b | Enter the number of voting members that are independent | | |
| | 1 b 5 | | |
| 2 | Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee or key employee? | | X |
| 3 | Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? | | X |
| 4 | Did the organization make any significant changes to its organizational documents since the prior Form 990 was filed? | | X |
| 5 | Did the organization become aware during the year of a material diversion of the organization's assets? | | X |
| 6 | Does the organization have members or stockholders? | | X |
| 7 a | Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body? | | X |
| b | Are any decisions of the governing body subject to approval by members, stockholders, or other persons? | | X |
| 8 | Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following: | | |
| a | The governing body? | X | |
| b | Each committee with authority to act on behalf of the governing body? | X | |
| 9 | Is there any officer, director or trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If 'Yes,' provide the names and addresses in Schedule O | | X |

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

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

Section C. Disclosures

- 17 List the states with which a copy of this Form 990 is required to be filed ▶ Florida
- 18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.
 Own website Another's website Upon request
- 19 Describe in Schedule O whether (and if so, how) the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.
- 20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization:
 ▶ Thomas M Callahan 822 Georgia Street Key West FL 33040 (305) 292-3013

Part VIII Statement of Revenue

| | | | (A) Total revenue | (B) Related or exempt function revenue | (C) Unrelated business revenue | (D) Revenue excluded from tax under sections 512, 513, or 514 |
|---|---|---|----------------------|--|---|---|
| CONTRIBUTIONS, GIFTS, GRANTS AND OTHER SIMILAR AMOUNTS | 1 a Federated campaigns | 1 a | | | | |
| | b Membership dues | 1 b | | | | |
| | c Fundraising events | 1 c | | | | |
| | d Related organizations | 1 d | | | | |
| | e Government grants (contributions) | 1 e | 15,307. | | | |
| | f All other contributions, gifts, grants, and similar amounts not included above | 1 f | 474,056. | | | |
| | g Noncash contribns included in lns 1a-1f: \$ | | 67,806. | | | |
| | h Total. Add lines 1a-1f | | 489,363. | | | |
| PROGRAM SERVICE REVENUE | 2 a | Business Code | | | | |
| | b | | | | | |
| | c | | | | | |
| | d | | | | | |
| | e | | | | | |
| | f All other program service revenue | | | | | |
| | g Total. Add lines 2a-2f | | | | | |
| OTHER REVENUE | 3 Investment income (including dividends, interest and other similar amounts) | | 421. | 421. | 0. | 0. |
| | 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 | | | | |
| | | b Less: cost or other basis and sales expenses | | | | |
| | | c Gain or (loss) | | | | |
| | d Net gain or (loss) | | | | | |
| | 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 | | | | | | |
| e Total. Add lines 11a-11d | | | | | | |
| 12 Total revenue. See instructions | | | 489,784. | 421. | 0. | 0. |

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) but are not required to complete columns (B), (C), and (D).

| <i>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</i> | (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 U.S. See Part IV, line 21 | 0. | 0. | | |
| 2 Grants and other assistance to individuals in the U.S. See Part IV, line 22 | 0. | 0. | | |
| 3 Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16 | 0. | 0. | | |
| 4 Benefits paid to or for members | 0. | 0. | | |
| 5 Compensation of current officers, directors, trustees, and key employees | 0. | 0. | 0. | 0. |
| 6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1) and persons described in section 4958(c)(3)(B)) | 0. | 0. | 0. | 0. |
| 7 Other salaries and wages | 35,509. | 35,509. | 0. | 0. |
| 8 Pension plan contributions (include section 401(k) and section 403(b) employer contributions) | | | | |
| 9 Other employee benefits | 3,430. | 3,430. | 0. | 0. |
| 10 Payroll taxes | 3,682. | 3,682. | 0. | 0. |
| 11 Fees for services (non-employees) | | | | |
| a Management | | | | |
| b Legal | | | | |
| c Accounting | | | | |
| d Lobbying | | | | |
| e Prof fundraising svcs. See Part IV, ln 17 | 2,750. | | | 2,750. |
| f Investment management fees | | | | |
| g Other | | | | |
| 12 Advertising and promotion | | | | |
| 13 Office expenses | 1,240. | 992. | 186. | 62. |
| 14 Information technology | | | | |
| 15 Royalties | | | | |
| 16 Occupancy | 46,285. | 46,285. | 0. | 0. |
| 17 Travel | | | | |
| 18 Payments of travel or entertainment expenses for any federal, state, or local public officials | | | | |
| 19 Conferences, conventions, and meetings | | | | |
| 20 Interest | | | | |
| 21 Payments to affiliates | | | | |
| 22 Depreciation, depletion, and amortization | 13,662. | 13,662. | 0. | 0. |
| 23 Insurance | 5,734. | 5,674. | 0. | 60. |
| 24 Other expenses. Itemize expenses not covered above. (Expenses grouped together and labeled miscellaneous may not exceed 5% of total expenses shown on line 25 below.) | | | | |
| a ----- | | | | |
| b ----- | | | | |
| c ----- | | | | |
| d ----- | | | | |
| e ----- | | | | |
| f All other expenses | 94,441. | 93,073. | 1,170. | 198. |
| 25 Total functional expenses. Add lines 1 through 24f | 206,733. | 202,307. | 1,356. | 3,070. |
| 26 Joint costs. Check here <input type="checkbox"/> if following SOP 98-2. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation | | | | |

Part X Balance Sheet

| | | (A) | | (B) | |
|-----------------------------|---|--|----------|-------------|----------|
| | | Beginning of year | | End of year | |
| ASSETS | 1 | Cash – non-interest-bearing | 47,406. | 1 | 58,067. |
| | 2 | Savings and temporary cash investments | | 2 | |
| | 3 | Pledges and grants receivable, net | | 3 | |
| | 4 | Accounts receivable, net | | 4 | |
| | 5 | Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L | | 5 | |
| | 6 | Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B). Complete Part II of Schedule L | | 6 | |
| | 7 | Notes and loans receivable, net | | 7 | |
| | 8 | Inventories for sale or use | | 8 | |
| | 9 | Prepaid expenses and deferred charges | 5,224. | 9 | 12,686. |
| | 10a | Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D | 772,318. | | |
| | 10b | Less: accumulated depreciation | 14,044. | 10c | 758,274. |
| | 11 | Investments – publicly-traded securities | | 11 | |
| | 12 | Investments – other securities. See Part IV, line 11 | | 12 | |
| | 13 | Investments – program-related. See Part IV, line 11 | | 13 | |
| | 14 | Intangible assets | | 14 | |
| | 15 | Other assets. See Part IV, line 11 | | 15 | |
| 16 | Total assets. Add lines 1 through 15 (must equal line 34) | 785,096. | 16 | 829,027. | |
| LIABILITIES | 17 | Accounts payable and accrued expenses | | 17 | 880. |
| | 18 | Grants payable | | 18 | |
| | 19 | Deferred revenue | | 19 | |
| | 20 | Tax-exempt bond liabilities | | 20 | |
| | 21 | Escrow or custodial account liability. Complete Part IV of Schedule D | | 21 | |
| | 22 | 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 | 480,000. | 23 | 240,000. |
| | 24 | Unsecured notes and loans payable to unrelated third parties | | 24 | |
| 25 | Other liabilities. Complete Part X of Schedule D | | 25 | | |
| 26 | Total liabilities. Add lines 17 through 25 | 480,000. | 26 | 240,880. | |
| NET ASSETS OR FUND BALANCES | Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 27 through 29 and lines 33 and 34. | | | | |
| | 27 | Unrestricted net assets | 31,496. | 27 | 314,547. |
| | 28 | Temporarily restricted net assets | 273,600. | 28 | 273,600. |
| | 29 | Permanently restricted net assets | | 29 | |
| | Organizations that do not follow SFAS 117, 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, and equipment fund | | 31 | |
| | 32 | Retained earnings, endowment, accumulated income, or other funds | | 32 | |
| 33 | Total net assets or fund balances. | 305,096. | 33 | 588,147. | |
| 34 | Total liabilities and net assets/fund balances. | 785,096. | 34 | 829,027. | |

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Form 990 (2009)

Part XI Financial Statements and Reporting

1 Accounting method used to prepare the Form 990: Cash Accrual Other

If the organization changed its method of accounting from a prior year or checked 'Other,' explain in Schedule O.

2a Were the organization's financial statements compiled or reviewed by an independent accountant?

b Were the organization's financial statements audited by an independent accountant?

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.

d If 'Yes' to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a consolidated basis, separate basis, or both:

Separate basis Consolidated basis Both consolidated and separate basis

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?

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.

| | Yes | No |
|-----------|-----|----|
| | | |
| 2a | | X |
| 2b | X | |
| 2c | X | |
| | | |
| 3a | X | |
| 3b | X | |

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Form 990 (2009)

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.)

Section A. Public Support

| Calendar year (or fiscal year beginning in) ▶ | (a) 2005 | (b) 2006 | (c) 2007 | (d) 2008 | (e) 2009 | (f) Total |
|--|----------|----------|----------|----------|----------|-----------|
| 1 Gifts, grants, contributions and membership fees received. (Do not include 'unusual grants.') | | | | 307,170. | 489,363. | 796,533. |
| 2 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf | | | | | | |
| 3 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge | | | | | | |
| 4 Total. Add lines 1-through 3 | | | | 307,170. | 489,363. | 796,533. |
| 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 | | | | | | 796,533. |

Section B. Total Support

| Calendar year (or fiscal year beginning in) ▶ | (a) 2005 | (b) 2006 | (c) 2007 | (d) 2008 | (e) 2009 | (f) Total |
|---|----------|----------|----------|----------|----------|-------------------------------------|
| 7 Amounts from line 4 | | | | 307,170. | 489,363. | 796,533. |
| 8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources | | | | 0. | 421. | 421. |
| 9 Net income from unrelated business activities, whether or not the business is regularly carried on | | | | | | |
| 10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.) | | | | | | |
| 11 Total support. Add lines 7 through 10 | | | | | | 796,954. |
| 12 Gross receipts from related activities, etc. (see instructions) | | | | | 12 | |
| 13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here | | | | | | <input checked="" type="checkbox"/> |

Section C. Computation of Public Support Percentage

| | | |
|--|----|--------------------------|
| 14 Public support percentage for 2009 (line 6, column (f) divided by line 11, column (f)) | 14 | % |
| 15 Public support percentage from 2008 Schedule A, Part II, line 14 | 15 | % |
| 16a 33-1/3 support test – 2009. If the organization did not check the box on line 13, and the 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 – 2008. 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 – 2009 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 – 2008. 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"/> |

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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.)

Section A. Public Support

| Calendar year (or fiscal yr beginning in) ▶ | (a) 2005 | (b) 2006 | (c) 2007 | (d) 2008 | (e) 2009 | (f) Total |
|---|----------|----------|----------|----------|----------|-----------|
| 1 Gifts, grants, contributions and membership fees received. (Do not include 'unusual grants.') | | | | | | |
| 2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in a 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, 3 received from disqualified persons | | | | | | |
| b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of 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 yr beginning in) ▶ | (a) 2005 | (b) 2006 | (c) 2007 | (d) 2008 | (e) 2009 | (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 lns 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 2009 (line 8, column (f) divided by line 13, column (f)) | 15 | % |
| 16 Public support percentage from 2008 Schedule A, Part III, line 15 | 16 | % |

Section D. Computation of Investment Income Percentage

| | | |
|---|-----------|---|
| 17 Investment income percentage for 2009 (line 10c, column (f) divided by line 13, column (f)) | 17 | % |
| 18 Investment income percentage from 2008 Schedule A, Part III, line 17 | 18 | % |

19a 33-1/3 support tests – 2009. 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 – 2008. If the organization did not check a box on line 14 or 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, lines 6, 7, 8, 9, 10, 11, or 12.**
▶ **Attach to Form 990. ▶ See separate instructions**

OMB No. 1545-0047

2009

Open to Public Inspection

Name of the organization

Employer identification number

Star of the Sea Foundation, Inc.

30-0496670

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 may 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.

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

| | |
|---|--|
| <input type="checkbox"/> Preservation of land for public use (e.g., recreation or pleasure) | <input type="checkbox"/> Preservation of an historically important land area |
| <input type="checkbox"/> Protection of natural habitat | <input type="checkbox"/> Preservation of certified historic structure |
| <input type="checkbox"/> Preservation of open space | |
- 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 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 | 2d |

- Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ _____
- Number of states where property subject to conservation easement is located ▶ _____
- Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easement it holds? Yes No
- Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶ _____
- Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ \$ _____
- Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)? Yes No
- In Part XIV, 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.

- If the organization elected, as permitted under SFAS 116, 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 XIV, the text of the footnote to its financial statements that describes these items.
- If the organization elected, as permitted under SFAS 116, 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 | ▶ \$ _____ |
- 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 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 XIV.

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 organization answered 'Yes' to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1 a 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 XIV and complete the following table:

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

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

b If 'Yes,' explain the arrangement in Part XIV.

Part V Endowment Funds Complete if organization answered 'Yes' to Form 990, Part IV, line 10.

| | (a) Current year | (b) Prior year | (c) Two years back | (d) Three years back | (e) Four years back |
|--|------------------|----------------|--------------------|----------------------|---------------------|
| 1 a 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 year end balance held as:

- a Board designated or quasi-endowment %
- b Permanent endowment %
- c Term endowment %

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

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

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

Part VI Investments—Land, Buildings, and Equipment. See Form 990, Part X, line 10.

| Description of investment | (a) Cost or other basis (investment) | (b) Cost or other basis (other) | (c) Accumulated Depreciation | (d) Book Value |
|---------------------------|--------------------------------------|---------------------------------|------------------------------|----------------|
| 1 a Land | | | | |
| b Buildings | | | | |
| c Leasehold improvements | | | | |
| d Equipment | | | | |
| e Other | | | | |

Total. Add lines 1a through 1e (Column (d) must equal Form 990, Part X, column (B), line 10(c).)

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Part XI Reconciliation of Change in Net Assets from Form 990 to Financial Statements

| | | | |
|----|--|--|----------|
| 1 | Total revenue (Form 990, Part VIII, column (A), line 12) | | 489,784. |
| 2 | Total expenses (Form 990, Part IX, column (A), line 25) | | 206,733. |
| 3 | Excess or (deficit) for the year. Subtract line 2 from line 1 | | 283,051. |
| 4 | Net unrealized gains (losses) on investments | | |
| 5 | Donated services and use of facilities | | |
| 6 | Investment expenses | | |
| 7 | Prior period adjustments | | |
| 8 | Other (Describe in Part XIV) | | |
| 9 | Total adjustments (net). Add lines 4 through 8 | | |
| 10 | Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9 | | 283,051. |

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

| | | | |
|---|---|----|----------|
| 1 | Total revenue, gains, and other support per audited financial statements | 1 | 489,784. |
| 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 XIV) | 2d | |
| | e Add lines 2a through 2d | 2e | |
| 3 | Subtract line 2e from line 1 | 3 | 489,784. |
| 4 | Amounts included on Form 990, Part VIII, line 12, but not on line 1: | | |
| | a Investments expenses not included on Form 990, Part VIII, line 7b | 4a | |
| | b Other (Describe in Part XIV) | 4b | |
| | c Add lines 4a and 4b | 4c | |
| 5 | Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.) | 5 | 489,784. |

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

| | | | |
|---|--|----|----------|
| 1 | Total expenses and losses per audited financial statements | 1 | 206,733. |
| 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 XIV) | 2d | |
| | e Add lines 2a through 2d | 2e | |
| 3 | Subtract line 2e from line 1 | 3 | 206,733. |
| 4 | Amounts included on Form 990, Part IX, line 25, but not on line 1: | | |
| | a Investments expenses not included on Form 990, Part VIII, line 7b | 4a | |
| | b Other (Describe in Part XIV) | 4b | |
| | c Add lines 4a and 4b | 4c | |
| 5 | Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.) | 5 | 206,733. |

Part XIV 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, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

**SCHEDULE M
(Form 990)**

Department of the Treasury
Internal Revenue Service

Name of the organization

Noncash Contributions

▶ **Complete if the organizations answered 'Yes'**
on Form 990, Part IV, lines 29 or 30.
▶ **Attach to Form 990.**

OMB No. 1545-0047

2009

**Open To Public
Inspection**

Star of the Sea Foundation, Inc.

Employer identification number

30-0496670

Part I Types of Property

| | (a) Check if applicable | (b) Number of Contributions | (c) Revenues reported on Form 990, Part VIII, line 1g | (d) Method of determining revenues |
|--|-------------------------------|-----------------------------------|--|--|
| 1 Art—Works of art | | | | |
| 2 Art—Historical treasures | | | | |
| 3 Art—Fractional interests | | | | |
| 4 Books and publications | | | | |
| 5 Clothing and household goods | | | | |
| 6 Cars and other vehicles | X | 1 | 10,470. | Blue Book |
| 7 Boats and planes | | | | |
| 8 Intellectual property | | | | |
| 9 Securities—Publicly traded | | | | |
| 10 Securities—Closely held stock | | | | |
| 11 Securities—Partnership, LLC, or trust interests | | | | |
| 12 Securities—Miscellaneous | | | | |
| 13 Qualified conservation contribution— Historic structures | | | | |
| 14 Qualified conservation contribution—Other | | | | |
| 15 Real estate—Residential | | | | |
| 16 Real estate—Commercial | | | | |
| 17 Real estate—Other | | | | |
| 18 Collectibles | | | | |
| 19 Food inventory | X | 12 | 26,636. | Retail Value |
| 20 Drugs and medical supplies | | | | |
| 21 Taxidermy | | | | |
| 22 Historical artifacts | | | | |
| 23 Scientific specimens | | | | |
| 24 Archeological artifacts | | | | |
| 25 Other ▶ (_____) | | | | |
| 26 Other ▶ (_____) | | | | |
| 27 Other ▶ (_____) | | | | |
| 28 Other ▶ (_____) | | | | |

29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement 29

| | Yes | No |
|---|-----|----|
| 30a During the year, did the organization receive by contribution any property reported in Part I, lines 1-28 that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period? | | X |
| b If 'Yes,' describe the arrangement in Part II. | | |
| 31 Does the organization have a gift acceptance policy that requires the review of any non-standard contributions? | | X |
| 32a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash contributions? | | X |
| b If 'Yes,' describe in Part II. | | |
| 33 If the organization did not report revenues in column (c) for a type of property for which column (a) is checked, describe in Part II. | | |

BAA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule M (Form 990) 2009

SCHEDULE O
(Form 990)

Supplemental Information to Form 990

OMB No. 1545-0047

2009

**Open to Public
Inspection**

Complete to provide information for responses to specific questions on
Form 990 or to provide any additional information.
▶ Attach to Form 990.

Department of the Treasury
Internal Revenue Service

Name of the organization

Employer identification number

Star of the Sea Foundation, Inc.

30-0496670

Pt VI-B, Line 11A Board of Directors meet to Review Form 990 prepared

Pt VI-B, Line 11A by outside CPA before filing Informational Return.

Schedule B
(Form 990, 990-EZ,
or 990-PF)

Department of the Treasury
Internal Revenue Service

Schedule of Contributors

▶ Attach to Form 990, 990-EZ, or 990-PF

OMB No. 1545-0047

2009

Name of the organization

Star of the Sea Foundation, Inc.

Employer identification number

30-0496670

Organization type (check one):

Filers of:

Form 990 or 990-EZ

Section:

- 501(c)(3) (enter number) organization
 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation
 527 political organization

Form 990-PF

- 501(c)(3) exempt private foundation
 4947(a)(1) nonexempt charitable trust treated as a private foundation
 501(c)(3) taxable private foundation

Check if your organization is covered by the **General Rule** or a **Special Rule**.

Note: Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.

General Rule –

For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, \$5,000 or more (in money or property) from any one contributor. (Complete Parts I and II.)

Special Rules –

For a section 501(c)(3) organization filing Form 990 or 990-EZ, that met the 33-1/3% support test of the regulations under sections 509(a)(1)/170(b)(1)(A)(vi) and received from any one contributor, during the year, a contribution of the greater of (1) \$5,000 or (2) 2% of the amount on (i) Form 990, Part VIII, line 1h or (ii) Form 990-EZ, line 1. Complete Parts I and II.

For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ, that received from any one contributor, during the year, aggregate contributions of more than \$1,000 for use *exclusively* for religious, charitable, scientific, literary, or educational purposes, or the prevention of cruelty to children or animals. Complete Parts I, II, and III.

For a section 501(c)(7), (8), or (10) organization filing Form 990 or 990-EZ, that received from any one contributor, during the year, contributions for use *exclusively* for religious, charitable, etc, purposes, but these contributions did not aggregate to more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc, purpose. Do not complete any of the parts unless the **General Rule** applies to this organization because it received nonexclusively religious, charitable, etc, contributions of \$5,000 or more during the year. ▶ \$ _____

Caution: An organization that is not covered by the General Rule and/or the Special Rules does not file Schedule B (Form 990, 990-EZ, or 990-PF) but it **must** answer 'No' on Part IV, line 2 of their Form 990, or check the box on line H of its Form 990-EZ, or on line 2 of its Form 990-PF, to certify that it does not meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

BAA For Privacy Act and Paperwork Reduction Act Notice, see the Instructions for Form 990, 990-EZ, or 990-PF.

Schedule B (Form 990, 990-EZ, or 990-PF) (2009)

Name of organization

Employer identification number

Star of the Sea Foundation, Inc.

30-0496670

Part I Contributors (see instructions.)

| (a) Number | (b) Name, address, and ZIP + 4 | (c) Aggregate contributions | (d) Type of contribution |
|---------------|--|--------------------------------|--|
| 1 | Klaus Murphy Foundation 100 North Main Street Winston Salem NC 27150 | \$ 273,600. | Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.) |
| 2 | St. Mary Star of The Sea Catholic Church 1010 Windsor Lane Key West FL 33040 | \$ 36,980. | Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.) |
| | | \$ | Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.) |
| | | \$ | Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.) |
| | | \$ | Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.) |
| | | \$ | Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II if there is a noncash contribution.) |

Schedule O (Form 990), Supplemental Information to Form 990

Form 990, Page 2, Part III, Line 1 (continued)

Briefly describe the organization's mission:

of Key West, Florida. The services are provided with respect and
compassion and at no costs to individuals.



INTERNAL REVENUE SERVICE
 P. O. BOX 2508
 CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date: APR 24 2009

STAR OF THE SEA FOUNDATION INC
 5640 MALONEY AVE
 KEY WEST, FL 33040-5983

Employer Identification Number:
 30-0496670
 DLN:
 17053259305038
 Contact Person:
 RICHARD COMBS ID# 31024
 Contact Telephone Number:
 (877) 829-5500
 Accounting Period Ending:
 December 31
 Public Charity Status:
 170(b)(1)(A)(vi)
 Form 990 Required:
 Yes
 Effective Date of Exemption:
 July 21, 2008
 Contribution Deductibility:
 Yes
 Addendum Applies:
 No

Dear Applicant:

We are pleased to inform you that upon review of your application for tax exempt status we have determined that you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code. Contributions to you are deductible under section 170 of the Code. You are also qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2101 or 2522 of the Code. Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

Organizations exempt under section 501(c)(3) of the Code are further classified as either public charities or private foundations. We determined that you are a public charity under the Code section(s) listed in the heading of this letter.

Please see enclosed Publication 4221-PC, Compliance Guide for 501(c)(3) Public Charities, for some helpful information about your responsibilities as an exempt organization.



Purpose:

To state the commitment of the system to Equal Employment Opportunity.

Policy:

1. The Star of the Sea Foundation, Inc. is an equal opportunity employer. No person is unlawfully excluded from consideration for employment because of race, color, religious creed, national origin, ancestry, sex, age, veteran status, marital status or physical challenges.
2. The policy applies not only to recruitment and hiring practices, but also includes affirmative action in the area of placement, promotion, transfer, rate of pay and termination.
3. Executive, management and supervisory levels have the responsibility to further the implementation of this policy and ensure conformance by subordinates.
4. Any Star of the Sea Foundation, Inc employee who engages in discrimination will be subject to suspension or termination.
5. Any supervisory or managerial employee who knows of such behavior and fails to take immediate and appropriate corrective action will also be subject to disciplinary action.
6. Any individual who is the target of discrimination is encouraged to discuss the matter with the Department Director.
7. Any individual who feels such a discussion would be or has been futile, unsatisfactory or counterproductive should contact the Human Resources Department.
8. A member of the Human Resource staff will be designated to investigate the claim.
9. The accused individual may be suspended pending the outcome of the investigation.
10. Retaliation against claimants will not be tolerated.

Star of the Sea Foundation, Inc is proud to be an equal opportunity employer. We are committed to providing equal employment opportunities to you and all other persons without regard to race, creed, color, religion, national origin, sex, marital status, citizenship status, age, veteran status or disability.

Furthermore, we will not tolerate any form of discrimination or harassment of our employees by co-workers, supervisors, customers, or vendors. This commitment extends to our policies on recruiting, advertising, hiring, placement, promotion, training, transfer, wages, benefits, termination and all other privileges, terms and conditions of employment.

•

THE CITIZEN

KEY WEST

R.I.

The Florida Keys' Only Daily Newspaper, Est. 1876

Undefeated Key West at home tonight — Page 1B

Friday

October 2, 2009 ♦ Vol. 133 ♦ No. 275 ♦ 18 pages

50 Cents

WEATHER



Christian McCain
Fourth grade
Pumona Elementary School

Sunrise: 7:19 a.m. **Sunset:** 7:14 p.m.
 Today: Partly sunny with a shower.
 High: 87
 Tonight: Partly cloudy with a shower.
 Low: 72

Complete forecast on page 3A

CAMPAIGN CORNER

Check out this week's election campaign events. **Page 3A**

FLORIDA KEYS

3 commercial fishermen arrested this week

Two men accused of harvesting illegal lobsters and a shrimp boat captain accused of fishing in protected waters were arrested in separate incidents this week.

Jesus Zolongo Carillo, 32, of Miami, and Osney Gomez-Vega, 33, of Marathon, each face charges of possessing undersized lobsters and bag limit infractions. **Page 3A**

FLORIDA

Recalls of Halcyon diving equipment

HIGH SPRINGS: About 20,500 Halcyon diving equipment products, made in the U.S. by Halcyon Manufacturing Inc., of High Springs, were recalled because they pose a drowning hazard for divers. The over-pressure valves in the diving equipment could fail, allowing the buoyancy compensator devices and the diver-lift inflatable devices to leak. No incidents or injuries have been reported.

The recalled products were sold at diving equipment retailers and distributors from January 2006 through December 2008. Details available by phone at 800-425-2966, and on the Web at <http://www.halcyon.net> or by e-mail at [http://www.cpsc.gov](mailto:recall@http://www.cpsc.gov).

ON THE RADIO

Acevedo hit with 2 new charges

BY JOHN L. GUERRA
Caren Staff

Monique Acevedo's two sons, along with two school district colleagues, helped her move allegedly illegal items she's accused of stealing, says Thursday's arrest warrant for the former head of the Adult Education Department.

Acevedo turned herself in Thursday at the Monroe County Detention Center for her third arrest and was

booked and released.

"Monique's two sons, Wade and Cole, placed the items in two storage rooms behind the Adult Education Department at Key West High School. Those items included jewelry, scuba equipment, power tools, men and women's clothing and shoes, Christmas decorations, chairs, vacuums, a power washer, cameras, dishes, and professional quality video equipment," the document states.

Wade Acevedo started his own video

production company and earned thousands of dollars producing videos for the Adult Education Department and school events where music and DJ services were part of the program.

Monique Acevedo's third arrest, on charges of illegally using her school district credit card, school reimbursements and vendor

payments to buy about \$118,000 in items for herself and her family, are probably the last charges that will be filed against her in the school scandal case, Assistant State Attorney Mark Wilson said Thursday.

"This should be it," Wilson said. "Unless we find something else we don't know about."

According to the affidavit filed by Florida Department of Law



Acevedo

See ACEVEDO, page 3A

Charity shares bounty with others



Star of the Sea Outreach Mission member Ed Sminkey and MARC House client Maku unload donated food items Thursday morning on Seminary Street. The mission has joined forces with the Southernmost Homeless Assistance League by creating the Collaborative Food Effort program.

New Collaborative Food Effort helps more nonprofits

BY MANDI BOLEN
Caren Staff

More people than usual are in need in the Florida Keys, and one local charity has found a way to help more people without an overlap of services among various charities.

The Star of the Sea Mission on Stock Island provides food and clothing to homeless people and others who are simply struggling to put food on the table.

The people served by the mission often are the same ones who receive

services from organizations such as Samuel's House, AIDS Help and the Florida Keys Children's Shelter. So mission officials have launched a Collaborative Food Effort that provides free delivery of items such as fresh produce to other organizations with needy clients.

"For example, every Wednesday, a truck carrying fresh produce comes down from Miami and one of our drivers meets it in Marathon," said Tom Callahan, treasurer of Star of the Sea Mission. "This week we got 5 trays of peaches, bananas and bagged salad."

By Thursday, Callahan's group had distributed three-quarters of the produce to other charities, including the Children's Shelter and Samuel's House.

"They just share whatever they get; it's just wonderful," said Elmira Leto, founder of Samuel's House women's shelter, which houses anywhere from nine to 48 women and children at any given time. "Last week, we got four crates of string beans, and when we couldn't use them all, we found other

Senior home gets \$3M loan

BY JOHN L. GUERRA
Caren Staff

The hospital district board will loan \$2.98 million to the new owners of the Key West Health and Rehabilitation Center so the company can save the ransing home.

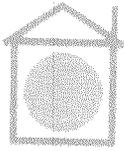
After hearing from Senior Care Group executives that the building that once housed the Key West Convalescent Center was filled with dangerous mold and virtually falling apart, the Lower Keys Hospital District board voted unanimously to loan them the money at 5 percent for 98 months.

Board members weren't pleased the company didn't tell them earlier that it couldn't get loans for the money elsewhere. Daniel Vaughn, who along with his father, David, own Senior Care, told board members he didn't know the building was in such disrepair and that they hadn't heard from banks quickly when their attempts to get loans elsewhere failed. Senior Care on May 12 signed a contract to reopen the facility.

"We've been working with you folks for five months; you told us that you could open perhaps in June or July with one parent,"

See FOOD, page 5A

See HOME, page 3A



R-2
Heron-Peacock Supported Living

By USFF, Inc. - A Non-Profit Corporation

On the web at heron-peacock.org

1320 Coco Plum Drive, Marathon, FL. 33050. (305) 743-4129 Fax (305) 743-5137

Dr. Wendy Coles
Southernmost Homeless Assistance League
1100 Simonton Street
Key West, Florida 33040

April 5, 2010

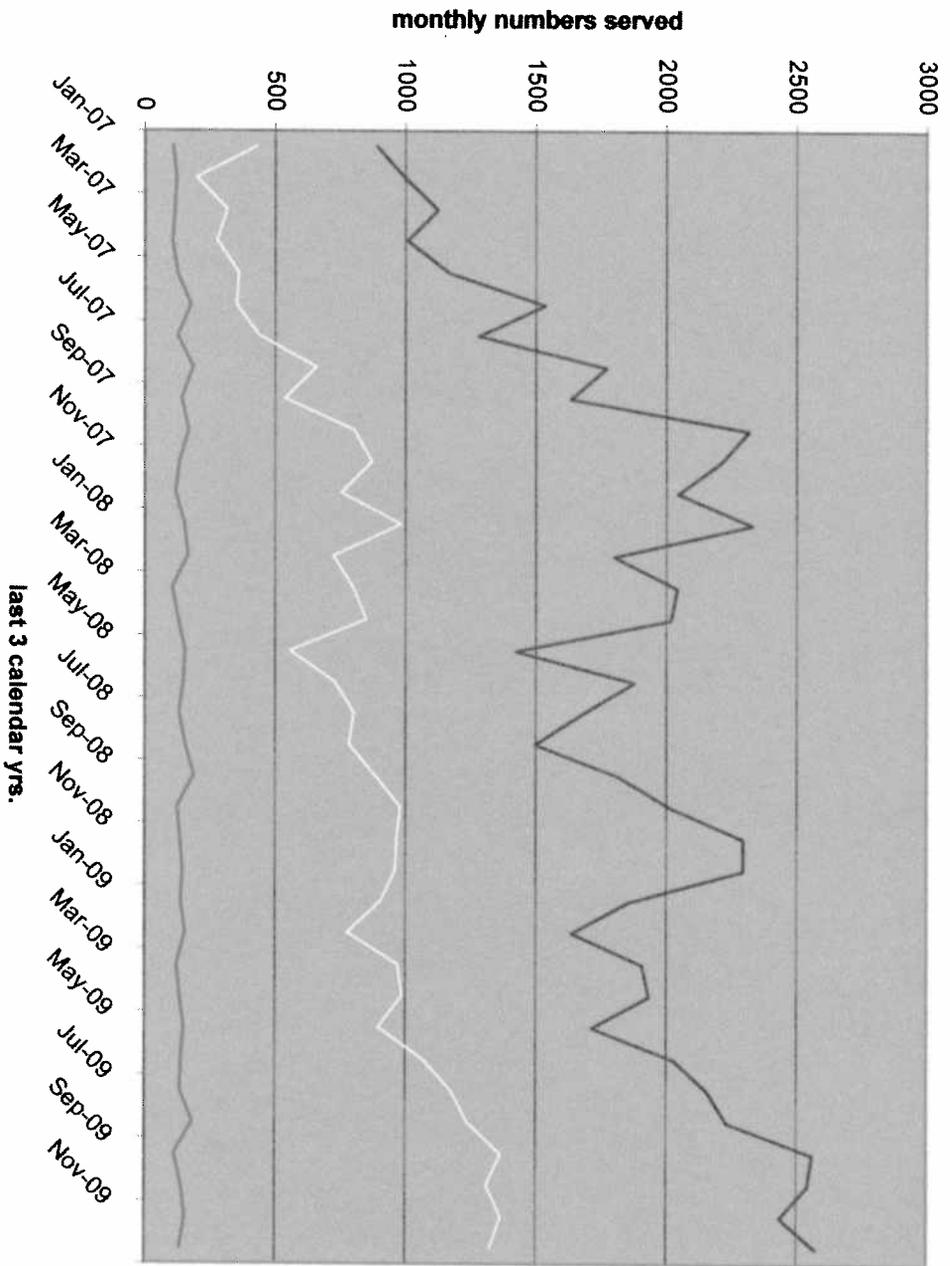
Dear Wendy,

I am writing in support of the food program provided through St. Mary's Star of the Sea Foundation. The food they have delivered to our clients has been a lifesaver for program residents who must purchase their own food and have very limited resources. The items that are delivered are appealing and nutritious and include fresh vegetables, as such they do not go to waste but are greatly anticipated and appreciated by the participants of our program. Mr. and Mrs. Sminkey, volunteers who deliver the food, could not be more kind and gracious. They call before each delivery to describe the items so we can anticipate how much we will need. In addition, they are prompt and non-intrusive. It is truly a G-d Send to our clients and programs. If the food comes directly to the clients we are assured that they will have some items on hand even if they have not had a chance to shop. This is a wonderful service. I encourage its continuation.

If you have any questions please E-mail me at jdrewing@bellsouth.net or call 305-304-6362.
Thanks very much.

Janice Drawing
Executive Director

Explosive growth



— Total Number Served
— Total Homeless
— Total Dependents (children)