

Form **8879-EO****IRS e-file Signature Authorization
for an Exempt Organization**

OMB No. 1545-1878

For calendar year 2017, or fiscal year beginning JUL 1, 2017, and ending JUN 30, 2018**2017**Department of the Treasury
Internal Revenue Service▶ **Do not send to the IRS. Keep for your records.**▶ **Go to www.irs.gov/Form8879EO for the latest information.**

Name of exempt organization

Employer identification number

THE THRESHOLDS

Name and title of officer

AL SHOREIBAH**CFO****36-2518901****Part I Type of Return and Return Information** (Whole Dollars Only)

Check the box for the return for which you are using this Form 8879-EO and enter the applicable amount, if any, from the return. If you check the box on line **1a**, **2a**, **3a**, **4a**, or **5a**, below, and the amount on that line for the return being filed with this form was blank, then leave line **1b**, **2b**, **3b**, **4b**, or **5b**, whichever is applicable, blank (do not enter -0-). But, if you entered -0- on the return, then enter -0- on the applicable line below. **Do not** complete more than 1 line in Part I.

1a Form 990 check here ▶ <input checked="" type="checkbox"/>	b Total revenue , if any (Form 990, Part VIII, column (A), line 12)	1b <u>92,785,062.</u>
2a Form 990-EZ check here ▶ <input type="checkbox"/>	b Total revenue , if any (Form 990-EZ, line 9)	2b _____
3a Form 1120-POL check here ▶ <input type="checkbox"/>	b Total tax (Form 1120-POL, line 22)	3b _____
4a Form 990-PF check here ▶ <input type="checkbox"/>	b Tax based on investment income (Form 990-PF, Part VI, line 5)	4b _____
5a Form 8868 check here ▶ <input type="checkbox"/>	b Balance Due (Form 8868, line 3c)	5b _____

Part II Declaration and Signature Authorization of Officer

Under penalties of perjury, I declare that I am an officer of the above organization and that I have examined a copy of the organization's 2017 electronic return and accompanying schedules and statements and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that the amount in Part I above is the amount shown on the copy of the organization's electronic return. I consent to allow my intermediate service provider, transmitter, or electronic return originator (ERO) to send the organization's return to the IRS and to receive from the IRS (a) an acknowledgment of receipt or reason for rejection of the transmission, (b) the reason for any delay in processing the return or refund, and (c) the date of any refund. If applicable, I authorize the U.S. Treasury and its designated Financial Agent to initiate an electronic funds withdrawal (direct debit) entry to the financial institution account indicated in the tax preparation software for payment of the organization's federal taxes owed on this return, and the financial institution to debit the entry to this account. To revoke a payment, I must contact the U.S. Treasury Financial Agent at 1-888-353-4537 no later than 2 business days prior to the payment (settlement) date. I also authorize the financial institutions involved in the processing of the electronic payment of taxes to receive confidential information necessary to answer inquiries and resolve issues related to the payment. I have selected a personal identification number (PIN) as my signature for the organization's electronic return and, if applicable, the organization's consent to electronic funds withdrawal.

Officer's PIN: check one box only

☒ I authorize PLANTE & MORAN, PLLC to enter my PIN 18901
ERO firm name Enter five numbers, but
do not enter all zeros

as my signature on the organization's tax year 2017 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I also authorize the aforementioned ERO to enter my PIN on the return's disclosure consent screen.

☐ As an officer of the organization, I will enter my PIN as my signature on the organization's tax year 2017 electronically filed return. If I have indicated within this return that a copy of the return is being filed with a state agency(ies) regulating charities as part of the IRS Fed/State program, I will enter my PIN on the return's disclosure consent screen.

Officer's signature ▶ _____ Date ▶ _____

Part III Certification and Authentication

ERO's EFIN/PIN. Enter your six-digit electronic filing identification number (EFIN) followed by your five-digit self-selected PIN.

36225460606

Do not enter all zeros

I certify that the above numeric entry is my PIN, which is my signature on the 2017 electronically filed return for the organization indicated above. I confirm that I am submitting this return in accordance with the requirements of **Pub. 4163**, Modernized e-File (MeF) Information for Authorized IRS e-file Providers for Business Returns.

ERO's signature ▶ PLANTE & MORAN, PLLC Date ▶ 05/10/19

ERO Must Retain This Form - See Instructions
Do Not Submit This Form to the IRS Unless Requested To Do So

LHA For Paperwork Reduction Act Notice, see instructions.

Form **8879-EO** (2017)

723051 10-11-17

10080510 147228 101978

2017.05060 THE THRESHOLDS

101978_1

A For the 2017 calendar year, or tax year beginning JUL 1, 2017 and ending JUN 30, 2018

B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return/terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization THE THRESHOLDS		D Employer identification number 36-2518901
	Doing business as		E Telephone number 773-572-5500
	Number and street (or P.O. box if mail is not delivered to street address)	Room/suite	
	4101 NORTH RAVENSWOOD		G Gross receipts \$ 93,387,535.
	City or town, state or province, country, and ZIP or foreign postal code CHICAGO, IL 60613		
F Name and address of principal officer: AL SHOREIBAH SAME AS C ABOVE			H(a) Is this a group return for subordinates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions) H(c) Group exemption number ▶
I Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) () ◀ (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527 J Website: ▶ WWW.THRESHOLDS.ORG			
K Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶			L Year of formation: 1963 M State of legal domicile: IL

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: ASSIST AND INSPIRE PEOPLE WITH SEVERE MENTAL ILLNESS THROUGH SUPPORT, SKILLS, AND ENCOURAGEMENT.		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	42
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	42
	5 Total number of individuals employed in calendar year 2017 (Part V, line 2a)	5	1697
	6 Total number of volunteers (estimate if necessary)	6	53
	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	126,938.
b Net unrelated business taxable income from Form 990-T, line 34	7b	119,056.	
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9 Program service revenue (Part VIII, line 2g)	43,087,220.	41,261,538.
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	48,259,691.	47,098,597.
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	1,293,415.	3,584,776.
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	498,744.	840,151.
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	93,139,070.	92,785,062.
	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.	0.
	16a Professional fundraising fees (Part IX, column (A), line 11e)	63,451,698.	61,851,984.
	b Total fundraising expenses (Part IX, column (D), line 25) ▶ 695,865.	3,830.	8,214.
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	27,234,934.	27,386,131.
	18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	90,690,462.	89,246,329.
19 Revenue less expenses. Subtract line 18 from line 12	2,448,608.	3,538,733.	
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Current Year	End of Year
	21 Total liabilities (Part X, line 26)	64,629,281.	66,879,241.
	22 Net assets or fund balances. Subtract line 21 from line 20	17,174,394.	15,542,910.
		47,454,887.	51,336,331.

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		
	AL SHOREIBAH, CFO Type or print name and title				
Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	PTIN
	KIMBERLY A. HAUMANN	KIMBERLY A. HAUMANN	05/10/19		P00546491
	Firm's name ▶ PLANTE & MORAN, PLLC	Firm's EIN ▶ 38-1357951			
	Firm's address ▶ 10 S. RIVERSIDE PLAZA, 9TH FLOOR CHICAGO, IL 60606		Phone no. (312) 207-1040		

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

Part III Statement of Program Service AccomplishmentsCheck if Schedule O contains a response or note to any line in this Part III ☒**1** Briefly describe the organization's mission:

THRESHOLDS ASSISTS AND INSPIRES PEOPLE WITH MENTAL ILLNESSES AND
SUBSTANCE USE DISORDERS TO RECLAIM THEIR LIVES BY PROVIDING THE
SUPPORTS, SKILLS AND RESPECTFUL ENCOURAGEMENT THAT THEY NEED TO
ACHIEVE HOPEFUL AND SUCCESSFUL FUTURES. WE STRIVE TO BE THE PROVIDER

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

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

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

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

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ 48,799,604. including grants of \$) (Revenue \$ 33,595,667.)
PREVENTION OF REHOSPITALIZATION

THRESHOLDS PROVIDES MENTAL HEALTH SERVICES, SUBSTANCE USE TREATMENT
SERVICES, AND CARE COORDINATION TO HELP INDIVIDUALS WITH SEVERE MENTAL
ILLNESSES AND SUBSTANCE USE DISORDERS TO ACHIEVE THEIR LIFE GOALS.
GOALS OF SERVICES INCLUDE SYMPTOM REDUCTION, SUBSTANCE USE REDUCTION,
SUCCESSFUL EMPLOYMENT, EDUCATIONAL ATTAINMENT, ENGAGEMENT WITH A
PERSON'S FAMILY AND COMMUNITY, MAINTAINING DECENT, SAFE, AFFORDABLE
HOUSING, LINKING PEOPLE TO HIGH QUALITY PRIMARY AND SPECIALTY CARE, AND
PREVENTION OF UNNECESSARY HOSPITALIZATION. THRESHOLDS PROVIDED
COMMUNITY BASED SERVICES AND CARE COORDINATION TO APPROXIMATELY 15,400
PEOPLE IN FISCAL YEAR 2018.

4b (Code:) (Expenses \$ 19,743,119. including grants of \$) (Revenue \$ 11,811,566.)
INDEPENDENT LIVING

THRESHOLDS PROVIDES A WIDE VARIETY OF COMMUNITY-BASED, AFFORDABLE
HOUSING OPTIONS INCLUDING INDEPENDENT APARTMENTS, APARTMENT BUILDINGS
WITH SERVICES ON SITE, AND SUPPORTED AND SUPERVISED GROUP HOME
SETTINGS. THRESHOLDS PROVIDES AFFORDABLE HOUSING FOR APPROXIMATELY
1,300 PEOPLE PER YEAR.

4c (Code:) (Expenses \$ 2,937,864. including grants of \$) (Revenue \$ 1,421,593.)
VOCATIONAL AND SOCIAL REHABILITATION

THRESHOLDS PROVIDES EVIDENCE-BASED SUPPORTED EMPLOYMENT SERVICES TO
PEOPLE WITH MENTAL ILLNESS AND SUBSTANCE USE DISORDERS. LAST YEAR
THRESHOLDS PROVIDED EMPLOYMENT SERVICES TO APPROXIMATELY 900
INDIVIDUALS.

4d Other program services (Describe in Schedule O.)(Expenses \$ 1,810,272. including grants of \$) (Revenue \$ 603,170.)**4e** Total program service expenses **73,290,859.**

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>	1 X	
2 Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> ?	2 X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>	3	X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>	4 X	
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i>	5	X
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i>	6	X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>	7	X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>	8	X
9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i>	9 X	
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i>	10 X	
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i>	11a X	
b Did the organization report an amount for investments - other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i>	11b	X
c Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i>	11c	X
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i>	11d X	
e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>	11e X	
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i>	11f	X
12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i>	12a	X
b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i>	12b X	
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>	13	X
14a Did the organization maintain an office, employees, or agents outside of the United States?	14a	X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV</i>	14b	X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? <i>If "Yes," complete Schedule F, Parts II and IV</i>	15	X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? <i>If "Yes," complete Schedule F, Parts III and IV</i>	16	X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I</i>	17	X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>	18 X	
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>	19	X

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Part IV Checklist of Required Schedules (continued)

	Yes	No
20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>		X
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?		
21 Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>		X
22 Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>		X
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>	X	
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a</i>	X	
b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		X
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?		X
d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		X
25a Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>		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 Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? <i>If "Yes," complete Schedule L, Part II</i>		X
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i>		X
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
a A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		X
b A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		X
c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>		X
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>	X	
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>		X
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		X
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>		X
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>	X	
34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1</i>	X	
35a Did the organization have a controlled entity within the meaning of section 512(b)(13)?	X	
b If "Yes" to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i>	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 11b and 19? Note. All Form 990 filers are required to complete Schedule O	X	

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Part V Statements Regarding Other IRS Filings and Tax ComplianceCheck if Schedule O contains a response or note to any line in this Part V ☐

		Yes	No
1a Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable	1a 400		
b Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable	1b 0		
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?	1c	X	
2a 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	2a 1697		
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 (see instructions)	2b	X	
3a Did the organization have unrelated business gross income of \$1,000 or more during the year?	3a	X	
b If "Yes," has it filed a Form 990-T for this year? If "No," to line 3b, provide an explanation in Schedule O	3b	X	
4a 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)?	4a		X
b If "Yes," enter the name of the foreign country: See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).			
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	5a		X
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	5b		X
c If "Yes," to line 5a or 5b, did the organization file Form 8886-T?	5c		
6a 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 as charitable contributions?	6a		X
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	6b		
7 Organizations that may receive deductible contributions under section 170(c).			
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?	7a	X	
b If "Yes," did the organization notify the donor of the value of the goods or services provided?	7b	X	
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	7c		X
d If "Yes," indicate the number of Forms 8282 filed during the year	7d		
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	7e		X
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	7f		X
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	7g		
h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	7h		
8 Sponsoring organizations maintaining donor advised funds. Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?	8		
9 Sponsoring organizations maintaining donor advised funds.			
a Did the sponsoring organization make any taxable distributions under section 4966?	9a		
b Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?	9b		
10 Section 501(c)(7) organizations. Enter:			
a Initiation fees and capital contributions included on Part VIII, line 12	10a		
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b		
11 Section 501(c)(12) organizations. Enter:			
a Gross income from members or shareholders	11a		
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	11b		
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041?	12a		
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b		
13 Section 501(c)(29) qualified nonprofit health insurance issuers.			
a Is the organization licensed to issue qualified health plans in more than one state? Note. See the instructions for additional information the organization must report on Schedule O.	13a		
b Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b		
c Enter the amount of reserves on hand	13c		
14a Did the organization receive any payments for indoor tanning services during the tax year?	14a		X
b If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O	14b		

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

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

☒**Section A. Governing Body and Management**

	1a	1b	Yes	No
1a Enter the number of voting members of the governing body at the end of the tax year	42			
If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O.				
b Enter the number of voting members included in line 1a, above, who are independent		42		
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?			2	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?			3	X
4 Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?			4	X
5 Did the organization become aware during the year of a significant diversion of the organization's assets?			5	X
6 Did the organization have members or stockholders?			6	X
7a Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?			7a	X
b Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?			7b	X
8 Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:				
a The governing body?			8a	X
b Each committee with authority to act on behalf of the governing body?			8b	X
9 Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O			9	X

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

	Yes	No
10a Did the organization have local chapters, branches, or affiliates?		X
b If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?		
11a Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	X	
b Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
12a Did the organization have a written conflict of interest policy? If "No," go to line 13	X	
b Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
c Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	X	
13 Did the organization have a written whistleblower policy?	X	
14 Did 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 or key employees of the organization		X
If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).		
16a Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	X	
b If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	X	

Section C. Disclosure

17 List the states with which a copy of this Form 990 is required to be filed **IL**

18 Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (Section 501(c)(3)s only) available for public inspection. Indicate how you made these available. Check all that apply.

☐ Own website ☐ Another's website ☒ Upon request ☐ Other (explain in Schedule O)

19 Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year.

20 State the name, address, and telephone number of the person who possesses the organization's books and records: **AL SHOREIBAH, CFO - 773-572-5247**
120 S LASALLE, SUITE 1410, CHICAGO, IL 60603

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent ContractorsCheck if Schedule O contains a response or note to any line in this Part VII ☐**Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees****1a** Complete this table for all persons required to be listed. Report compensation for the calendar year ending with or within the organization's tax year.

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

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

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

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) DAN KLAFF PRESIDENT	0.60 1.40	X		X				0.	0.	0.
(2) SUZET MCKINNEY VICE-PRESIDENT	0.60 1.40	X		X				0.	0.	0.
(3) JUDY MALEY SECRETARY	0.60 1.40	X		X				0.	0.	0.
(4) RONALD GRAIS ASSISTANT SECRETARY	0.60 1.40	X		X				0.	0.	0.
(5) ROBERT SPENCER TREASURER	0.60 1.40	X		X				0.	0.	0.
(6) JAMES KOLAR ASSISTANT TREASURER	0.60 1.40	X						0.	0.	0.
(7) BENJAMIN ALBRECHT DIRECTOR	0.60 1.40	X						0.	0.	0.
(8) JANA BARBE DIRECTOR	0.60 1.40	X						0.	0.	0.
(9) SAMUEL BOTTUM DIRECTOR	0.60 1.40	X						0.	0.	0.
(10) ROGER BROWN DIRECTOR	0.60 1.40	X						0.	0.	0.
(11) PAMELA BUFFETT DIRECTOR	0.60 1.40	X						0.	0.	0.
(12) DEBORAH CARROLL DIRECTOR	0.60 1.40	X						0.	0.	0.
(13) WILLIAM CRANE DIRECTOR	0.60 1.40	X						0.	0.	0.
(14) RAYMOND E. CROSSMAN, PH.D DIRECTOR	0.60 1.40	X						0.	0.	0.
(15) HAL D'ORAZIO DIRECTOR	0.60 1.40	X						0.	0.	0.
(16) JOANNE DAHM DIRECTOR	0.60 1.40	X						0.	0.	0.
(17) MARIANNE DOAN DIRECTOR	0.60 1.40	X						0.	0.	0.

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(18) DAVID EVELY DIRECTOR	0.60 1.40	X						0.	0.	0.
(19) FRED FRIEDMAN DIRECTOR	0.60 1.40	X						0.	0.	0.
(20) HOWARD D GALPER DIRECTOR	0.60 1.40	X						0.	0.	0.
(21) SATYENDER GOEL DIRECTOR	0.60 1.40	X						0.	0.	0.
(22) KATHY GRAHAM DIRECTOR	0.60 1.40	X						0.	0.	0.
(23) SABRINA TENGELSEN GUTHRIE DIRECTOR	0.60 1.40	X						0.	0.	0.
(24) MAX HART DIRECTOR	0.60 1.40	X						0.	0.	0.
(25) MARY JO HERSETH DIRECTOR	0.60 1.40	X						0.	0.	0.
(26) MARY HILL DIRECTOR	0.60 1.40	X						0.	0.	0.
1b Sub-total								0.	0.	0.
c Total from continuation sheets to Part VII, Section A								2,279,072.	0.	141,223.
d Total (add lines 1b and 1c)								2,279,072.	0.	141,223.

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 of reportable compensation from the organization

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- 3** Did the organization list any **former** officer, director, or trustee, key employee, or highest compensated employee on line 1a? *If "Yes," complete Schedule J for such individual*
- 4** For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? *If "Yes," complete Schedule J for such individual*
- 5** Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? *If "Yes," complete Schedule J for such person*

	Yes	No
3		X
4	X	
5		X

Section B. Independent Contractors

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

(A) Name and business address	(B) Description of services	(C) Compensation
D&V MAINTENANCE 2137 N HOME, PARK RIDGE, IL 60068	MAINTENANCE SERVICES	1,158,057.
CONTINENTAL RESOURCES, INC. PO BOX 4196, BOSTON, MA 02211	CONSULTING SERVICES	967,349.
THE ULTIMATE SOFTWARE GROUP PO BOX 930953, ATLANTA, GA 31193	PAYROLL PROCESSOR	463,714.
MLS BUILDING SERVICES, INC 10101 S HOMAN AVE, EVERGREEN PARK, IL 60805	CONSTRUCTION	376,269.
WAREHOUSE DIRECT OFFICE, 2001 S MT PROSPECT RD, DES PLAINES, IL 60018	OFFICE SUPPLIES	326,301.

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 of compensation from the organization

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SEE PART VII, SECTION A CONTINUATION SHEETS

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(27) VICKI HORWICH DIRECTOR	0.60 1.40	X						0.	0.	0.
(28) CYNTHIA JONES DIRECTOR	0.60 1.40	X						0.	0.	0.
(29) LEO LANZILLO DIRECTOR	0.60 1.40	X						0.	0.	0.
(30) ANNA LAUBACH DIRECTOR	0.60 1.40	X						0.	0.	0.
(31) STEVEN LEVIN DIRECTOR	0.60 1.40	X						0.	0.	0.
(32) RICHARD LOEWENTHAL JR DIRECTOR	0.60 1.40	X						0.	0.	0.
(33) JAMES MABIE DIRECTOR	0.60 1.40	X						0.	0.	0.
(34) ROXANNE MARTINO DIRECTOR	0.60 1.40	X						0.	0.	0.
(35) ADRIANNE MAUTNER DIRECTOR	0.60 1.40	X						0.	0.	0.
(36) KEITH MCCLINTOCK DIRECTOR	0.60 1.40	X						0.	0.	0.
(37) PETE MCNERNEY DIRECTOR	0.60 1.40	X						0.	0.	0.
(38) ROB MILLER DIRECTOR	0.60 1.40	X						0.	0.	0.
(39) JOSEPH MOOS DIRECTOR	0.60 1.40	X						0.	0.	0.
(40) VEN MOTHKUR DIRECTOR	0.60 1.40	X						0.	0.	0.
(41) SHARON NEAL DIRECTOR	0.60 1.40	X						0.	0.	0.
(42) INA OWENS DIRECTOR	0.60 1.40	X						0.	0.	0.
(43) GINO PINTO DIRECTOR	0.60 1.40	X						0.	0.	0.
(44) TAMMY RANDA DIRECTOR	0.60 1.40	X						0.	0.	0.
(45) CHRISTINE RHODE DIRECTOR	0.60 1.40	X						0.	0.	0.
(46) SUE ROBERTS DIRECTOR	0.60 1.40	X						0.	0.	0.
Total to Part VII, Section A, line 1c										

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

(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(47) BETH ROM-RYMER DIRECTOR	0.60 1.40	X						0.	0.	0.
(48) LINDA SAHAGIAN DIRECTOR	0.60 1.40	X						0.	0.	0.
(49) CHRIS SEGAL DIRECTOR	0.60 1.40	X						0.	0.	0.
(50) SHARI SLAVIN DIRECTOR	0.60 1.40	X						0.	0.	0.
(51) MARK ISHAUG CHIEF EXECUTIVE OFFICER	31.60 8.40			X				304,889.	0.	7,997.
(52) ALAA G. SHOREIBAH CHIEF FINANCIAL OFFICER	31.60 8.40			X				209,185.	0.	16,877.
(53) DEBRA PAVICK CHIEF CLINICAL OFFICER	38.60 1.40			X				157,592.	0.	2,982.
(54) MARK FURLONG CHIEF OPERATING OFFICER	38.60 1.40			X				150,327.	0.	6,033.
(55) CHRISTINE NOONE CHIEF TALENT OFFICER	38.60 1.40			X				137,662.	0.	336.
(56) MARY ANZILOTTI CHIEF STRATEGY OFFICER	38.60 1.40			X				135,885.	0.	5,647.
(57) JOHN A. WALKER JR. CHIEF INFO OFFICER	38.60 1.40			X				122,195.	0.	5,622.
(58) BRENT PETERSON CHIEF DEVELOPMENT OFFICER	38.60 1.40			X				104,724.	0.	16,823.
(59) STEVEN WEINSTEIN M.D. MEDICAL DIRECTOR	38.60 1.40				X			216,580.	0.	19,132.
(60) SUSAN BURATTO PSYCHIATRIST	38.60 1.40					X		199,624.	0.	12,581.
(61) KIMBERLY T. MEYER PSYCHIATRIST	38.60 1.40					X		167,797.	0.	7,883.
(62) BRUCE JEFFERSON GENERAL COUNSEL	38.60 1.40					X		137,192.	0.	17,524.
(63) MARC FAGAN VP CLINICAL OPERATIONS	38.60 1.40					X		113,490.	0.	16,042.
(64) HEATHER O'DONNELL SR VP PUBLIC POL & ADVOC	38.60 1.40					X		121,930.	0.	5,744.
Total to Part VII, Section A, line 1c								2,279,072.		141,223.

Part VIII Statement of RevenueCheck if Schedule O contains a response or note to any line in this Part VIII ☐

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512 - 514	
Contributions, Gifts, Grants and Other Similar Amounts	1 a Federated campaigns	1a						
	b Membership dues	1b						
	c Fundraising events	1c	345,910.					
	d Related organizations	1d						
	e Government grants (contributions)	1e	35,705,682.					
	f All other contributions, gifts, grants, and similar amounts not included above	1f	5,209,946.					
	g Noncash contributions included in lines 1a-1f: \$		1,844,199.					
	h Total. Add lines 1a-1f							41,261,538.
Program Service Revenue	2 a MEDICAL SERVICES FEE INCOME	Business Code	623000	42,865,686.	42,865,686.			
	b RESIDENTIAL FEES		531390	2,185,452.	2,185,452.			
	c CONTRACTUAL AGREEMENTS		531190	1,245,571.	1,245,571.			
	d SERVICE FEE INCOME		531390	788,298.	788,298.			
	e ALL OTHER PROGRAM		531190	13,590.	13,590.			
	f All other program service revenue							
	g Total. Add lines 2a-2f			47,098,597.				
	3 Investment income (including dividends, interest, and other similar amounts)			841,432.			841,432.	
4 Income from investment of tax-exempt bond proceeds								
5 Royalties								
Other Revenue	6 a Gross rents	(i) Real	126,938.					
	b Less: rental expenses	(ii) Personal	0.					
	c Rental income or (loss)		126,938.					
	d Net rental income or (loss)		126,938.					126,938.
	7 a Gross amount from sales of assets other than inventory	(i) Securities	401,887.	(ii) Other	2,703,696.			
	b Less: cost or other basis and sales expenses		362,239.		0.			
	c Gain or (loss)		39,648.		2,703,696.			
	d Net gain or (loss)		2,743,344.		2,743,344.			
	8 a Gross income from fundraising events (not including \$ 345,910. of contributions reported on line 1c). See Part IV, line 18	a	470,272.					
	b Less: direct expenses	b	240,234.					
	c Net income or (loss) from fundraising events		230,038.					230,038.
	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 MANAGEMENT FEE		900099	262,416.	262,416.			
	b GAIN ON DERIVATIVE		523000	149,776.			149,776.	
c MISCELLANEOUS INCOME		900099	70,983.	70,983.				
d All other revenue								
e Total. Add lines 11a-11d			483,175.					
12 Total revenue. See instructions.			92,785,062.	47,431,996.	126,938.	3,964,590.		

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns. All other organizations must complete column (A).

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

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1 Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21 ...				
2 Grants and other assistance to domestic individuals. See Part IV, line 22				
3 Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	1,450,763.	1,196,889.	240,872.	13,002.
6 Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7 Other salaries and wages	48,768,349.	40,474,914.	7,853,796.	439,639.
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	215,378.		215,378.	
9 Other employee benefits	7,521,792.	9,925,715.	-2,512,641.	108,718.
10 Payroll taxes	3,895,702.		3,895,702.	
11 Fees for services (non-employees):				
a Management				
b Legal	147,883.	138,158.	9,725.	
c Accounting	93,694.		93,694.	
d Lobbying	9,125.	125.	9,000.	
e Professional fundraising services. See Part IV, line 17	8,214.			8,214.
f Investment management fees	55,470.		55,470.	
g Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch. O.)	2,321,015.	1,586,814.	724,821.	9,380.
12 Advertising and promotion	33,252.	3,885.	7,745.	21,622.
13 Office expenses	2,030,146.	1,178,701.	827,911.	23,534.
14 Information technology	2,407,397.	995,605.	1,411,792.	
15 Royalties				
16 Occupancy	7,749,392.	8,131,053.	-402,848.	21,187.
17 Travel	1,704,021.	1,521,645.	174,796.	7,580.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	202,081.	68,396.	130,532.	3,153.
20 Interest	349,107.	171.	348,936.	
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	3,286,212.	2,482,565.	798,816.	4,831.
23 Insurance	511,585.	467,757.	41,785.	2,043.
24 Other expenses. Itemize expenses not covered above. (List miscellaneous expenses in line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
a MEMBER SERVICES	3,601,307.	3,573,102.	32,730.	-4,525.
b DMH FIDUCIARY EXPENSES	623,973.	620,449.	3,524.	
c PROGRAM ACTIVITIES	386,863.	355,513.	31,350.	0.
d DUES AND SUBSCRIPTIONS	104,400.	28,346.	73,976.	2,078.
e All other expenses	1,769,208.	541,056.	1,192,743.	35,409.
25 Total functional expenses. Add lines 1 through 24e	89,246,329.	73,290,859.	15,259,605.	695,865.
26 Joint costs. Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation.				

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

Part X Balance Sheet

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

☒

		(A) Beginning of year		(B) End of year
Assets	1 Cash - non-interest-bearing	4,872,090.	1	4,583,846.
	2 Savings and temporary cash investments		2	
	3 Pledges and grants receivable, net	11,695,195.	3	10,861,203.
	4 Accounts receivable, net	1,362,467.	4	980,181.
	5 Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L		5	
	6 Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instr). Complete Part II of Sch L		6	
	7 Notes and loans receivable, net		7	
	8 Inventories for sale or use		8	
	9 Prepaid expenses and deferred charges	808,393.	9	827,317.
	10a Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a 46,074,724.		
	b Less: accumulated depreciation	10b 28,889,158.	10c	
	11 Investments - publicly traded securities	17,978,465.	11	17,185,566.
	12 Investments - other securities. See Part IV, line 11	17,890,527.	12	19,065,757.
	13 Investments - program-related. See Part IV, line 11	2,209,857.	13	2,168,584.
	14 Intangible assets		14	
	15 Other assets. See Part IV, line 11	7,812,287.	15	11,206,787.
16 Total assets. Add lines 1 through 15 (must equal line 34)	64,629,281.	16	66,879,241.	
Liabilities	17 Accounts payable and accrued expenses	5,878,499.	17	5,677,592.
	18 Grants payable		18	
	19 Deferred revenue	1,103,329.	19	1,176,498.
	20 Tax-exempt bond liabilities	5,664,680.	20	5,471,853.
	21 Escrow or custodial account liability. Complete Part IV of Schedule D	1,666,148.	21	1,967,254.
	22 Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L		22	
	23 Secured mortgages and notes payable to unrelated third parties	374,000.	23	914,000.
	24 Unsecured notes and loans payable to unrelated third parties		24	
	25 Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24). Complete Part X of Schedule D	2,487,738.	25	335,713.
	26 Total liabilities. Add lines 17 through 25	17,174,394.	26	15,542,910.
Net Assets or Fund Balances	Organizations that follow SFAS 117 (ASC 958), check here <input checked="" type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.			
	27 Unrestricted net assets	38,896,059.	27	43,930,911.
	28 Temporarily restricted net assets	7,262,138.	28	5,777,330.
	29 Permanently restricted net assets	1,296,690.	29	1,628,090.
	Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.			
	30 Capital stock or trust principal, or current funds		30	
	31 Paid-in or capital surplus, or land, building, or equipment fund		31	
	32 Retained earnings, endowment, accumulated income, or other funds		32	
	33 Total net assets or fund balances	47,454,887.	33	51,336,331.
	34 Total liabilities and net assets/fund balances	64,629,281.	34	66,879,241.

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Part XI Reconciliation of Net Assets

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

☒

1	Total revenue (must equal Part VIII, column (A), line 12)	1	92,785,062.
2	Total expenses (must equal Part IX, column (A), line 25)	2	89,246,329.
3	Revenue less expenses. Subtract line 2 from line 1	3	3,538,733.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	47,454,887.
5	Net unrealized gains (losses) on investments	5	342,611.
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	100.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	51,336,331.

Part XII Financial Statements and Reporting

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

☐

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

Form 990 (2017)

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

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

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2013	(b) 2014	(c) 2015	(d) 2016	(e) 2017	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")	31424388.	40329696.	43548358.	43087220.	42077720.	200467382
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 Total. Add lines 1 through 3	31424388.	40329696.	43548358.	43087220.	42077720.	200467382
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)						58,785.
6 Public support. Subtract line 5 from line 4.						200408597

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2013	(b) 2014	(c) 2015	(d) 2016	(e) 2017	(f) Total
7 Amounts from line 4	31424388.	40329696.	43548358.	43087220.	42077720.	200467382
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources	818,103.	872,788.	612,559.	729,939.	841,432.	3874821.
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)	187,162.	511,290.	362,201.	658,359.	483,177.	2202189.
11 Total support. Add lines 7 through 10						206544392
12 Gross receipts from related activities, etc. (see instructions)					12	203,936,266.
13 First five years. If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a section 501(c)(3) organization, check this box and stop here						► <input type="checkbox"/>

Section C. Computation of Public Support Percentage

14 Public support percentage for 2017 (line 6, column (f) divided by line 11, column (f))	14	97.03 %
15 Public support percentage from 2016 Schedule A, Part II, line 14	15	97.39 %
16a 33 1/3% support test - 2017. If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and stop here. The organization qualifies as a publicly supported organization		► <input checked="" type="checkbox"/>
b 33 1/3% support test - 2016. 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 - 2017. If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization		► <input type="checkbox"/>
b 10% -facts-and-circumstances test - 2016. If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization		► <input type="checkbox"/>
18 Private foundation. If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions		► <input type="checkbox"/>

Schedule A (Form 990 or 990-EZ) 2017

Part III Support Schedule for Organizations Described in Section 509(a)(2)

(Complete only if you checked the box on line 10 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ►	(a) 2013	(b) 2014	(c) 2015	(d) 2016	(e) 2017	(f) Total
1 Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 Total. Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of \$5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 Public support. (Subtract line 7c from line 6.)						

Section B. Total Support

Calendar year (or fiscal year beginning in) ►	(a) 2013	(b) 2014	(c) 2015	(d) 2016	(e) 2017	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						

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

Section C. Computation of Public Support Percentage

15 Public support percentage for 2017 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2016 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2017 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2016 Schedule A, Part III, line 17	18	%

19a 33 1/3% support tests - 2017. 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 - 2016. If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3%, and line 18 is not more than 33 1/3%, check this box and **stop here**. The organization qualifies as a publicly supported organization ► ☐

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

Part IV Supporting Organizations

(Complete only if you checked a box in line 12 on Part I. If you checked 12a of Part I, complete Sections A and B. If you checked 12b of Part I, complete Sections A and C. If you checked 12c of Part I, complete Sections A, D, and E. If you checked 12d of Part I, complete Sections A and D, and complete Part V.)

Section A. All Supporting Organizations

	Yes	No
1 Are all of the organization's supported organizations listed by name in the organization's governing documents? <i>If "No," describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.</i>		
2 Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? <i>If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).</i>		
3a Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? <i>If "Yes," answer (b) and (c) below.</i>		
b Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? <i>If "Yes," describe in Part VI when and how the organization made the determination.</i>		
c Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? <i>If "Yes," explain in Part VI what controls the organization put in place to ensure such use.</i>		
4a Was any supported organization not organized in the United States ("foreign supported organization")? <i>If "Yes," and if you checked 12a or 12b in Part I, answer (b) and (c) below.</i>		
b Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? <i>If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.</i>		
c Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? <i>If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.</i>		
5a Did the organization add, substitute, or remove any supported organizations during the tax year? <i>If "Yes," answer (b) and (c) below (if applicable). Also, provide detail in Part VI, including (i) the names and EIN numbers of the supported organizations added, substituted, or removed; (ii) the reasons for each such action; (iii) the authority under the organization's organizing document authorizing such action; and (iv) how the action was accomplished (such as by amendment to the organizing document).</i>		
b Type I or Type II only. Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		
c Substitutions only. Was the substitution the result of an event beyond the organization's control?		
6 Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (i) its supported organizations, (ii) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (iii) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? <i>If "Yes," provide detail in Part VI.</i>		
7 Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (defined in section 4958(c)(3)(C)), a family member of a substantial contributor, or a 35% controlled entity with regard to a substantial contributor? <i>If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).</i>		
8 Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? <i>If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).</i>		
9a Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? <i>If "Yes," provide detail in Part VI.</i>		
b Did one or more disqualified persons (as defined in line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? <i>If "Yes," provide detail in Part VI.</i>		
c Did a disqualified person (as defined in line 9a) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? <i>If "Yes," provide detail in Part VI.</i>		
10a Was the organization subject to the excess business holdings rules of section 4943 because of section 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? <i>If "Yes," answer 10b below.</i>		
b Did the organization have any excess business holdings in the tax year? <i>(Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)</i>		

Part IV Supporting Organizations (continued)

	Yes	No
11 Has the organization accepted a gift or contribution from any of the following persons?		
a A person who directly or indirectly controls, either alone or together with persons described in (b) and (c) below, the governing body of a supported organization?		
11a		
b A family member of a person described in (a) above?		
11b		
c A 35% controlled entity of a person described in (a) or (b) above? If "Yes" to a, b, or c, provide detail in Part VI .		
11c		

Section B. Type I Supporting Organizations

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

Section C. Type II Supporting Organizations

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

Section D. All Type III Supporting Organizations

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

Section E. Type III Functionally Integrated Supporting Organizations

	Yes	No
1 Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions).		
a <input type="checkbox"/> The organization satisfied the Activities Test. Complete line 2 below.		
b <input type="checkbox"/> The organization is the parent of each of its supported organizations. Complete line 3 below.		
c <input type="checkbox"/> The organization supported a governmental entity. Describe in Part VI how you supported a government entity (see instructions).		
2 Activities Test. Answer (a) and (b) below.		
a Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? If "Yes," then in Part VI identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.		
2a		
b Did the activities described in (a) constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? If "Yes," explain in Part VI the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.		
2b		
3 Parent of Supported Organizations. Answer (a) and (b) below.		
a Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? Provide details in Part VI .		
3a		
b Did the organization exercise a substantial degree of direction over the policies, programs, and activities of each of its supported organizations? If "Yes," describe in Part VI the role played by the organization in this regard.		
3b		

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

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

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

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

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

Schedule A (Form 990 or 990-EZ) 2017

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

Section D - Distributions	Current Year
1 Amounts paid to supported organizations to accomplish exempt purposes	
2 Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	
3 Administrative expenses paid to accomplish exempt purposes of supported organizations	
4 Amounts paid to acquire exempt-use assets	
5 Qualified set-aside amounts (prior IRS approval required)	
6 Other distributions (describe in Part VI). See instructions.	
7 Total annual distributions. Add lines 1 through 6.	
8 Distributions to attentive supported organizations to which the organization is responsive (provide details in Part VI). See instructions.	
9 Distributable amount for 2017 from Section C, line 6	
10 Line 8 amount divided by line 9 amount	

Section E - Distribution Allocations (see instructions)	(i) Excess Distributions	(ii) Underdistributions Pre-2017	(iii) Distributable Amount for 2017
1 Distributable amount for 2017 from Section C, line 6			
2 Underdistributions, if any, for years prior to 2017 (reasonable cause required- explain in Part VI). See instructions.			
3 Excess distributions carryover, if any, to 2017			
a			
b From 2013			
c From 2014			
d From 2015			
e From 2016			
f Total of lines 3a through e			
g Applied to underdistributions of prior years			
h Applied to 2017 distributable amount			
i Carryover from 2012 not applied (see instructions)			
j Remainder. Subtract lines 3g, 3h, and 3i from 3f.			
4 Distributions for 2017 from Section D, line 7: \$			
a Applied to underdistributions of prior years			
b Applied to 2017 distributable amount			
c Remainder. Subtract lines 4a and 4b from 4.			
5 Remaining underdistributions for years prior to 2017, if any. Subtract lines 3g and 4a from line 2. For result greater than zero, explain in Part VI . See instructions.			
6 Remaining underdistributions for 2017. Subtract lines 3h and 4b from line 1. For result greater than zero, explain in Part VI . See instructions.			
7 Excess distributions carryover to 2018. Add lines 3j and 4c.			
8 Breakdown of line 7:			
a Excess from 2013			
b Excess from 2014			
c Excess from 2015			
d Excess from 2016			
e Excess from 2017			

Schedule A (Form 990 or 990-EZ) 2017

Part VI	Supplemental Information.
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(See instructions.)

2017

*** Not Open to Public Inspection ***

723171 04-01-17

Schedule B(Form 990, 990-EZ,
or 990-PF)Department of the Treasury
Internal Revenue Service**Schedule of Contributors**

- ▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.
▶ Go to www.irs.gov/Form990 for the latest information.

OMB No. 1545-0047

2017

Name of the organization

Employer identification number

THE THRESHOLDS

36-2518901

Organization type (check one):

Filers of:

Section:

Form 990 or 990-EZ

☒ 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 foundationCheck 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, contributions totaling \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II. See instructions for determining a contributor's total contributions.

Special Rules

- ☒ For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions 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 an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 *exclusively* for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I, II, and III.
- ☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc., purposes, but no such contributions totaled 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. Don't complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions totaling \$5,000 or more during the year ▶ \$ _____

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

LHA For Paperwork Reduction Act Notice, see the instructions for Form 990, 990-EZ, or 990-PF. Schedule B (Form 990, 990-EZ, or 990-PF) (2017)

Name of organization	Employer identification number
THE THRESHOLDS	36-2518901

Part I Contributors (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	ILLINOIS DEPARTMENT OF HUMAN SERVICES - DIVISION OF MENTAL H 100 SOUTH GRAND AVENUE EAST SPRINGFIELD, IL 62762	\$ 15,206,367.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
2	ILLINOIS DEPARTMENT OF HUMAN SERVICES - DIVISION OF REHABILI 401 SOUTH CLINTON STREET CHICAGO, IL 60607	\$ 1,141,088.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
3	ILLINOIS DEPARTMENT OF CHILDREN AND FAMILY SERVICES 406 EAST MONROE SPRINGFIELD, IL 60701	\$ 6,584,772.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
4	CHICAGO DEPARTMENT OF FAMILY AND SUPPORT SERVICES 1615 W CHICAGO AVE CHICAGO, IL 60622	\$ 998,341.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
5	U.S. HOUSING AND URBAN DEVELOPMENT 451 7TH STREET, SW WASHINGTON, DC 20410	\$ 5,960,018.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
6	U.S. DEPARTMENT OF VETERANS AFFAIRS 810 VERMONT AVENUE NW WASHINGTON, DC 20420	\$ 922,079.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization THE THRESHOLDS	Employer identification number 36-2518901
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Part I Contributors (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
7	ILLINOIS DEPARTMENT OF HEALTHCARE AND FAMILY SERVICES 280 E INDIAN TRAIL RD AURORA, IL 60505	\$ 1,070,890.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
		\$	Person <input type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization	Employer identification number
THE THRESHOLDS	36-2518901

Part II **Noncash Property** (see instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions.)	(d) Date received
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	

Name of organization	Employer identification number
THE THRESHOLDS	36-2518901

Part III Exclusively religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than \$1,000 for the year from any one contributor. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of \$1,000 or less for the year. (Enter this info. once.) ► \$

Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee
	(e) Transfer of gift		
	Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee

SCHEDULE C
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

For Organizations Exempt From Income Tax Under section 501(c) and section 527
▶ **Complete if the organization is described below.** ▶ **Attach to Form 990 or Form 990-EZ.**
▶ **Go to www.irs.gov/Form990 for instructions and the latest information.**

OMB No. 1545-0047

2017

**Open to Public
Inspection**

If the organization answered "Yes," on Form 990, Part IV, line 3, or Form 990-EZ, Part V, line 46 (Political Campaign Activities), then

- Section 501(c)(3) organizations: Complete Parts I-A and B. Do not complete Part I-C.
- Section 501(c) (other than section 501(c)(3)) organizations: Complete Parts I-A and C below. Do not complete Part I-B.
- Section 527 organizations: Complete Part I-A only.

If the organization answered "Yes," on Form 990, Part IV, line 4, or Form 990-EZ, Part VI, line 47 (Lobbying Activities), then

- Section 501(c)(3) organizations that have filed Form 5768 (election under section 501(h)): Complete Part II-A. Do not complete Part II-B.
- Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)): Complete Part II-B. Do not complete Part II-A.

If the organization answered "Yes," on Form 990, Part IV, line 5 (Proxy Tax) (see separate instructions) or Form 990-EZ, Part V, line 35c (Proxy Tax) (see separate instructions), then

- Section 501(c)(4), (5), or (6) organizations: Complete Part III.

Name of organization

THE THRESHOLDS

Employer identification number

36-2518901

Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.

- 1 Provide a description of the organization's direct and indirect political campaign activities in Part IV.
- 2 Political campaign activity expenditures ▶ \$
- 3 Volunteer hours for political campaign activities

Part I-B Complete if the organization is exempt under section 501(c)(3).

- 1 Enter the amount of any excise tax incurred by the organization under section 4955 ▶ \$
- 2 Enter the amount of any excise tax incurred by organization managers under section 4955 ▶ \$
- 3 If the organization incurred a section 4955 tax, did it file Form 4720 for this year? ☐ Yes ☐ No
- 4a Was a correction made? ☐ Yes ☐ No
- b If "Yes," describe in Part IV.

Part I-C Complete if the organization is exempt under section 501(c), except section 501(c)(3).

- 1 Enter the amount directly expended by the filing organization for section 527 exempt function activities ▶ \$
- 2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt function activities ▶ \$
- 3 Total exempt function expenditures. Add lines 1 and 2. Enter here and on Form 1120-POL, line 17b ▶ \$
- 4 Did the filing organization file **Form 1120-POL** for this year? ☐ Yes ☐ No
- 5 Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments. For each organization listed, enter the amount paid from the filing organization's funds. Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC). If additional space is needed, provide information in Part IV.

(a) Name	(b) Address	(c) EIN	(d) Amount paid from filing organization's funds. If none, enter -0-.	(e) Amount of political contributions received and promptly and directly delivered to a separate political organization. If none, enter -0-.

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

Schedule C (Form 990 or 990-EZ) 2017

LHA

732041 11-09-17

Part II-A Complete if the organization is exempt under section 501(c)(3) and filed Form 5768 (election under section 501(h)).

- A** Check ☐ if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures).
- B** Check ☐ if the filing organization checked box A and "limited control" provisions apply.

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Filing organization's totals	(b) Affiliated group totals												
1a Total lobbying expenditures to influence public opinion (grass roots lobbying)															
b Total lobbying expenditures to influence a legislative body (direct lobbying)															
c Total lobbying expenditures (add lines 1a and 1b)															
d Other exempt purpose expenditures															
e Total exempt purpose expenditures (add lines 1c and 1d)															
f Lobbying nontaxable amount. Enter the amount from the following table in both columns.															
<table border="1"> <thead> <tr> <th>If the amount on line 1e, column (a) or (b) is:</th> <th>The lobbying nontaxable amount is:</th> </tr> </thead> <tbody> <tr> <td>Not over \$500,000</td> <td>20% of the amount on line 1e.</td> </tr> <tr> <td>Over \$500,000 but not over \$1,000,000</td> <td>\$100,000 plus 15% of the excess over \$500,000.</td> </tr> <tr> <td>Over \$1,000,000 but not over \$1,500,000</td> <td>\$175,000 plus 10% of the excess over \$1,000,000.</td> </tr> <tr> <td>Over \$1,500,000 but not over \$17,000,000</td> <td>\$225,000 plus 5% of the excess over \$1,500,000.</td> </tr> <tr> <td>Over \$17,000,000</td> <td>\$1,000,000.</td> </tr> </tbody> </table>	If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:	Not over \$500,000	20% of the amount on line 1e.	Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.	Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000.	Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.	Over \$17,000,000	\$1,000,000.			
If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:														
Not over \$500,000	20% of the amount on line 1e.														
Over \$500,000 but not over \$1,000,000	\$100,000 plus 15% of the excess over \$500,000.														
Over \$1,000,000 but not over \$1,500,000	\$175,000 plus 10% of the excess over \$1,000,000.														
Over \$1,500,000 but not over \$17,000,000	\$225,000 plus 5% of the excess over \$1,500,000.														
Over \$17,000,000	\$1,000,000.														
g Grassroots nontaxable amount (enter 25% of line 1f)															
h Subtract line 1g from line 1a. If zero or less, enter -0-															
i Subtract line 1f from line 1c. If zero or less, enter -0-															
j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year?		<input type="checkbox"/> Yes <input type="checkbox"/> No													

4-Year Averaging Period Under section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below.
See the separate instructions for lines 2a through 2f.)

Lobbying Expenditures During 4-Year Averaging Period

Calendar year (or fiscal year beginning in)	(a) 2014	(b) 2015	(c) 2016	(d) 2017	(e) Total
2a Lobbying nontaxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots nontaxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

Schedule C (Form 990 or 990-EZ) 2017

Part II-B Complete if the organization is exempt under section 501(c)(3) and has NOT filed Form 5768 (election under section 501(h)).

For each "Yes," response on lines 1a through 1i below, provide in Part IV a detailed description of the lobbying activity.

	(a)		(b)
	Yes	No	Amount
1 During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:			
a Volunteers?		X	
b Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?	X		
c Media advertisements?		X	
d Mailings to members, legislators, or the public?		X	
e Publications, or published or broadcast statements?		X	
f Grants to other organizations for lobbying purposes?		X	
g Direct contact with legislators, their staffs, government officials, or a legislative body?		X	
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		X	
i Other activities?	X		141,043.
j Total. Add lines 1c through 1i			141,043.
2a Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		X	
b If "Yes," enter the amount of any tax incurred under section 4912			
c If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

Part III-A Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6).

	Yes	No
1 Were substantially all (90% or more) dues received nondeductible by members?	1	
2 Did the organization make only in-house lobbying expenditures of \$2,000 or less?	2	
3 Did the organization agree to carry over lobbying and political campaign activity expenditures from the prior year?	3	

Part III-B Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) and if either (a) BOTH Part III-A, lines 1 and 2, are answered "No," OR (b) Part III-A, line 3, is answered "Yes."

1 Dues, assessments and similar amounts from members	1	
2 Section 162(e) nondeductible lobbying and political expenditures (do not include amounts of political expenses for which the section 527(f) tax was paid).		
a Current year	2a	
b Carryover from last year	2b	
c Total	2c	
3 Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	3	
4 If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditure next year?	4	
5 Taxable amount of lobbying and political expenditures (see instructions)	5	

Part IV Supplemental Information

Provide the descriptions required for Part I-A, line 1; Part I-B, line 4; Part I-C, line 5; Part II-A (affiliated group list); Part II-A, lines 1 and 2 (see instructions); and Part II-B, line 1. Also, complete this part for any additional information.

PART II-B, LINE 1, LOBBYING ACTIVITIES:

AN OUTSIDE CONSULTANT AND INTERNAL STAFF ARE PAID/COMPENSATED TO

MONITOR TRENDS AND EVENTS IN STATE GOVERNMENT. THE CONSULTANT AND

INTERNAL STAFF PROVIDE ADVOCACY TO STATE GOVERNMENT ON BEHALF OF THE

AGENCY AS CIRCUMSTANCES WARRANT.

SCHEDULE D
(Form 990)Department of the Treasury
Internal Revenue Service**Supplemental Financial Statements**▶ **Complete if the organization answered "Yes" on Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.**
▶ **Attach to Form 990.**▶ **Go to www.irs.gov/Form990 for instructions and the latest information.**

OMB No. 1545-0047

2017**Open to Public Inspection**

Name of the organization

THE THRESHOLDS

Employer identification number

36-2518901

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

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

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

1 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 education)	<input type="checkbox"/> Preservation of a historically important land area
<input type="checkbox"/> Protection of natural habitat	<input type="checkbox"/> Preservation of a certified historic structure
<input type="checkbox"/> Preservation of open space	

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

	Held at the End of the Tax Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 7/25/06, and not on a historic structure listed in the National Register	2d

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

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

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

☐ Yes ☐ No

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

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

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

☐ Yes ☐ No

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

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

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

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

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

(i) Revenue included on Form 990, Part VIII, line 1

▶ \$

(ii) Assets included in Form 990, Part X

▶ \$

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

a Revenue included on Form 990, Part VIII, line 1

▶ \$

b Assets included in Form 990, Part X

▶ \$

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

Schedule D (Form 990) 2017

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 d ☐ Loan or exchange programs
 b ☐ Scholarly research e ☐ Other _____
 c ☐ Preservation for future generations

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

5 During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☒ No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" on Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

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

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

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

2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? ☒ Yes ☐ No

b If "Yes," explain the arrangement in Part XIII. Check here if the explanation has been provided on Part XIII ☒

Part V Endowment Funds. Complete if the organization answered "Yes" on Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance	6,670,073.	5,648,403.	5,943,302.	6,379,223.	9,989,055.
b Contributions	331,400.	474,250.			
c Net investment earnings, gains, and losses	514,330.	658,197.	89,024.	147,953.	1,418,453.
d Grants or scholarships		12,139.			
e Other expenditures for facilities and programs		76,886.	362,000.	561,950.	5,000,000.
f Administrative expenses		21,752.	21,923.	21,924.	28,285.
g End of year balance	7,515,803.	6,670,073.	5,648,403.	5,943,302.	6,379,223.

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as:

- a Board designated or quasi-endowment ▶ 70.43 %
 b Permanent endowment ▶ 21.66 %
 c Temporarily restricted endowment ▶ 7.90 %

The percentages on lines 2a, 2b, and 2c should equal 100%.

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

- (i) unrelated organizations
 (ii) related organizations

	Yes	No
3a(i)		X
3a(ii)		X
3b		

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

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

Part VI Land, Buildings, and Equipment.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		1,222,890.		1,222,890.
b Buildings		26,412,540.	15,484,991.	10,927,549.
c Leasehold improvements		2,010,583.	1,199,314.	811,269.
d Equipment		13,013,971.	12,204,853.	809,118.
e Other		3,414,740.		3,414,740.
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.)				17,185,566.

Schedule D (Form 990) 2017

Part VII Investments - Other Securities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

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

Part VIII Investments - Program Related.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

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

Part IX Other Assets.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11d. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1) DUE FROM AFFILIATES	6,515,657.
(2) OTHER ASSETS	146,209.
(3) ESCROW DEPOSITS	4,544,921.
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.) ►	11,206,787.

Part X Other Liabilities.

Complete if the organization answered "Yes" on Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Book value	
(1) Federal income taxes		
(2) OTHER LIABILITIES	241,588.	
(3) INTEREST RATE SWAP PAYABLE	94,125.	
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ►	335,713.	

2. Liability for uncertain tax positions. In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740). Check here if the text of the footnote has been provided in Part XIII ☐

Schedule D (Form 990) 2017

Part XI Reconciliation of Revenue per Audited Financial Statements With Revenue per Return.

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements	1	93,218,131.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
a	Net unrealized gains (losses) on investments	2a	342,611.
b	Donated services and use of facilities	2b	
c	Recoveries of prior year grants	2c	
d	Other (Describe in Part XIII.)	2d	240,235.
e	Add lines 2a through 2d	2e	582,846.
3	Subtract line 2e from line 1	3	92,635,285.
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIII.)	4b	149,776.
c	Add lines 4a and 4b	4c	149,776.
5	Total revenue. Add lines 3 and 4c . (This must equal Form 990, Part I, line 12.)	5	92,785,061.

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

Complete if the organization answered "Yes" on Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements	1	89,336,788.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:		
a	Donated services and use of facilities	2a	
b	Prior year adjustments	2b	
c	Other losses	2c	
d	Other (Describe in Part XIII.)	2d	240,235.
e	Add lines 2a through 2d	2e	240,235.
3	Subtract line 2e from line 1	3	89,096,553.
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:		
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a	
b	Other (Describe in Part XIII.)	4b	149,776.
c	Add lines 4a and 4b	4c	149,776.
5	Total expenses. Add lines 3 and 4c . (This must equal Form 990, Part I, line 18.)	5	89,246,329.

Part XIII Supplemental Information.

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

PART IV, LINE 2B:

CUSTODIAL FUND - SOCIAL SECURITY PAYMENTS AND INSURANCE BENEFITS RECEIVED

ON BEHALF OF MEMBERS ARE DEPOSITED IN CUSTODIAL ACCOUNTS MAINTAINED AT

VARIOUS PROGRAM SITES. THE FUNDS ARE DEPOSITED IN SEVERAL NON-INTEREST

BEARING BANK ACCOUNTS. THE FUNDS ARE OWED TO THE MEMBERS AND ARE AVAILABLE

FOR THEIR BENEFIT AND ARE PAYABLE TO THEM ON DEMAND WHEN THE INDIVIDUALS

ARE ABLE TO MANAGE THEIR OWN AFFAIRS.

PART V, LINE 1E:

SPECIAL PURPOSE BOARD OF DIRECTOR DESIGNATED FUNDS ARE RESERVES

ESTABLISHED BY THE BOARD FROM UNRESTRICTED FUNDS TO MEET SPECIFIC

UNIDENTIFIED OBLIGATIONS ARISING FROM THRESHOLDS' PLANNED ACTIVITIES.

Part XIII Supplemental Information (continued)

THESE FUNDS ARE GOVERNED BY FINANCIAL POLICIES APPROVED BY THE BOARD OF DIRECTORS TO DIRECT THE ALLOWED USE OF FUNDS, AND AUTHORITY TO USE FUNDS. ADDITIONALLY, THE FINANCIAL POLICIES ESTABLISH INVESTMENT CRITERIA TO ENSURE FUNDS ARE PRUDENTLY INVESTED TO MEET THE FUNDS ANTICIPATED USE.

PART V, LINE 4:

THE PURPOSE OF THE ENDOWMENT FUND IS TO HOLD AND RETAIN DONOR GIFTS THAT ARE GIVEN TO THRESHOLDS WITH PERMANENT DIRECTIONS OR RESTRICTIONS. THE ALLOWED USE OF DONATED FUNDS IS LIMITED AND GOVERNED BY SPECIFIC DONOR RESTRICTIONS. WHERE NO SPECIFIC RESTRICTIONS EXISTS, FUNDS WILL BE USED FOR THE CONTINUING AND LONG-TERM DEVELOPMENT OF THRESHOLDS AND REQUIRE BOARD APPROVAL FOR USE. RECENT USES OF THIS FUND INCLUDE PROVIDING SCHOLARSHIPS & ASSISTANCE TO MEMBERS PURSUING POST-SECONDARY EDUCATION & PARTIALLY FUNDING THRESHOLDS' MOTHERS' PROGRAM.

PART XI, LINE 2D - OTHER ADJUSTMENTS:

SPECIAL EVENT EXPENSES 240,235.

PART XI, LINE 4B - OTHER ADJUSTMENTS:

GAIN ON DERIVATIVES 149,776.

PART XII, LINE 2D - OTHER ADJUSTMENTS:

SPECIAL EVENT EXPENSES 240,235.

ROUNDING

PART XII, LINE 4B - OTHER ADJUSTMENTS:

GAIN ON DERIVATIVES 149,776.

Department of the Treasury
Internal Revenue Service

Complete if the organization answered "Yes" on Form 990, Part IV, line 17, 18, or 19, or if the organization entered more than \$15,000 on Form 990-EZ, line 6a.

▶ **Attach to Form 990 or Form 990-EZ.**

OMB No. 1545-0047

2017

Open to Public Inspection

Name of the organization

THE THRESHOLDS

Employer identification number	
--------------------------------	--

36-2518901

Part I

Fundraising Activities.

Fundraising Activities. Complete if the organization answered "Yes" on Form 990, Part IV, line 17. Form 990-EZ filers are not required to complete this part.

- 1** Indicate whether the organization raised funds through any of the following activities. Check all that apply.

- a** ☐ Mail solicitations

- e ☐ Solicitation of non-government grants

- b** ☐ Internet and email solicitations

- f** ☐ Solicitation of government grants

- c** ☐ Phone solicitations

- g ☐ Special fundraising events

- d** ☐ In-person solicitations

- 2 a** Did the organization have a written or oral agreement with any individual (including officers, directors, trustees, or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services?

☐ Yes☐ No

- b** If "Yes," list the 10 highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least \$5,000 by the organization.

(i) Name and address of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions?		(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in col. (i)	(vi) Amount paid to (or retained by) organization
		Yes	No			
Total						

- 3** List all states in which the organization is registered or licensed to solicit contributions or has been notified it is exempt from registration or licensing.

Part II Fundraising Events. Complete if the organization answered "Yes" on Form 990, Part IV, line 18, or reported more than \$15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than \$5,000.

		(a) Event #1	(b) Event #2	(c) Other events	(d) Total events (add col. (a) through col. (c))
		GALA (event type)	A SWEET AFFAIR (event type)	1 (total number)	
Revenue	1 Gross receipts	525,586.	127,605.	162,991.	816,182.
	2 Less: Contributions	342,830.	3,080.		345,910.
	3 Gross income (line 1 minus line 2)	182,756.	124,525.	162,991.	470,272.
Direct Expenses	4 Cash prizes				
	5 Noncash prizes				
	6 Rent/facility costs			2,800.	2,800.
	7 Food and beverages	130,778.		18,508.	149,286.
	8 Entertainment	3,049.			3,049.
	9 Other direct expenses	31,426.		53,673.	85,099.
	10 Direct expense summary. Add lines 4 through 9 in column (d)				240,234.
11 Net income summary. Subtract line 10 from line 3, column (d)				230,038.	

Part III Gaming. Complete if the organization answered "Yes" on Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col. (a) through col. (c))
Revenue	1 Gross revenue				
Direct Expenses	2 Cash prizes				
	3 Noncash prizes				
	4 Rent/facility costs				
	5 Other direct expenses				
	6 Volunteer labor	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	
	7 Direct expense summary. Add lines 2 through 5 in column (d)				
	8 Net gaming income summary. Subtract line 7 from line 1, column (d)				

9 Enter the state(s) in which the organization conducts gaming activities: _____

a Is the organization licensed to conduct gaming activities in each of these states? ☐ Yes ☐ No

b If "No," explain: _____

10a Were any of the organization's gaming licenses revoked, suspended, or terminated during the tax year? ☐ Yes ☐ No

b If "Yes," explain: _____

- 11** Does the organization conduct gaming activities with nonmembers? ☐ Yes ☐ No
- 12** Is the organization a grantor, beneficiary or trustee of a trust, or a member of a partnership or other entity formed to administer charitable gaming? ☐ Yes ☐ No
- 13** Indicate the percentage of gaming activity conducted in:
- | | | |
|--------------------------------------|------------|---|
| a The organization's facility | 13a | % |
| b An outside facility | 13b | % |
- 14** Enter the name and address of the person who prepares the organization's gaming/special events books and records:

Name ► _____

Address ► _____

- 15a** Does the organization have a contract with a third party from whom the organization receives gaming revenue? ☐ Yes ☐ No

b If "Yes," enter the amount of gaming revenue received by the organization ► \$ _____ and the amount of gaming revenue retained by the third party ► \$ _____

c If "Yes," enter name and address of the third party:

Name ► _____

Address ► _____

- 16** Gaming manager information:

Name ► _____

Gaming manager compensation ► \$ _____

Description of services provided ► _____

☐ Director/officer ☐ Employee ☐ Independent contractor

- 17** Mandatory distributions:

a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? ☐ Yes ☐ No

b Enter the amount of distributions required under state law to be distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ► \$ _____

Part IV **Supplemental Information.** Provide the explanations required by Part I, line 2b, columns (iii) and (v); and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also provide any additional information. See instructions.

Part IV	Supplemental Information <i>(continued)</i>
----------------	--

[illegible]

**SCHEDULE J
(Form 990)**

Department of the Treasury
Internal Revenue Service

Compensation Information

- For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees
- ▶ **Complete if the organization answered "Yes" on Form 990, Part IV, line 23.**
- ▶ **Attach to Form 990.**
- ▶ **Go to www.irs.gov/Form990 for instructions and the latest information.**

OMB No. 1545-0047

2017

Open to Public
Inspection

Name of the organization

THE THRESHOLDS

Employer identification number

36-2518901

Part I Questions Regarding Compensation

	Yes	No
1a Check the appropriate box(es) if the organization provided any of the following to or for a person listed on Form 990, Part VII, Section A, line 1a. Complete Part III to provide any relevant information regarding these items.		
<input type="checkbox"/> First-class or charter travel		
<input type="checkbox"/> Travel for companions		
<input checked="" type="checkbox"/> Tax indemnification and gross-up payments		
<input type="checkbox"/> Discretionary spending account		
<input type="checkbox"/> Housing allowance or residence for personal use		
<input type="checkbox"/> Payments for business use of personal residence		
<input type="checkbox"/> Health or social club dues or initiation fees		
<input type="checkbox"/> Personal services (such as, maid, chauffeur, chef)		
b If any of the boxes on line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain	1b	X
2 Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, and officers, including the CEO/Executive Director, regarding the items checked on line 1a?	2	X
3 Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director. Check all that apply. Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III.		
<input checked="" type="checkbox"/> Compensation committee		
<input checked="" type="checkbox"/> Independent compensation consultant		
<input checked="" type="checkbox"/> Form 990 of other organizations		
<input type="checkbox"/> Written employment contract		
<input checked="" type="checkbox"/> Compensation survey or study		
<input checked="" type="checkbox"/> Approval by the board or compensation committee		
4 During the year, did any person listed on Form 990, Part VII, Section A, line 1a, with respect to the filing organization or a related organization:		
a Receive a severance payment or change-of-control payment?	4a	X
b Participate in, or receive payment from, a supplemental nonqualified retirement plan?	4b	X
c Participate in, or receive payment from, an equity-based compensation arrangement?	4c	X
If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III.		
Only section 501(c)(3), 501(c)(4), and 501(c)(29) organizations must complete lines 5-9.		
5 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of:		
a The organization?	5a	X
b Any related organization?	5b	X
If "Yes" on line 5a or 5b, describe in Part III.		
6 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of:		
a The organization?	6a	X
b Any related organization?	6b	X
If "Yes" on line 6a or 6b, describe in Part III.		
7 For persons listed on Form 990, Part VII, Section A, line 1a, did the organization provide any nonfixed payments not described on lines 5 and 6? If "Yes," describe in Part III	7	X
8 Were any amounts reported on Form 990, Part VII, paid or accrued pursuant to a contract that was subject to the initial contract exception described in Regulations section 53.4958-4(a)(3)? If "Yes," describe in Part III	8	X
9 If "Yes" on line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53.4958-6(c)?	9	

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

Schedule J (Form 990) 2017

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

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

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

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation in column (B) reported as deferred on prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) MARK ISHAUG	(i)	299,941.	148.	4,800.	1,618.	6,379.	312,886.	0.
CHIEF EXECUTIVE OFFICER	(ii)	0.	0.	0.	0.	0.	0.	0.
(2) ALAA G. SHOREIBAH	(i)	209,039.	146.	0.	777.	16,100.	226,062.	0.
CHIEF FINANCIAL OFFICER	(ii)	0.	0.	0.	0.	0.	0.	0.
(3) DEBRA PAVICK	(i)	157,446.	146.	0.	1,576.	1,406.	160,574.	0.
CHIEF CLINICAL OFFICER	(ii)	0.	0.	0.	0.	0.	0.	0.
(4) MARK FURLONG	(i)	150,181.	146.	0.	1,280.	4,753.	156,360.	0.
CHIEF OPERATING OFFICER	(ii)	0.	0.	0.	0.	0.	0.	0.
(5) STEVEN WEINSTEIN M.D.	(i)	215,570.	146.	864.	2,266.	16,866.	235,712.	0.
MEDICAL DIRECTOR	(ii)	0.	0.	0.	0.	0.	0.	0.
(6) SUSAN BURATTO	(i)	199,478.	146.	0.	1,260.	11,321.	212,205.	0.
PSYCHIATRIST	(ii)	0.	0.	0.	0.	0.	0.	0.
(7) KIMBERLY T. MEYER	(i)	167,651.	146.	0.	1,504.	6,379.	175,680.	0.
PSYCHIATRIST	(ii)	0.	0.	0.	0.	0.	0.	0.
(8) BRUCE JEFFERSON	(i)	137,032.	160.	0.	1,471.	16,053.	154,716.	0.
GENERAL COUNSEL	(ii)	0.	0.	0.	0.	0.	0.	0.
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							
	(i)							
	(ii)							

Part III Supplemental Information

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II. Also complete this part for any additional information.

PART I, LINE 1A:

A \$100 GROSSED-UP HOLIDAY BONUS WAS GIVEN TO 1275 BENEFITED EMPLOYEES. THE
PAYMENT WAS TREATED AS TAXABLE.

PART I, LINE 1B:

THE BOARD OF DIRECTORS CHOSE TO GIVE OUT A GROSSED-UP \$100 HOLIDAY BONUS TO
EVERY BENEFITED EMPLOYEE.

PART I, LINE 8:

SEE RESPONSE TO LINE 1B

**SCHEDULE K
(Form 990)**

Department of the Treasury
Internal Revenue Service

Supplemental Information on Tax-Exempt Bonds

▶ **Complete if the organization answered "Yes" on Form 990, Part IV, line 24a. Provide descriptions, explanations, and any additional information in Part VI.**

▶ **Attach to Form 990.** ▶ **Go to www.irs.gov/Form990 for instructions and the latest information.**

OMB No. 1545-0047

2017
Open to Public
Inspection

Name of the organization

THE THRESHOLDS

Employer identification number
36-2518901

Part I	SEE PART VI FOR COLUMNS (A) AND (F) CONTINUATIONS										
						(g) Defeased		(h) On behalf of issuer		(i) Pooled financing	
(a) Issuer name	(b) Issuer EIN	(c) CUSIP #	(d) Date issued	(e) Issue price	(f) Description of purpose	Yes	No	Yes	No	Yes	No
ILLINOIS FINANCE A AUTHORITY DEMAND REVENUE		NONE	11/01/05	8,000,000.	FINANCE AQUISITION, CONST		X		X		X
B											
C											
D											

Part II Proceeds									
				A	B		C		D
1 Amount of bonds retired				2,511,809.					
2 Amount of bonds legally defeased									
3 Total proceeds of issue				8,000,000.					
4 Gross proceeds in reserve funds									
5 Capitalized interest from proceeds									
6 Proceeds in refunding escrows									
7 Issuance costs from proceeds				194,205.					
8 Credit enhancement from proceeds									
9 Working capital expenditures from proceeds									
10 Capital expenditures from proceeds				7,805,795.					
11 Other spent proceeds									
12 Other unspent proceeds									
13 Year of substantial completion				2008					
				Yes	No	Yes	No	Yes	No
14 Were the bonds issued as part of a current refunding issue?					X				
15 Were the bonds issued as part of an advance refunding issue?					X				
16 Has the final allocation of proceeds been made?				X					
17 Does the organization maintain adequate books and records to support the final allocation of proceeds?				X					

Part III Private Business Use									
1	Was the organization a partner in a partnership, or a member of an LLC, which owned property financed by tax-exempt bonds?	A		B		C		D	
		Yes	No	Yes	No	Yes	No	Yes	No
			X						
2	Are there any lease arrangements that may result in private business use of bond-financed property?		X						

Part III Private Business Use (Continued)

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
3a Are there any management or service contracts that may result in private business use of bond-financed property?		X						
b If "Yes" to line 3a, does the organization routinely engage bond counsel or other outside counsel to review any management or service contracts relating to the financed property?								
c Are there any research agreements that may result in private business use of bond-financed property?		X						
d If "Yes" to line 3c, does the organization routinely engage bond counsel or other outside counsel to review any research agreements relating to the financed property?								
4 Enter the percentage of financed property used in a private business use by entities other than a section 501(c)(3) organization or a state or local government		%		%		%		%
5 Enter the percentage of financed property used in a private business use as a result of unrelated trade or business activity carried on by your organization, another section 501(c)(3) organization, or a state or local government		%		%		%		%
6 Total of lines 4 and 5		%		%		%		%
7 Does the bond issue meet the private security or payment test?		X						
8a Has there been a sale or disposition of any of the bond-financed property to a non-governmental person other than a 501(c)(3) organization since the bonds were issued?		X						
b If "Yes" to line 8a, enter the percentage of bond-financed property sold or disposed of		%		%		%		%
c If "Yes" to line 8a, was any remedial action taken pursuant to Regulations sections 1.141-12 and 1.145-2?								
9 Has the organization established written procedures to ensure that all nonqualified bonds of the issue are remediated in accordance with the requirements under Regulations sections 1.141-12 and 1.145-2?	X							

Part IV Arbitrage

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
1 Has the issuer filed Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate?		X						
2 If "No" to line 1, did the following apply?								
a Rebate not due yet?		X						
b Exception to rebate?		X						
c No rebate due?		X						
If "Yes" to line 2c, provide in Part VI the date the rebate computation was performed								
3 Is the bond issue a variable rate issue?	X							
4a Has the organization or the governmental issuer entered into a qualified hedge with respect to the bond issue?		X						
b Name of provider								
c Term of hedge								
d Was the hedge superintegrated?								
e Was the hedge terminated?								

Part IV Arbitrage (Continued)

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
5a Were gross proceeds invested in a guaranteed investment contract (GIC)?		X						
b Name of provider								
c Term of GIC								
d Was the regulatory safe harbor for establishing the fair market value of the GIC satisfied?								
6 Were any gross proceeds invested beyond an available temporary period?		X						
7 Has the organization established written procedures to monitor the requirements of section 148?	X							

Part V Procedures To Undertake Corrective Action

	A		B		C		D	
	Yes	No	Yes	No	Yes	No	Yes	No
Has the organization established written procedures to ensure that violations of federal tax requirements are timely identified and corrected through the voluntary closing agreement program if self-remediation isn't available under applicable regulations?		X						

Part VI Supplemental Information. Provide additional information for responses to questions on Schedule K. See instructions**SCHEDULE K, PART I, BOND ISSUES:****(A) ISSUER NAME:**

ILLINOIS FINANCE AUTHORITY DEMAND REVENUE BONDS SERIES 2005

(F) DESCRIPTION OF PURPOSE:

FINANCE AQUISITION, CONSTRUCTION, RESTORATION OF VARIOUS PROPERTIES

**SCHEDULE M
(Form 990)**

Department of the Treasury
Internal Revenue Service

Noncash Contributions

OMB No. 1545-0047

2017

Open To Public
Inspection

- ▶ **Complete if the organizations answered "Yes" on Form 990, Part IV, lines 29 or 30.**
- ▶ **Attach to Form 990.**
- ▶ **Go to www.irs.gov/Form990 for the latest information.**

Name of the organization

THE THRESHOLDS

Employer identification number

36-2518901

Part I Types of Property

	(a) Check if applicable	(b) Number of contributions or items contributed	(c) Noncash contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining noncash contribution amounts
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				
7 Boats and planes				
8 Intellectual property				
9 Securities - Publicly traded	X	37	1,844,199.	FAIR MARKET VALUE
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				
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

30a During the year, did the organization receive by contribution any property reported in Part I, lines 1 through 28, that it
must hold for at least three years from the date of the initial contribution, and which isn't required to be used for
exempt purposes for the entire holding period?

b If "Yes," describe the arrangement in Part II.

31 Does the organization have a gift acceptance policy that requires the review of any nonstandard contributions?

32a Does the organization hire or use third parties or related organizations to solicit, process, or sell noncash
contributions?

b If "Yes," describe in Part II.

33 If the organization didn't report an amount in column (c) for a type of property for which column (a) is checked,
describe in Part II.

	Yes	No
30a		X
31	X	
32a		X
33		

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

Schedule M (Form 990) 2017

Supplemental Information.

Supplemental Information. Provide the information required by Part I, lines 30b, 32b, and 33, and whether the organization is reporting in Part I, column (b), the number of contributions, the number of items received, or a combination of both. Also complete this part for any additional information.

SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

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

OMB No. 1545-0047

2017

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Inspection

Name of the organization

THE THRESHOLDS

Employer identification number
36-2518901

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

OF CHOICE, EMPLOYER OF CHOICE AND A WORLD LEADER IN DEVELOPMENT AND
EVALUATION OF REHABILITATION AND RECOVERY SERVICES.

FORM 990, PART III, LINE 4D, OTHER PROGRAM SERVICES:

RESEARCH PROJECTS AND ACADEMIC PREPARATION.

EXPENSES \$ 1,810,272. INCLUDING GRANTS OF \$ 0. REVENUE \$ 603,170.

FORM 990, PART VI, SECTION B, LINE 11B:

THE BOARD RETAINS THE SERVICES OF AN INDEPENDENT CPA FIRM TO PREPARE THE
ORGANIZATION'S FORM 990. MANAGEMENT REVIEWS THE COMPLETED FORM 990 AND
PROVIDES A FULL COPY TO ALL MEMBERS OF THE FINANCE COMMITTEE. THE FINANCE
COMMITTEE REVIEWS THE COPY AND MEETS WITH THE INDEPENDENT CPA FIRM. AFTER
FORM 990 IS ACCEPTED BY THE FINANCE COMMITTEE A COPY IS PROVIDED TO ALL
VOTING MEMBERS OF THE GOVERNING BODY PRIOR TO FILING. THE GOVERNING BODY IS
PROVIDED A REASONABLE AMOUNT OF TIME TO REVIEW THE RETURN AND ASK ANY
QUESTIONS DIRECTLY TO ORGANIZATION MANAGEMENT OR THE CONTACT AT THE
INDEPENDENT CPA FIRM PRIOR TO FILING.

FORM 990, PART VI, SECTION B, LINE 12C:

OFFICERS, DIRECTORS, TRUSTEES, AND KEY EMPLOYEES ARE ANNUALLY REQUIRED TO
COMPLETE A CONFLICT OF INTEREST DISCLOSURE STATEMENT AS A PRECURSOR TO
THEIR SERVICE TO THE ORGANIZATION. POTENTIAL CONFLICTS ARE LOGGED WITH AND
MONITORED BY THE SECRETARY OF THE BOARD.

FORM 990, PART VI, SECTION B, LINE 15A:

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

Schedule O (Form 990 or 990-EZ) (2017)

732211 09-07-17

Name of the organization

THE THRESHOLDS

Employer identification number

36-2518901

THE CEO HAS AN EMPLOYMENT CONTRACT THAT IS EVALUATED ANNUALLY BY THE BOARD'S EXECUTIVE COMMITTEE. THE BOARD MEETS IN EXECUTIVE SESSION TO DETERMINE THE CEO'S ANNUAL COMPENSATION PACKAGE THAT MAY INCLUDE A DISCRETIONARY BONUS. THE BOARD PRESIDENT DOCUMENTS THE RESULTS OF THIS ASSESSMENT AND THE COMMITTEE'S DECISION AND ROUTES THIS INFORMATION TO HUMAN RESOURCES FOR PROCESSING.

THE AGENCY BEGAN USING COMPARABLE DATA IN ITS ASSESSMENT OF EXECUTIVE COMPENSATION DURING FISCAL YEAR 2016.

FORM 990, PART VI, SECTION C, LINE 19:

GOVERNING DOCUMENTS AND FINANCIAL STATEMENTS ARE AVAILABLE THROUGH APPLICABLE GOVERNMENTAL AGENCIES; THE CONFLICT OF INTEREST POLICY IS AVAILABLE UPON WRITTEN REQUEST TO THE ORGANIZATION.

FORM 990, PART X

THE ORGANIZATION, AND ITS AFFILIATED COMPANIES, ADJUSTED ITS CONSOLIDATED FINANCIAL STATEMENTS TO ADD A SUBSIDIARY ENTITY WHICH HAD BEEN PREVIOUSLY EXCLUDED. THIS ENTITY IS CONTROLLED BY THE ORGANIZATION. THE CUMULATIVE IMPACT OF THIS MODIFICATION HAS BEEN FULLY DISCLOSED IN THE AFOREMENTIONED CONSOLIDATED FINANCIAL STATEMENTS.

FORM 990, PART XI, LINE 9, CHANGES IN NET ASSETS:

RELATED PARTY DISTRIBUTION

OPERATING TRANSFER 100.

TOTAL TO FORM 990, PART XI, LINE 9 100.

SCHEDULE R
(Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ **Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.**

▶ **Attach to Form 990.**

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

OMB No. 1545-0047

2017

**Open to Public
Inspection**

Name of the organization

THE THRESHOLDS

Employer identification number

36-2518901

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

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
THRESHOLDS-DIPLOMAT, LLC - 61-1677136 4101 N. RAVENSWOOD CHICAGO, IL 60613	PROVIDES HOUSING FOR DISABLED AND EMOTIONALLY HANDICAPPED INDIVIDUALS	ILLINOIS	0.	422,000.	THE THRESHOLDS
THI-15, INC - 45-3764368 4101 N. RAVENSWOOD CHICAGO, IL 60613	PROVIDES HOUSING FOR DISABLED AND EMOTIONALLY HANDICAPPED INDIVIDUALS	ILLINOIS	-27,711.	2,259,552.	THE THRESHOLDS
THRESHOLDS GAR, LLC - 32-0545337 4101 N. RAVENSWOOD CHICAGO, IL 60613	PROVIDES SUPPORTIVE HOUSING SERVICES FOR INDIVIDUALS EXPERIENCING MENTAL ILL	ILLINOIS	0.	2,060.	THE THRESHOLDS
HUMBOLDT APARTMENTS, LLC - 38-3944324 4101 N. RAVENSWOOD AVE. CHICAGO, IL 60613	PROVIDES SUPPORTIVE HOUSING SERVICES FOR INDIVIDUALS EXPERIENCING MENTAL ILL	ILLINOIS	-42.	827,598.	THE THRESHOLDS

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
THRESHOLDS HOUSING, INC - 36-3071248 4101 N. RAVENSWOOD AVENUE CHICAGO, IL 60613	PROVIDES HOUSING FOR MENTALLY AND EMOTIONALLY HANDICAPPED INDIVIDUALS	ILLINOIS	501(C)(3)	LINE 12B, II	THE THRESHOLDS	X	
TRANSITIONAL HOUSING, INC - 36-3191926 4101 N. RAVENSWOOD AVENUE CHICAGO, IL 60613	PROVIDES HOUSING FOR MENTALLY AND EMOTIONALLY HANDICAPPED INDIVIDUALS	ILLINOIS	501(C)(3)	LINE 12B, II	THE THRESHOLDS	X	
HOUSING ASSOCIATES, INC - 36-3252608 4101 N. RAVENSWOOD AVENUE CHICAGO, IL 60613	PROVIDES HOUSING FOR MENTALLY AND EMOTIONALLY HANDICAPPED INDIVIDUALS	ILLINOIS	501(C)(3)	LINE 12B, II	THE THRESHOLDS	X	
THI-4, INC - 36-3783906 4101 N. RAVENSWOOD AVENUE CHICAGO, IL 60613	PROVIDES HOUSING FOR MENTALLY AND EMOTIONALLY HANDICAPPED INDIVIDUALS	ILLINOIS	501(C)(3)	LINE 12B, II	THE THRESHOLDS	X	

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

Schedule R (Form 990) 2017

Part II Continuation of Identification of Related Tax-Exempt Organizations

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization?	
						Yes	No
THI-5, INC - 36-3783908 4101 N. RAVENSWOOD AVENUE CHICAGO, IL 60613	PROVIDES HOUSING FOR MENTALLY AND EMOTIONALLY HANDICAPPED INDIVIDUALS	ILLINOIS	501(C)(3)	LINE 12B, II	THE THRESHOLDS	X	
THI-6, INC - 36-3783907 4101 N. RAVENSWOOD AVENUE CHICAGO, IL 60613	PROVIDES HOUSING FOR MENTALLY AND EMOTIONALLY HANDICAPPED INDIVIDUALS	ILLINOIS	501(C)(3)	LINE 12B, II	THE THRESHOLDS	X	
THI-7, INC - 36-3783909 4101 N. RAVENSWOOD AVENUE CHICAGO, IL 60613	PROVIDES HOUSING FOR MENTALLY AND EMOTIONALLY HANDICAPPED INDIVIDUALS	ILLINOIS	501(C)(3)	LINE 12B, II	THE THRESHOLDS	X	
THI-8, INC - 36-3783910 4101 N. RAVENSWOOD AVENUE CHICAGO, IL 60613	PROVIDES HOUSING FOR MENTALLY AND EMOTIONALLY HANDICAPPED INDIVIDUALS	ILLINOIS	501(C)(3)	LINE 12B, II	THE THRESHOLDS	X	
THI-9, INC - 36-3967813 4101 N. RAVENSWOOD AVENUE CHICAGO, IL 60613	PROVIDES HOUSING FOR MENTALLY AND EMOTIONALLY HANDICAPPED INDIVIDUALS	ILLINOIS	501(C)(3)	LINE 12B, II	THE THRESHOLDS	X	
THI-10, INC - 36-3967815 4101 N. RAVENSWOOD AVENUE CHICAGO, IL 60613	PROVIDES HOUSING FOR MENTALLY AND EMOTIONALLY HANDICAPPED INDIVIDUALS	ILLINOIS	501(C)(3)	LINE 12B, II	THE THRESHOLDS	X	
THI-11, INC - 36-3967819 4101 N. RAVENSWOOD AVENUE CHICAGO, IL 60613	PROVIDES HOUSING FOR MENTALLY AND EMOTIONALLY HANDICAPPED INDIVIDUALS	ILLINOIS	501(C)(3)	LINE 12B, II	THE THRESHOLDS	X	
THI-12, INC - 36-4168062 4101 N. RAVENSWOOD AVENUE CHICAGO, IL 60613	PROVIDES HOUSING FOR MENTALLY AND EMOTIONALLY HANDICAPPED INDIVIDUALS	ILLINOIS	501(C)(3)	LINE 12B, II	THE THRESHOLDS	X	
THI-13, INC - 36-4168063 4101 N. RAVENSWOOD AVENUE CHICAGO, IL 60613	PROVIDES HOUSING FOR MENTALLY AND EMOTIONALLY HANDICAPPED INDIVIDUALS	ILLINOIS	501(C)(3)	LINE 12B, II	THE THRESHOLDS	X	
THI-14, INC - 36-4168066 4101 N. RAVENSWOOD AVENUE CHICAGO, IL 60613	PROVIDES HOUSING FOR MENTALLY AND EMOTIONALLY HANDICAPPED INDIVIDUALS	ILLINOIS	501(C)(3)	LINE 12B, II	THE THRESHOLDS	X	

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
WAYNE STREET APARTMENTS LIMITED PARTNERSHIP - 36-4146707, 4101 N. RAVENSWOOD, CHICAGO, IL BT-DIPLOMAT, LLC (.0026% OWNERSHIP) - 32-0361958, 4101 N. RAVENSWOOD, CHICAGO, IL 60613	PROVIDES HOUSING FOR MENTALLY AND EMOTIONALLY	IL	THE THRESHOLDS	RELATED	64,224.	31,096.		X	N/A	X		99.99%
MENARD LIMITED PARTNERSHIP - 36-3942457, 4101 N. RAVENSWOOD, CHICAGO, IL 60613	PROVIDES HOUSING FOR MENTALLY AND EMOTIONALLY	IL	MANAGING MEMBER BRINSHORE	RELATED	-39.	122,758.		X	N/A	X		.01%
ROWAN TREES LIMITED PARTNERSHIP - 36-4107843, 4101 N. RAVENSWOOD, CHICAGO, IL 60613	PROVIDES HOUSING FOR MENTALLY AND EMOTIONALLY	IL	THE THRESHOLDS	RELATED	5,555.	188,940.		X	N/A	X		99.00%
WAYNE STREET APARTMENTS LIMITED PARTNERSHIP - 36-4146707, 4101 N. RAVENSWOOD, CHICAGO, IL 60613	PROVIDES HOUSING FOR MENTALLY AND EMOTIONALLY	IL	THE THRESHOLDS	RELATED	58,008.	36,280.		X	N/A	X		99.00%

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

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512(b)(13) controlled entity?	
								Yes	No
MENARD APARTMENT CORP - 36-3942447 4101 N. RAVENSWOOD CHICAGO, IL 60613	MANAGEMENT OF PARTNERSHIP	IL	THE THRESHOLDS	C CORP	5,555.	1,908.	100%	X	
ROWAN TREES APARTMENT INC - 36-4096242 4101 N. RAVENSWOOD CHICAGO, IL 60613	MANAGEMENT OF PARTNERSHIP	IL	THE THRESHOLDS	C CORP	26.	366.	100%	X	
WAYNE STREET CORPORATION - 36-4147098 4101 N. RAVENSWOOD CHICAGO, IL 60613	MANAGEMENT OF PARTNERSHIP	IL	THE THRESHOLDS	C CORP	6.	3.	100%	X	
BT-DIPLOMAT MANAGER, LLC - 61-1668317 4101 N. RAVENSWOOD CHICAGO, IL 60613	MANAGEMENT OF PARTNERSHIP	IL	MANAGING MEMBER BRINSHORE	C CORP	-10.	31,917.	26.00%	X	

[illegible]

Part V Transactions With Related Organizations. Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35b, or 36.**Note:** Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.

	Yes	No
1 During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?		
a Receipt of (i) interest, (ii) annuities, (iii) royalties, or (iv) rent from a controlled entity	1a	X
b Gift, grant, or capital contribution to related organization(s)	1b	X
c Gift, grant, or capital contribution from related organization(s)	1c	X
d Loans or loan guarantees to or for related organization(s)	1d	X
e Loans or loan guarantees by related organization(s)	1e	X
f Dividends from related organization(s)	1f	X
g Sale of assets to related organization(s)	1g	X
h Purchase of assets from related organization(s)	1h	X
i Exchange of assets with related organization(s)	1i	X
j Lease of facilities, equipment, or other assets to related organization(s)	1j	X
k Lease of facilities, equipment, or other assets from related organization(s)	1k	X
l Performance of services or membership or fundraising solicitations for related organization(s)	1l	X
m Performance of services or membership or fundraising solicitations by related organization(s)	1m	X
n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1n	X
o Sharing of paid employees with related organization(s)	1o	X
p Reimbursement paid to related organization(s) for expenses	1p	X
q Reimbursement paid by related organization(s) for expenses	1q	X
r Other transfer of cash or property to related organization(s)	1r	X
s Other transfer of cash or property from related organization(s)	1s	X
2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.		

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1) THRESHOLDS HOUSING, INC	P	38,965.	RECORDS MAINTAINED AT COST
(2) THRESHOLDS HOUSING, INC	Q	88,507.	RECORDS MAINTAINED AT COST
(3) TRANSITIONAL HOUSING, INC.	P	111,814.	RECORDS MAINTAINED AT COST
(4) TRANSITIONAL HOUSING, INC.	Q	107,259.	RECORDS MAINTAINED AT COST
(5) HOUSING ASSOCIATES, INC.	P	101,059.	RECORDS MAINTAINED AT COST
(6) HOUSING ASSOCIATES, INC.	Q	130,341.	RECORDS MAINTAINED AT COST

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

(a) Name of other organization	(b) Transaction type (a-r)	(c) Amount involved	(d) Method of determining amount involved
(7)THI-4, INC.	P	107,710.	RECORDS MAINTAINED AT COST
(8)THI-4, INC.	Q	110,563.	RECORDS MAINTAINED AT COST
(9)THI-5, INC.	P	53,416.	RECORDS MAINTAINED AT COST
(10)THI-5, INC.	Q	52,880.	RECORDS MAINTAINED AT COST
(11)THI-6, INC.	P	135,535.	RECORDS MAINTAINED AT COST
(12)THI-6, INC.	Q	100,247.	RECORDS MAINTAINED AT COST
(13)THI-7, INC.	P	112,822.	RECORDS MAINTAINED AT COST
(14)THI-7, INC.	Q	68,981.	RECORDS MAINTAINED AT COST
(15)THI-8, INC.	P	110,898.	RECORDS MAINTAINED AT COST
(16)THI-8, INC.	Q	118,760.	RECORDS MAINTAINED AT COST
(17)THI-9, INC.	P	51,531.	RECORDS MAINTAINED AT COST
(18)THI-9, INC.	Q	88,529.	RECORDS MAINTAINED AT COST
(19)THI-10, INC.	P	54,838.	RECORDS MAINTAINED AT COST
(20)THI-10, INC.	Q	55,256.	RECORDS MAINTAINED AT COST
(21)THI-11, INC.	P	74,467.	RECORDS MAINTAINED AT COST
(22)THI-11, INC.	Q	78,094.	RECORDS MAINTAINED AT COST
(23)THI-12, INC.	P	107,042.	RECORDS MAINTAINED AT COST
(24)THI-12, INC.	Q	103,447.	RECORDS MAINTAINED AT COST

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

(a) Name of other organization	(b) Transaction type (a-r)	(c) Amount involved	(d) Method of determining amount involved
(7) THI-13, INC.	P	87,442.	RECORDS MAINTAINED AT COST
(8) THI-13, INC.	Q	102,526.	RECORDS MAINTAINED AT COST
(9) THI-14, INC.	P	103,760.	RECORDS MAINTAINED AT COST
(10) THI-14, INC.	Q	95,203.	RECORDS MAINTAINED AT COST
(11) MENARD APARTMENT CORPORATION	P	87,774.	RECORDS MAINTAINED AT COST
(12) MENARD APARTMENT CORPORATION	Q	68,090.	RECORDS MAINTAINED AT COST
(13) ROWAN TREES APARTMENT CORPORATION	P	82,500.	RECORDS MAINTAINED AT COST
(14) ROWAN TREES APARTMENT CORPORATION	Q	58,846.	RECORDS MAINTAINED AT COST
(15) WAYNE STREET APARTMENTS LP	P	109,000.	RECORDS MAINTAINED AT COST
(16) WAYNE STREET APARTMENTS LP	Q	45,832.	RECORDS MAINTAINED AT COST
(17) BT DIPLOMAT LLC	P	286,758.	RECORDS MAINTAINED AT COST
(18) BT DIPLOMAT LLC	Q	283,011.	RECORDS MAINTAINED AT COST
(19) HUMBOLDT APARTMENTS LP	P	191,577.	RECORDS MAINTAINED AT COST
(20) HUMBOLDT APARTMENTS LP	Q	196,258.	RECORDS MAINTAINED AT COST
(21)			
(22)			
(23)			
(24)			

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

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

[illegible]

Provide additional information for responses to questions on Schedule R. See instructions.

**Application for Automatic Extension of Time To File an
Exempt Organization Return**

OMB No. 1545-1709

► **File a separate application for each return.**► **Information about Form 8868 and its instructions is at** www.irs.gov/form8868 .

Electronic filing (e-file). You can electronically file Form 8868 to request a 6-month automatic extension of time to file any of the forms listed below with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, for which an extension request must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit www.irs.gov/efile, click on Charities & Non-Profits, and click on *e-file for Charities and Non-Profits*.

Automatic 6-Month Extension of Time. Only submit original (no copies needed).

All corporations required to file an income tax return other than Form 990-T (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

		Enter filer's identifying number
Type or print File by the due date for filing your return. See instructions.	Name of exempt organization or other filer, see instructions. THE THRESHOLDS	Employer identification number (EIN) or 36-2518901
	Number, street, and room or suite no. If a P.O. box, see instructions. 4101 NORTH RAVENSWOOD	Social security number (SSN)
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. CHICAGO, IL 60613	

Enter the Return Code for the return that this application is for (file a separate application for each return) 0 1

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720 (other than individual)	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

AL SHOREIBAH, CFO

- The books are in the care of ► **120 S LASALLE, SUITE 1410 - CHICAGO, IL 60603**

Telephone No. ► **773-572-5247**

Fax No. ► _____

- If the organization does not have an office or place of business in the United States, check this box ☐ .
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) _____. If this is for the whole group, check this box ☐ . If it is for part of the group, check this box ☐ and attach a list with the names and EINs of all members the extension is for.

- 1** I request an automatic 6-month extension of time until **MAY 15, 2019**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:

- ☐ calendar year _____ or
 ► ☒ tax year beginning **JUL 1, 2017**, and ending **JUN 30, 2018** .

- 2** If the tax year entered in line 1 is for less than 12 months, check reason: ☐ Initial return ☐ Final return
☐ Change in accounting period

3a If this application is for Forms 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$	0.
b If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$	0.
c Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$	0.

Caution: If you are going to make an electronic funds withdrawal (direct debit) with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

TAX RETURN FILING INSTRUCTIONS

FORM 990-T

FOR THE YEAR ENDING

JUNE 30, 2018

PREPARED FOR:

THE THRESHOLDS
4101 NORTH RAVENSWOOD
CHICAGO, IL 60613

PREPARED BY:

PLANTE & MORAN, PLLC
10 S. RIVERSIDE PLAZA, 9TH FLOOR
CHICAGO, IL 60606

AMOUNT DUE OR REFUND:

BALANCE DUE OF \$26,837

MAKE CHECK PAYABLE TO:

PAYMENTS SHOULD BE MADE USING THE ELECTRONIC FEDERAL TAX PAYMENT
SYSTEM (EFTPS).

MAIL TAX RETURN AND CHECK (IF APPLICABLE) TO:

DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE CENTER
OGDEN, UT 84201-0027

RETURN MUST BE MAILED ON OR BEFORE:

MAY 15, 2019

SPECIAL INSTRUCTIONS:

THE RETURN SHOULD BE SIGNED AND DATED.

Exempt Organization Business Income Tax Return

(and proxy tax under section 6033(e))

OMB No. 1545-0687

2017

For calendar year 2017 or other tax year beginning JUL 1, 2017, and ending JUN 30, 2018.

Go to www.irs.gov/Form990T for instructions and the latest information.

Do not enter SSN numbers on this form as it may be made public if your organization is a 501(c)(3).

Open to Public Inspection for 501(c)(3) Organizations Only

Department of the Treasury
Internal Revenue Service

A <input type="checkbox"/> Check box if address changed		Name of organization (<input type="checkbox"/> Check box if name changed and see instructions.)		D Employer identification number (Employees' trust, see instructions.)	
B Exempt under section <input checked="" type="checkbox"/> 501(c)(3)		THE THRESHOLDS		36-2518901	
<input type="checkbox"/> 408(e) <input type="checkbox"/> 220(e)		Number, street, and room or suite no. If a P.O. box, see instructions.		E Unrelated business activity codes (See instructions.)	
<input type="checkbox"/> 408A <input type="checkbox"/> 530(a)		4101 NORTH RAVENSWOOD		812930	
<input type="checkbox"/> 529(a)		City or town, state or province, country, and ZIP or foreign postal code			
CHICAGO, IL 60613					
C Book value of all assets at end of year 66,879,241.		F Group exemption number (See instructions.)			
		G Check organization type <input checked="" type="checkbox"/> 501(c) corporation <input type="checkbox"/> 501(c) trust <input type="checkbox"/> 401(a) trust <input type="checkbox"/> Other trust			

H Describe the organization's primary unrelated business activity. **RENTAL OF REAL ESTATE AND LOT SPACES**
I During the tax year, was the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? ☐ Yes ☒ No

If "Yes," enter the name and identifying number of the parent corporation.

J The books are in care of **AL SHOREIBAH, CFO** Telephone number **773-572-5247**
Part I Unrelated Trade or Business Income

	(A) Income	(B) Expenses	(C) Net
1a Gross receipts or sales			
b Less returns and allowances			
c Balance	1c		
2 Cost of goods sold (Schedule A, line 7)	2		
3 Gross profit. Subtract line 2 from line 1c	3		
4a Capital gain net income (attach Schedule D)	4a		
b Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797)	4b		
c Capital loss deduction for trusts	4c		
5 Income (loss) from partnerships and S corporations (attach statement)	5		
6 Rent income (Schedule C)	6		
7 Unrelated debt-financed income (Schedule E)	7		
8 Interest, annuities, royalties, and rents from controlled organizations (Sch. F) ...	8		
9 Investment income of a section 501(c)(7), (9), or (17) organization (Schedule G)	9		
10 Exploited exempt activity income (Schedule I)	10		
11 Advertising income (Schedule J)	11		
12 Other income (See instructions; attach schedule) STATEMENT 1	12 131,991.		131,991.
13 Total. Combine lines 3 through 12	13 131,991.		131,991.

Part II Deductions Not Taken Elsewhere (See instructions for limitations on deductions.)

(Except for contributions, deductions must be directly connected with the unrelated business income.)

14 Compensation of officers, directors, and trustees (Schedule K)	14	
15 Salaries and wages	15	
16 Repairs and maintenance	16	
17 Bad debts	17	
18 Interest (attach schedule)	18	
19 Taxes and licenses	19	11,935.
20 Charitable contributions (See instructions for limitation rules)	20	
21 Depreciation (attach Form 4562)	21	
22 Less depreciation claimed on Schedule A and elsewhere on return	22a	22b
23 Depletion	23	
24 Contributions to deferred compensation plans	24	
25 Employee benefit programs	25	
26 Excess exempt expenses (Schedule I)	26	
27 Excess readership costs (Schedule J)	27	
28 Other deductions (attach schedule)	28	
29 Total deductions. Add lines 14 through 28	29	11,935.
30 Unrelated business taxable income before net operating loss deduction. Subtract line 29 from line 13	30	120,056.
31 Net operating loss deduction (limited to the amount on line 30)	31	
32 Unrelated business taxable income before specific deduction. Subtract line 31 from line 30	32	120,056.
33 Specific deduction (Generally \$1,000, but see line 33 instructions for exceptions)	33	1,000.
34 Unrelated business taxable income. Subtract line 33 from line 32. If line 33 is greater than line 32, enter the smaller of zero or line 32	34	119,056.

Part III Tax Computation**35 Organizations Taxable as Corporations.** See instructions for tax computation.Controlled group members (sections 1561 and 1563) check here ☐ See instructions and:**a** Enter your share of the \$50,000, \$25,000, and \$9,925,000 taxable income brackets (in that order):

(1) \$ (2) \$ (3) \$

b Enter organization's share of: (1) Additional 5% tax (not more than \$11,750) \$

(2) Additional 3% tax (not more than \$100,000) \$

c Income tax on the amount on line 34 **SEE STATEMENT 2** **35c** 27,361.**36 Trusts Taxable at Trust Rates.** See instructions for tax computation. Income tax on the amount on line 34 from:☐ Tax rate schedule or ☐ Schedule D (Form 1041) **36****37 Proxy tax.** See instructions **37****38 Alternative minimum tax** **38****39 Tax on Non-Compliant Facility Income.** See instructions **39****40 Total.** Add lines 37, 38 and 39 to line 35c or 36, whichever applies **40** 27,361.**Part IV Tax and Payments****41a** Foreign tax credit (corporations attach Form 1118; trusts attach Form 1116) **41a****b** Other credits (see instructions) **41b****c** General business credit. Attach Form 3800 **41c****d** Credit for prior year minimum tax (attach Form 8801 or 8827) **41d****e Total credits.** Add lines 41a through 41d **41e****42** Subtract line 41e from line 40 **42** 27,361.**43** Other taxes. Check if from: ☐ Form 4255 ☐ Form 8611 ☐ Form 8697 ☐ Form 8866 ☐ Other (attach schedule) **43****44 Total tax.** Add lines 42 and 43 **44** 27,361.**45a** Payments: A 2016 overpayment credited to 2017 **45a** 524.**b** 2017 estimated tax payments **45b****c** Tax deposited with Form 8868 **45c****d** Foreign organizations: Tax paid or withheld at source (see instructions) **45d****e** Backup withholding (see instructions) **45e****f** Credit for small employer health insurance premiums (Attach Form 8941) **45f****g** Other credits and payments: ☐ Form 2439 ☐ Form 4136 ☐ Other **45g****46 Total payments.** Add lines 45a through 45g **46** 524.**47** Estimated tax penalty (see instructions). Check if Form 2220 is attached ☐ **47****48 Tax due.** If line 46 is less than the total of lines 44 and 47, enter amount owed **48** 26,837.**49 Overpayment.** If line 46 is larger than the total of lines 44 and 47, enter amount overpaid **49****50** Enter the amount of line 49 you want: **Credited to 2018 estimated tax** **Refunded** **50****Part V Statements Regarding Certain Activities and Other Information** (see instructions)**51** At any time during the 2017 calendar year, did the organization have an interest in or a signature or other authority over a financial account (bank, securities, or other) in a foreign country? If YES, the organization may have to file FinCEN Form 114, Report of Foreign Bank and Financial Accounts. If YES, enter the name of the foreign country here **Yes** **No** **X****52** During the tax year, did the organization receive a distribution from, or was it the grantor of, or transferor to, a foreign trust? If YES, see instructions for other forms the organization may have to file. **Yes** **No** **X****53** Enter the amount of tax-exempt interest received or accrued during the tax year **\$****Sign Here**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature of officer

Date

CFO
TitleMay the IRS discuss this return with the preparer shown below (see instructions)? ☒ Yes ☐ No**Paid Preparer Use Only**

Print/Type preparer's name

Preparer's signature

Date

Check ☐ if self-employed

PTIN

KIMBERLY A. HAUMANN

KIMBERLY A. HAUMANN

05/10/19

P00546491

Firm's name **PLANTE & MORAN, PLLC**Firm's EIN **38-1357951**

10 S. RIVERSIDE PLAZA, 9TH FLOOR

Firm's address **CHICAGO, IL 60606**Phone no. **(312) 207-1040**

Form 990-T (2017)

Schedule A - Cost of Goods Sold. Enter method of inventory valuation ► **N/A**

1 Inventory at beginning of year	1		6 Inventory at end of year	6					
2 Purchases	2		7 Cost of goods sold. Subtract line 6 from line 5. Enter here and in Part I, line 2	7					
3 Cost of labor	3		8 Do the rules of section 263A (with respect to property produced or acquired for resale) apply to the organization?		<table border="1"> <tr> <td>Yes</td> <td>No</td> </tr> <tr> <td></td> <td></td> </tr> </table>	Yes	No		
Yes	No								
4a Additional section 263A costs (attach schedule)	4a								
b Other costs (attach schedule)	4b								
5 Total. Add lines 1 through 4b	5								

Schedule C - Rent Income (From Real Property and Personal Property Leased With Real Property)

(see instructions)

1. Description of property(1)
(2)
(3)
(4)**2.** Rent received or accrued

(a) From personal property (if the percentage of rent for personal property is more than 10% but not more than 50%)	(b) From real and personal property (if the percentage of rent for personal property exceeds 50% or if the rent is based on profit or income)	3(a) Deductions directly connected with the income in columns 2(a) and 2(b) (attach schedule)
(1)		
(2)		
(3)		
(4)		
Total 0.	Total 0.	

(c) Total income. Add totals of columns 2(a) and 2(b). Enter here and on page 1, Part I, line 6, column (A) ►**(b) Total deductions.**

Enter here and on page 1, Part I, line 6, column (B) ... ►

0.**0.****Schedule E - Unrelated Debt-Financed Income** (see instructions)

1. Description of debt-financed property	2. Gross income from or allocable to debt-financed property	3. Deductions directly connected with or allocable to debt-financed property		
		(a) Straight line depreciation (attach schedule)	(b) Other deductions (attach schedule)	
(1)				
(2)				
(3)				
(4)				
4. Amount of average acquisition debt on or allocable to debt-financed property (attach schedule)	5. Average adjusted basis of or allocable to debt-financed property (attach schedule)	6. Column 4 divided by column 5	7. Gross income reportable (column 2 x column 6)	8. Allocable deductions (column 6 x total of columns 3(a) and 3(b))
(1)		%		
(2)		%		
(3)		%		
(4)		%		
Totals		Enter here and on page 1, Part I, line 7, column (A). 0.		Enter here and on page 1, Part I, line 7, column (B). 0.
Total dividends-received deductions included in column 8				0.

Form 990-T (2017)

Schedule F - Interest, Annuities, Royalties, and Rents From Controlled Organizations (see instructions)

1. Name of controlled organization	2. Employer identification number	Exempt Controlled Organizations			
		3. Net unrelated income (loss) (see instructions)	4. Total of specified payments made	5. Part of column 4 that is included in the controlling organization's gross income	6. Deductions directly connected with income in column 5
(1)					
(2)					
(3)					
(4)					

Nonexempt Controlled Organizations

7. Taxable income	8. Net unrelated income (loss) (see instructions)	9. Total of specified payments made	10. Part of column 9 that is included in the controlling organization's gross income	11. Deductions directly connected with income in column 10
(1)				
(2)				
(3)				
(4)				
			Add columns 5 and 10. Enter here and on page 1, Part I, line 8, column (A).	Add columns 6 and 11. Enter here and on page 1, Part I, line 8, column (B).
Totals			0.	0.

Schedule G - Investment Income of a Section 501(c)(7), (9), or (17) Organization

(see instructions)

1. Description of income	2. Amount of income	3. Deductions directly connected (attach schedule)	4. Set-asides (attach schedule)	5. Total deductions and set-asides (col. 3 plus col. 4)
(1)				
(2)				
(3)				
(4)				
		Enter here and on page 1, Part I, line 9, column (A).		Enter here and on page 1, Part I, line 9, column (B).
Totals		0.		0.

Schedule I - Exploited Exempt Activity Income, Other Than Advertising Income

(see instructions)

1. Description of exploited activity	2. Gross unrelated business income from trade or business	3. Expenses directly connected with production of unrelated business income	4. Net income (loss) from unrelated trade or business (column 2 minus column 3). If a gain, compute cols. 5 through 7.	5. Gross income from activity that is not unrelated business income	6. Expenses attributable to column 5	7. Excess exempt expenses (column 6 minus column 5, but not more than column 4).
(1)						
(2)						
(3)						
(4)						
		Enter here and on page 1, Part I, line 10, col. (A).	Enter here and on page 1, Part I, line 10, col. (B).			Enter here and on page 1, Part II, line 26.
Totals		0.	0.			0.

Schedule J - Advertising Income (see instructions)**Part I Income From Periodicals Reported on a Consolidated Basis**

1. Name of periodical	2. Gross advertising income	3. Direct advertising costs	4. Advertising gain or (loss) (col. 2 minus col. 3). If a gain, compute cols. 5 through 7.	5. Circulation income	6. Readership costs	7. Excess readership costs (column 6 minus column 5, but not more than column 4).
(1)						
(2)						
(3)						
(4)						
Totals (carry to Part II, line (5))		0.	0.			0.

Part II **Income From Periodicals Reported on a Separate Basis** (For each periodical listed in Part II, fill in columns 2 through 7 on a line-by-line basis.)

1. Name of periodical	2. Gross advertising income	3. Direct advertising costs	4. Advertising gain or (loss) (col. 2 minus col. 3). If a gain, compute cols. 5 through 7.	5. Circulation income	6. Readership costs	7. Excess readership costs (column 6 minus column 5, but not more than column 4).
(1)						
(2)						
(3)						
(4)						
Totals from Part I	0.	0.				0.
Totals, Part II (lines 1-5)	Enter here and on page 1, Part I, line 11, col. (A). 0.	Enter here and on page 1, Part I, line 11, col. (B). 0.				Enter here and on page 1, Part II, line 27. 0.

Schedule K - Compensation of Officers, Directors, and Trustees (see instructions)

1. Name	2. Title	3. Percent of time devoted to business	4. Compensation attributable to unrelated business
(1)		%	
(2)		%	
(3)		%	
(4)		%	
Total. Enter here and on page 1, Part II, line 14			0.

Form 990-T (2017)

Alternative Minimum Tax - Corporations

▶ Attach to the corporation's tax return.

▶ Go to www.irs.gov/Form4626 for instructions and the latest information.

OMB No. 1545-0123

2017

Name		Employer identification number
THE THRESHOLDS		36-2518901
Note: See the instructions to find out if the corporation is a small corporation exempt from the alternative minimum tax (AMT) under section 55(e).		
1	Taxable income or (loss) before net operating loss deduction	119,056.
2	Adjustments and preferences:	
a	Depreciation of post-1986 property	2a
b	Amortization of certified pollution control facilities	2b
c	Amortization of mining exploration and development costs	2c
d	Amortization of circulation expenditures (personal holding companies only)	2d
e	Adjusted gain or loss	2e
f	Long-term contracts	2f
g	Merchant marine capital construction funds	2g
h	Section 833(b) deduction (Blue Cross, Blue Shield, and similar type organizations only)	2h
i	Tax shelter farm activities (personal service corporations only)	2i
j	Passive activities (closely held corporations and personal service corporations only)	2j
k	Loss limitations	2k
l	Depletion	2l
m	Tax-exempt interest income from specified private activity bonds	2m
n	Intangible drilling costs	2n
o	Other adjustments and preferences	2o
3	Pre-adjustment alternative minimum taxable income (AMTI). Combine lines 1 through 2o	119,056.
4	Adjusted current earnings (ACE) adjustment:	
a	ACE from line 10 of the ACE worksheet in the instructions	4a 119,056.
b	Subtract line 3 from line 4a. If line 3 exceeds line 4a, enter the difference as a negative amount. See instructions	4b 0.
c	Multiply line 4b by 75% (0.75). Enter the result as a positive amount	4c
d	Enter the excess, if any, of the corporation's total increases in AMTI from prior year ACE adjustments over its total reductions in AMTI from prior year ACE adjustments. See instructions. Note: You must enter an amount on line 4d (even if line 4b is positive)	4d
e	ACE adjustment. <ul style="list-style-type: none"> If line 4b is zero or more, enter the amount from line 4c If line 4b is less than zero, enter the smaller of line 4c or line 4d as a negative amount 	4e 0.
5	Combine lines 3 and 4e. If zero or less, stop here; the corporation does not owe any AMT	5 119,056.
6	Alternative tax net operating loss deduction. See instructions	6
7	Alternative minimum taxable income. Subtract line 6 from line 5. If the corporation held a residual interest in a REMIC, see instructions	7 119,056.
8	Exemption phase-out (if line 7 is \$310,000 or more, skip lines 8a and 8b and enter -0- on line 8c):	
a	Subtract \$150,000 from line 7. If completing this line for a member of a controlled group, see instructions. If zero or less, enter -0-	8a 0.
b	Multiply line 8a by 25% (0.25)	8b 0.
c	Exemption. Subtract line 8b from \$40,000. If completing this line for a member of a controlled group, see instructions. If zero or less, enter -0-	8c 40,000.
9	Subtract line 8c from line 7. If zero or less, enter -0-	9 79,056.
10	Multiply line 9 by 20% (0.20)	10 15,811.
11	Alternative minimum tax foreign tax credit (AMTFTC). See instructions	11
12	Tentative minimum tax. Subtract line 11 from line 10	12 7,970.
13	Regular tax liability before applying all credits except the foreign tax credit	13 27,361.
14	Alternative minimum tax. Subtract line 13 from line 12. If zero or less, enter -0-. Enter here and on Form 1120, Schedule J, line 3, or the appropriate line of the corporation's income tax return	14 0.

JWA For Paperwork Reduction Act Notice, see separate instructions.

Form 4626 (2017)

Adjusted Current Earnings (ACE) Worksheet

► See ACE Worksheet Instructions.

1 Pre-adjustment AMTI. Enter the amount from line 3 of Form 4626				1	119,056.
2 ACE depreciation adjustment:					
a AMT depreciation		2a			
b ACE depreciation:					
(1) Post-1993 property	2b(1)				
(2) Post-1989, pre-1994 property	2b(2)				
(3) Pre-1990 MACRS property	2b(3)				
(4) Pre-1990 original ACRS property	2b(4)				
(5) Property described in sections 168(f)(1) through (4)	2b(5)				
(6) Other property	2b(6)				
(7) Total ACE depreciation. Add lines 2b(1) through 2b(6)		2b(7)			
c ACE depreciation adjustment. Subtract line 2b(7) from line 2a				2c	
3 Inclusion in ACE of items included in earnings and profits (E&P):					
a Tax-exempt interest income		3a			
b Death benefits from life insurance contracts		3b			
c All other distributions from life insurance contracts (including surrenders)		3c			
d Inside buildup of undistributed income in life insurance contracts		3d			
e Other items (see Regulations sections 1.56(g)-1(c)(6)(iii) through (ix) for a partial list)		3e			
f Total increase to ACE from inclusion in ACE of items included in E&P. Add lines 3a through 3e				3f	
4 Disallowance of items not deductible from E&P:					
a Certain dividends received		4a			
b Dividends paid on certain preferred stock of public utilities that are deductible under section 247 (as affected by P.L. 113-295, Div. A, section 221(a)(41)(A), Dec. 19, 2014, 128 Stat. 4043)		4b			
c Dividends paid to an ESOP that are deductible under section 404(k)		4c			
d Nonpatronage dividends that are paid and deductible under section 1382(c)		4d			
e Other items (see Regulations sections 1.56(g)-1(d)(3)(i) and (ii) for a partial list)		4e			
f Total increase to ACE because of disallowance of items not deductible from E&P. Add lines 4a through 4e				4f	
5 Other adjustments based on rules for figuring E&P:					
a Intangible drilling costs		5a			
b Circulation expenditures		5b			
c Organizational expenditures		5c			
d LIFO inventory adjustments		5d			
e Installment sales		5e			
f Total other E&P adjustments. Combine lines 5a through 5e				5f	
6 Disallowance of loss on exchange of debt pools				6	
7 Acquisition expenses of life insurance companies for qualified foreign contracts				7	
8 Depletion				8	
9 Basis adjustments in determining gain or loss from sale or exchange of pre-1994 property				9	
10 Adjusted current earnings. Combine lines 1, 2c, 3f, 4f, and 5f through 9. Enter the result here and on line 4a of Form 4626				10	119,056.

FORM 990-T

OTHER INCOME

STATEMENT 1

DESCRIPTIONAMOUNT

RIDGE BLVD REAL ESTATE AND LOT SPACES

126,038.

PERSHING PARKING GARAGE RENTAL

900.

QUALIFIED TRANSPORTATION FRINGE BENEFITS

5,053.

TOTAL TO FORM 990-T, PAGE 1, LINE 12

131,991.

FORM 990-T		LINE 35C TAX COMPUTATION	STATEMENT 2
1.	TAXABLE INCOME	119,056	
2.	LESSER OF LINE 1 OR FIRST BRACKET AMOUNT . .	50,000	
3.	LINE 1 LESS LINE 2	69,056	
4.	LESSER OF LINE 3 OR SECOND BRACKET AMOUNT . .	25,000	
5.	LINE 3 LESS LINE 4	44,056	
6.	INCOME SUBJECT TO 34% TAX RATE	44,056	
7.	INCOME SUBJECT TO 35% TAX RATE	0	
8.	15 PERCENT OF LINE 2	7,500	
9.	25 PERCENT OF LINE 4	6,250	
10.	34 PERCENT OF LINE 6	14,979	
11.	35 PERCENT OF LINE 7	0	
12.	ADDITIONAL 5% SURTAX	953	
13.	ADDITIONAL 3% SURTAX	0	
14.	TOTAL INCOME TAX		29,682
15.	TAX AT 21% RATE EFFECTIVE AFTER 12/31/2017	25,002	
		DAYS	
16.	TAX PRORATED FOR NUMBER OF DAYS IN 2017	184	14,963
17.	TAX PRORATED FOR NUMBER OF DAYS IN 2018	181	12,398
18.	TOTAL TAX PRORATED	365	27,361

TENTATIVE MINIMUM TAX (TMT) PRORATION

STATEMENT 3

TENTATIVE MINIMUM TAX FOR THE ENTIRE YEAR . . .	15,811.	
TMT IN EFFECT BEFORE 01/01/2018	15,811.	
TMT IN EFFECT AFTER 12/31/2017	0.	
	DAYS	
TMT PRORATED FOR NUMBER OF DAYS IN 2017 . . 184	7,970.	
TMT PRORATED FOR NUMBER OF DAYS IN 2018 . . 181	0.	
TMT PRORATED 365		7,970.

**Application for Automatic Extension of Time To File an
Exempt Organization Return**

OMB No. 1545-1709

▶ **File a separate application for each return.**▶ **Information about Form 8868 and its instructions is at** www.irs.gov/form8868 .

Electronic filing (e-file). You can electronically file Form 8868 to request a 6-month automatic extension of time to file any of the forms listed below with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, for which an extension request must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit www.irs.gov/efile, click on Charities & Non-Profits, and click on e-file for Charities and Non-Profits.

Automatic 6-Month Extension of Time. Only submit original (no copies needed).

All corporations required to file an income tax return other than Form 990-T (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

		Enter filer's identifying number
Type or print <small>File by the due date for filing your return. See instructions.</small>	Name of exempt organization or other filer, see instructions. THE THRESHOLDS	Employer identification number (EIN) or 36-2518901
	Number, street, and room or suite no. If a P.O. box, see instructions. 4101 NORTH RAVENSWOOD	Social security number (SSN)
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. CHICAGO, IL 60613	

Enter the Return Code for the return that this application is for (file a separate application for each return)

0	7
---	---

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720 (other than individual)	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

AL SHOREIBAH, CFO

- The books are in the care of ▶ **120 S LASALLE, SUITE 1410 - CHICAGO, IL 60603**

Telephone No. ▶ **773-572-5247**

Fax No. ▶

- If the organization does not have an office or place of business in the United States, check this box ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) ☐. If this is for the whole group, check this box ☐. If it is for part of the group, check this box ☐ and attach a list with the names and EINs of all members the extension is for.

- 1** I request an automatic 6-month extension of time until **MAY 15, 2019**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:

▶ ☐ calendar year _____ or▶ ☒ tax year beginning **JUL 1, 2017**, and ending **JUN 30, 2018**.

- 2** If the tax year entered in line 1 is for less than 12 months, check reason: ☐ Initial return ☐ Final return ☐ Change in accounting period

3a If this application is for Forms 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$	0.
b If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$	524.
c Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$	0.

Caution: If you are going to make an electronic funds withdrawal (direct debit) with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

2018 ESTIMATED TAX FILING INSTRUCTIONS

FORM 990-W

FOR THE YEAR ENDING

JUNE 30, 2019

PREPARED FOR:

THE THRESHOLDS
4101 NORTH RAVENSWOOD
CHICAGO, IL 60613

PREPARED BY:

PLANTE & MORAN, PLLC
10 S. RIVERSIDE PLAZA, 9TH FLOOR
CHICAGO, IL 60606

AMOUNT OF TAX:

TOTAL ESTIMATED TAX	\$	27,400
LESS CREDIT FROM PRIOR YEAR	\$	0
LESS AMT ALREADY PAID ON 2018 ESTIMATE	\$	0
BALANCE DUE	\$	27,400

PAYABLE IN FULL OR IN INSTALLMENTS AS FOLLOWS:

VOUCHER	AMOUNT	DUE DATE
NO 1	\$ 0	
NO 2	\$ 0	
NO 3	\$ 20,550	MARCH 15, 2019
NO 4	\$ 6,850	JUNE 17, 2019

MAKE CHECK PAYABLE TO:

PAYMENTS SHOULD BE MADE USING THE ELECTRONIC FEDERAL TAX PAYMENT SYSTEM (EFTPS).

MAIL VOUCHER AND CHECK (IF APPLICABLE) TO:

NOT APPLICABLE

SPECIAL INSTRUCTIONS:

TAX RETURN FILING INSTRUCTIONS

ILLINOIS FORM IL-990-T

FOR THE YEAR ENDING

JUNE 30, 2018

PREPARED FOR:

THE THRESHOLDS
4101 NORTH RAVENSWOOD
CHICAGO, IL 60613

PREPARED BY:

PLANTE & MORAN, PLLC
10 S. RIVERSIDE PLAZA, 9TH FLOOR
CHICAGO, IL 60606

TO BE SIGNED AND DATED BY:

THE AUTHORIZED INDIVIDUAL(S).

AMOUNT OF TAX:

TOTAL TAX	\$	12,423
LESS: PAYMENTS AND CREDITS	\$	234
PLUS: OTHER AMOUNT	\$	0
PLUS: INTEREST AND PENALTIES	\$	0
BALANCE DUE	\$	12,189

OVERPAYMENT:

CREDITED TO YOUR ESTIMATED TAX	\$	0
OTHER AMOUNT	\$	0
REFUNDED TO YOU	\$	0

MAKE CHECK PAYABLE TO:

ILLINOIS DEPARTMENT OF REVENUE

MAIL TAX RETURN AND CHECK (IF APPLICABLE) TO:

ILLINOIS DEPARTMENT OF REVENUE
P.O. BOX 19053
SPRINGFIELD, IL 62794-9053

RETURN MUST BE MAILED ON OR BEFORE:

JUNE 17, 2019

SPECIAL INSTRUCTIONS:

INCLUDE THE ORGANIZATION'S FEIN, TAX YEAR ENDING AND IL-990-T-V ON THE CHECK OR MONEY ORDER.

798031 01-22-18

Illinois Department of Revenue

2017 IL-990-T-V

IL-990-T-V (R-12/17)

ID: 2BX

Payment Voucher for Exempt Organization
Income and Replacement Tax

Official use only

Mail to: Illinois Department of Revenue, P.O. Box 19053, Springfield, IL 62794-9053

STOP If no payment is due or you make your payment electronically, do not file this form.

Tax year ending

FEIN 36-2518901

000 8

06
Month

18
Year

THE THRESHOLDS
4101 NORTH RAVENSWOOD
CHICAGO, IL 60613

\$ 12,189.00

Amount of payment (Whole dollars only)

WRITE YOUR FEIN ON YOUR CHECK

Return this voucher with check or money
order payable to "Illinois Department of
Revenue."

Preparer's phone number (312) 207-1040

***** * ***** *** * *****

2017 Form IL-990-T**Exempt Organization Income and Replacement Tax Return**

Due on or before the 15th day of the 5th month (4th month for employee trusts) following the close of the tax year.

If this return is not for calendar year 2017, enter your fiscal tax year here.

Tax year beginning JUL 1, 2017, ending JUN 30, 2018
month day year month day year

For tax years ending on or after December 31, 2017. For prior years, use the form for that year.

Enter the amount you are paying.

\$ 12,189.**Step 1: Identify your exempt organization****A** Enter your complete legal business name.If you have a name change, check this box. ☐Name: THE THRESHOLDS**B** Enter your mailing address.

Check this box if either of the following apply:

- this is your **first return**, or
- you have an **address change**. ☐

C/O: _____

Mailing address: 4101 NORTH RAVENSWOODCity: CHICAGO State: IL ZIP: 60613**C** If this is the first or final return, check the applicable box(es).☐ First return☐ Final return (Enter the date of termination. mm dd yyyy)**D** Enter your federal employer identification no. (FEIN).36-2518901**E** Check if you are taxed as a corporation. ☒**F** Check if you are taxed as a trust. ☐**G** Provide the nature of your unrelated trade or business. SEE STATEMENT 1**H** Check this box if you attached Illinois Schedule 1299-D, Income Tax Credits. ☐**I** Enter your North American Industry Classification System (NAICS) Code, if applicable. See instructions. 812930**Step 2: Figure your base income or loss**

(Whole dollars only)

1 Unrelated business taxable income or loss from U.S. Form 990-T, Line 34.**Attach** a copy of Page 1 of your U.S. Form 990-T.**1** 119,056 .00**2** Illinois income and replacement tax and surcharge deducted in arriving at Line 1.**2** 11,709 .00**3** **Base income or loss.** Add Lines 1 and 2.**3** 130,765 .00**STOP****A** If the amount on Line 3 is derived inside Illinois only or if you are an Illinois resident trust, check this box and enter the amount from Step 2, Line 3 on Step 4, Line 12. You may not complete Step 3. (You must leave Step 3, Lines 4 through 11 blank.)☒**B** If any portion of the amount on Line 3 is derived outside Illinois, check this box and complete all lines of Step 3. (Do not leave Lines 6 through 8 blank.) See instructions.☐**Step 3: Figure your income allocable to Illinois** (Complete only if you checked the box on Line B, above.)**4** Business income or loss included in Line 3 from non-unitary partnerships, partnerships included on a Schedule UB, S corporations, trusts, or estates. See instructions.**4** .00**5** Business income or loss. Subtract Line 4 from Line 3.**5** .00**6** Total sales everywhere. This amount cannot be negative.**6** **7** Total sales inside Illinois. This amount cannot be negative.**7** **8** Apportionment factor. Divide Line 7 by Line 6 (carry to six decimal places).**8** **9** Business income or loss apportionable to Illinois. Multiply Line 5 by Line 8.**9** .00**10** Business income or loss apportionable to Illinois from non-unitary partnerships, partnerships included on a Schedule UB, S corporations, trusts, or estates. See instructions.**10** .00**11** **Base income or loss allocable to Illinois.** Add Lines 9 and 10.**11** .00**Step 4: Figure your net replacement tax**

▼ Attach your payment and Form IL-990-T-V here.

12 Net income or loss from Line 3 or Line 11.**12** 130,765 .00**13** Replacement tax. **Corporations** multiply Line 12 by 2.5% (.025); **Trusts** multiply by 1.5% (.015).**13** 3,269 .00**14** Recapture of investment credits. **Attach** Schedule 4255.**14** .00**15** Replacement tax before investment credits. Add Lines 13 and 14.**15** 3,269 .00**16** Investment credits. **Attach** Form IL-477.**16** .00**17** **Net replacement tax.** Subtract Line 16 from Line 15. If the amount is negative, enter "0."**17** 3,269 .00

Step 5: Figure your net income tax

18	Net income or loss from Line 12.	18	130,765 .00
19	Income Tax. See instructions for tax rate calculations.		
	Corporations: Multiply Line 18 by the appropriate blended tax rate or enter the tax		
	Trusts: from Schedule SA.	19	9,154 .00
20	Recapture of investment credits. Attach Schedule 4255.	20	.00
21	Income tax before credits. Add Lines 19 and 20.	21	9,154 .00
22	Income tax credits. Attach Schedule 1299-D.	22	.00
23	Net income tax. Subtract Line 22 from Line 21. If the amount is negative, enter "0."	23	9,154 .00

Step 6: Figure your refund or balance due

24	Net replacement tax from Line 17.	24	3,269 .00
25	Net income tax from Line 23.	25	9,154 .00
26	Compassionate Use of Medical Cannabis Pilot Program Act surcharge. See instructions.	26	.00
27	Total net income and replacement taxes and surcharge. Add Lines 24, 25, and 26.	27	12,423 .00
28	Payments. See instructions.		
	a Credit from prior year overpayments.	28a	234 .00
	b Total estimated payments.	28b	.00
	c Form IL-505-B (extension) payment.	28c	.00
	d Pass-through withholding payments reported to you on Schedule(s) K-1-P or K-1-T. Attach Schedule(s) K-1-P or K-1-T.	28d	.00
	e Illinois gambling withholding. Attach Form(s) W-2G.	28e	.00
29	Total payments. Add Lines 28a through 28e.	29	234 .00
30	Overpayment. If Line 29 is greater than Line 27, subtract Line 27 from Line 29.	30	.00
31	Amount to be credited forward. See instructions.	31	.00
32	Refund. Subtract Line 31 from Line 30. This is the amount to be refunded.	32	.00

33 Complete to direct deposit your refund	
Routing Number _____	<input type="checkbox"/> Checking or <input type="checkbox"/> Savings
Account Number _____	

34 **Tax Due.** If Line 27 is greater than Line 29, subtract Line 29 from Line 27. This is the amount you owe. 34 12,189 .00

► If you owe tax on Line 34, complete a payment voucher, Form IL-990-T-V. Write your FEIN, tax year ending, and "IL-990-T-V" on your check or money order and make it payable to "Illinois Department of Revenue." Attach your voucher and payment to the front of this form.

Special Note → Enter the amount of your payment on the top of Page 1 in the space provided.

Step 7: Sign below - Under penalties of perjury, I state that I have examined this return and, to the best of my knowledge, it is true, correct, and complete.

Sign Here	Signature of authorized officer	Date (mm/dd/yyyy)	Title	Phone	<input checked="" type="checkbox"/> Check if the Department may discuss this return with the paid preparer shown in this step. <input type="checkbox"/> Check if self-employed	P00546491
	Kimberly A. Haumann	05/10/19	Kimberly A. Haumann			
Paid Preparer Use Only	Print/Type paid preparer's name	Paid preparer's signature	Date (mm/dd/yyyy)	Firm's FEIN	Paid Preparer's PTIN	
	Firm's name ► PLANTE & MORAN, PLLC			38-1357951		
	Firm's address ► CHICAGO, IL 60606			Firm's phone ► (312) 207-1040		

► If a payment is **not** enclosed, mail this return to: **Illinois Department of Revenue, P.O. Box 19009, Springfield, IL 62794-9009**

► If a payment is enclosed, mail this return to: **Illinois Department of Revenue, P.O. Box 19053, Springfield, IL 62794-9053**

FORM IL-990-T	NATURE OF TRADE OR BUSINESS	STATEMENT 1
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RENTAL OF REAL ESTATE AND LOT SPACES

TO FORM IL-990-T, PAGE 1

Exempt Organization Business Income Tax Return

(and proxy tax under section 6033(e))

OMB No. 1545-0687

2017

For calendar year 2017 or other tax year beginning JUL 1, 2017, and ending JUN 30, 2018.

Go to www.irs.gov/Form990T for instructions and the latest information.

Do not enter SSN numbers on this form as it may be made public if your organization is a 501(c)(3).

Open to Public Inspection for 501(c)(3) Organizations Only

Department of the Treasury
Internal Revenue Service

A <input type="checkbox"/> Check box if address changed		Name of organization (<input type="checkbox"/> Check box if name changed and see instructions.)		D Employer identification number (Employees' trust, see instructions.)	
B Exempt under section <input checked="" type="checkbox"/> 501(c)(3)		Print or Type THE THRESHOLDS		36-2518901	
<input type="checkbox"/> 408(e) <input type="checkbox"/> 220(e)		Number, street, and room or suite no. If a P.O. box, see instructions.		E Unrelated business activity codes (See instructions.)	
<input type="checkbox"/> 408A <input type="checkbox"/> 530(a)		4101 NORTH RAVENSWOOD		812930	
<input type="checkbox"/> 529(a)		City or town, state or province, country, and ZIP or foreign postal code			
CHICAGO, IL 60613					
C Book value of all assets at end of year		F Group exemption number (See instructions.)			
66,879,241.		G Check organization type <input checked="" type="checkbox"/> 501(c) corporation		<input type="checkbox"/> 501(c) trust <input type="checkbox"/> 401(a) trust <input type="checkbox"/> Other trust	

H Describe the organization's primary unrelated business activity. **RENTAL OF REAL ESTATE AND LOT SPACES**
I During the tax year, was the corporation a subsidiary in an affiliated group or a parent-subsidiary controlled group? ☐ Yes ☒ No
If "Yes," enter the name and identifying number of the parent corporation.

J The books are in care of **AL SHOREIBAH, CFO** Telephone number **773-572-5247**
Part I Unrelated Trade or Business Income

	(A) Income	(B) Expenses	(C) Net
1a Gross receipts or sales			
b Less returns and allowances			
c Balance	1c		
2 Cost of goods sold (Schedule A, line 7)	2		
3 Gross profit. Subtract line 2 from line 1c	3		
4a Capital gain net income (attach Schedule D)	4a		
b Net gain (loss) (Form 4797, Part II, line 17) (attach Form 4797)	4b		
c Capital loss deduction for trusts	4c		
5 Income (loss) from partnerships and S corporations (attach statement)	5		
6 Rent income (Schedule C)	6		
7 Unrelated debt-financed income (Schedule E)	7		
8 Interest, annuities, royalties, and rents from controlled organizations (Sch. F) ...	8		
9 Investment income of a section 501(c)(7), (9), or (17) organization (Schedule G)	9		
10 Exploited exempt activity income (Schedule I)	10		
11 Advertising income (Schedule J)	11		
12 Other income (See instructions; attach schedule) STATEMENT 2	12 131,991.		131,991.
13 Total. Combine lines 3 through 12	13 131,991.		131,991.

Part II Deductions Not Taken Elsewhere (See instructions for limitations on deductions.)

(Except for contributions, deductions must be directly connected with the unrelated business income.)

14 Compensation of officers, directors, and trustees (Schedule K)	14	
15 Salaries and wages	15	
16 Repairs and maintenance	16	
17 Bad debts	17	
18 Interest (attach schedule)	18	
19 Taxes and licenses	19	11,935.
20 Charitable contributions (See instructions for limitation rules)	20	
21 Depreciation (attach Form 4562)	21	
22 Less depreciation claimed on Schedule A and elsewhere on return	22a	22b
23 Depletion	23	
24 Contributions to deferred compensation plans	24	
25 Employee benefit programs	25	
26 Excess exempt expenses (Schedule I)	26	
27 Excess readership costs (Schedule J)	27	
28 Other deductions (attach schedule)	28	
29 Total deductions. Add lines 14 through 28	29	11,935.
30 Unrelated business taxable income before net operating loss deduction. Subtract line 29 from line 13	30	120,056.
31 Net operating loss deduction (limited to the amount on line 30)	31	
32 Unrelated business taxable income before specific deduction. Subtract line 31 from line 30	32	120,056.
33 Specific deduction (Generally \$1,000, but see line 33 instructions for exceptions)	33	1,000.
34 Unrelated business taxable income. Subtract line 33 from line 32. If line 33 is greater than line 32, enter the smaller of zero or line 32	34	119,056.

FORM 990-T

OTHER INCOME

STATEMENT 2

DESCRIPTIONAMOUNT

RIDGE BLVD REAL ESTATE AND LOT SPACES

126,038.

PERSHING PARKING GARAGE RENTAL

900.

QUALIFIED TRANSPORTATION FRINGE BENEFITS

5,053.

TOTAL TO FORM 990-T, PAGE 1, LINE 12

131,991.

**Application for Automatic Extension of Time To File an
Exempt Organization Return**

OMB No. 1545-1709

▶ **File a separate application for each return.**▶ **Information about Form 8868 and its instructions is at** www.irs.gov/form8868 .

Electronic filing (e-file). You can electronically file Form 8868 to request a 6-month automatic extension of time to file any of the forms listed below with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, for which an extension request must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit www.irs.gov/efile, click on Charities & Non-Profits, and click on *e-file for Charities and Non-Profits*.

Automatic 6-Month Extension of Time. Only submit original (no copies needed).

All corporations required to file an income tax return other than Form 990-T (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

		Enter filer's identifying number
Type or print <small>File by the due date for filing your return. See instructions.</small>	Name of exempt organization or other filer, see instructions. THE THRESHOLDS	Employer identification number (EIN) or 36-2518901
	Number, street, and room or suite no. If a P.O. box, see instructions. 4101 NORTH RAVENSWOOD	Social security number (SSN)
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. CHICAGO, IL 60613	

Enter the Return Code for the return that this application is for (file a separate application for each return)

0	7
---	---

Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720 (other than individual)	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

AL SHOREIBAH, CFO

- The books are in the care of ▶ **120 S LASALLE, SUITE 1410 - CHICAGO, IL 60603**

Telephone No. ▶ **773-572-5247**

Fax No. ▶

- If the organization does not have an office or place of business in the United States, check this box ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) ☐. If this is for the whole group, check this box ☐. If it is for part of the group, check this box ☐ and attach a list with the names and EINs of all members the extension is for.

1 I request an automatic 6-month extension of time until **MAY 15, 2019**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:

▶ ☐ calendar year _____ or▶ ☒ tax year beginning **JUL 1, 2017**, and ending **JUN 30, 2018**.

2 If the tax year entered in line 1 is for less than 12 months, check reason: ☐ Initial return ☐ Final return
☐ Change in accounting period

3a If this application is for Forms 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$	0.
b If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$	524.
c Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$	0.

Caution: If you are going to make an electronic funds withdrawal (direct debit) with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

2018 ESTIMATED TAX FILING INSTRUCTIONS

ILLINOIS ESTIMATED TAX

FOR THE YEAR ENDING

JUNE 30, 2019

PREPARED FOR:

THE THRESHOLDS
4101 NORTH RAVENSWOOD
CHICAGO, IL 60613

PREPARED BY:

PLANTE & MORAN, PLLC
10 S. RIVERSIDE PLAZA, 9TH FLOOR
CHICAGO, IL 60606

AMOUNT OF TAX:

TOTAL ESTIMATED TAX	\$	12,430
LESS CREDIT FROM PRIOR YEAR	\$	0
LESS AMOUNT ALREADY PAID ON 2018 ESTIMATE	\$	0
BALANCE DUE	\$	12,430

PAYABLE IN FULL OR IN INSTALLMENTS AS FOLLOWS:

VOUCHER	AMOUNT	DUE DATE
NO 1	\$ 0	OCTOBER 15, 2018
NO 2	\$ 0	0, 0
NO 3	\$ 9,320	MARCH 15, 2019
NO 4	\$ 3,110	JUNE 17, 2019

MAKE CHECK PAYABLE TO:

ILLINOIS DEPARTMENT OF REVENUE

MAIL VOUCHER AND CHECK TO:

ILLINOIS DEPARTMENT OF REVENUE
P.O. BOX 19045
SPRINGFIELD, IL 62794-9045

SPECIAL INSTRUCTIONS:

MAIL EACH INSTALLMENT ON OR BEFORE THE DATE INDICATED ABOVE.
ENCLOSE A CHECK FOR THE SPECIFIED AMOUNT.

Illinois Department of Revenue
2018 IL-1120-ES (R-12/17)

**Estimated Income and Replacement
Tax Payment for Corporations**

Official use only

ID: 2BX

Mail to Illinois Department of Revenue,
P.O. Box 19045, Springfield, IL 62794-9045.

FEIN: 36-2518901 000 8

Estimated tax payment due dates

- 15th day of the 4th month
- 15th day of the 6th month
- 15th day of the 9th month
- 15th day of the 12th month

Tax year ending 6 19
Month Year

THE THRESHOLDS
4101 NORTH RAVENSWOOD
CHICAGO, IL 60613

\$ 9,320.00

Enter your payment amount on this line.

Write your FEIN, tax year ending, and "IL-1120-ES"
on your check or money order and make it payable
to "Illinois Department of Revenue."

Preparer's phone number (312) 207-1040

112060619 5 362518901 000 8

Illinois Department of Revenue
2018 IL-1120-ES (R-12/17)

**Estimated Income and Replacement
Tax Payment for Corporations**

Official use only

ID: 2BX

Mail to Illinois Department of Revenue,
P.O. Box 19045, Springfield, IL 62794-9045.

FEIN: 36-2518901 000 8

Estimated tax payment due dates

- 15th day of the 4th month
- 15th day of the 6th month
- 15th day of the 9th month
- 15th day of the 12th month

Tax year ending 6 19
Month Year

THE THRESHOLDS
4101 NORTH RAVENSWOOD
CHICAGO, IL 60613

\$ 3,110.00

Enter your payment amount on this line.

Write your FEIN, tax year ending, and "IL-1120-ES"
on your check or money order and make it payable
to "Illinois Department of Revenue."

Preparer's phone number (312) 207-1040

112060619 5 362518901 000 8

TAX RETURN FILING INSTRUCTIONS

ILLINOIS FORM AG990-IL

FOR THE YEAR ENDING

JUNE 30, 2018

PREPARED FOR:

THE THRESHOLDS
4101 NORTH RAVENSWOOD
CHICAGO, IL 60613

PREPARED BY:

PLANTE & MORAN, PLLC
10 S. RIVERSIDE PLAZA, 9TH FLOOR
CHICAGO, IL 60606

AMOUNT OF TAX:

NO PAYMENT IS REQUIRED.

MAKE CHECK PAYABLE TO:

NOT APPLICABLE

MAIL TAX RETURN TO:

OFFICE OF THE ATTORNEY GENERAL
CHARITABLE TRUST BUREAU
100 WEST RANDOLPH ST., 11TH FLOOR
CHICAGO, IL 60601-3175

RETURN MUST BE MAILED ON OR BEFORE:

PLEASE MAIL AS SOON AS POSSIBLE.

SPECIAL INSTRUCTIONS:

THE REPORT SHOULD BE SIGNED AND DATED BY AN AUTHORIZED
INDIVIDUAL(S).

ILLINOIS CHARITABLE ORGANIZATION ANNUAL REPORT

PMT #	_____
AMT	_____
INIT	_____

Attorney General LISA MADIGAN State of Illinois
Charitable Trust Bureau, 100 West Randolph
11th Floor, Chicago, Illinois 60601

CO # 01-002,080

Report for the Fiscal Period:

Beginning 07/01/2017

& Ending 06/30/2018
MO DAY YR

Make Checks
Payable to
the Illinois
Charity
Bureau Fund

Check all items attached:
☒ Copy of IRS Return
☒ Audited Financial Statements
☐ Copy of Form IFC
☐ \$15.00 Annual Report Filing Fee
☐ \$100.00 Late Report Filing Fee

Federal ID # 36-2518901

Are contributions to the organization tax deductible?

☒ Yes ☐ No

Date Organization was created:

MO DAY YR
05/12/1963

LEGAL NAME THE THRESHOLDS MAIL ADDRESS 4101 NORTH RAVENSWOOD CITY, STATE CHICAGO, IL ZIP CODE 60613	Year-end amounts	
	A) ASSETS	A) \$ 66,879,241.
	B) LIABILITIES	B) \$ 15,542,910.
	C) NET ASSETS	C) \$ 51,336,331.
I. SUMMARY OF ALL REVENUE ITEMS DURING THE YEAR:	PERCENTAGE	AMOUNT
D) PUBLIC SUPPORT, CONTRIBUTIONS & PROGRAM SERVICE REV. (GROSS AMTS.)	57.108 %	D) \$ 53,124,725.
E) GOVERNMENT GRANTS & MEMBERSHIP DUES	38.383 %	E) \$ 35,705,682.
F) OTHER REVENUES	4.509 %	F) \$ 4,194,889.
G) TOTAL REVENUE, INCOME AND CONTRIBUTIONS RECEIVED (ADD D, E, & F)	100 %	G) \$ 93,025,296.
II. SUMMARY OF ALL EXPENDITURES DURING THE YEAR:		
H) OPERATING CHARITABLE PROGRAM EXPENSE	82.170 %	H) \$ 73,531,093.
I) EDUCATION PROGRAM SERVICE EXPENSE	%	I) \$
J) TOTAL CHARITABLE PROGRAM SERVICE EXPENSE (ADD H & I)	82.170 %	J) \$ 73,531,093.
J1) JOINT COSTS ALLOCATED TO PROGRAM SERVICES (INCLUDED IN J):	\$	
K) GRANTS TO OTHER CHARITABLE ORGANIZATIONS	%	K) \$
L) TOTAL CHARITABLE PROGRAM SERVICE EXPENDITURE (ADD J & K)	82.170 %	L) \$ 73,531,093.
M) MANAGEMENT AND GENERAL EXPENSE	17.052 %	M) \$ 15,259,605.
N) FUNDRAISING EXPENSE	0.778 %	N) \$ 695,865.
O) TOTAL EXPENDITURES THIS PERIOD (ADD L, M, & N)	100 %	O) \$ 89,486,563.
III. SUMMARY OF ALL PAID FUNDRAISER AND CONSULTANT ACTIVITIES: (Attach Attorney General Report of Individual Fundraising Campaign- Form IFC. One for each PFR.)		
PROFESSIONAL FUNDRAISERS:		
P) TOTAL AMOUNT RAISED BY PAID PROFESSIONAL FUNDRAISERS	100 %	P) \$ 0.
Q) TOTAL FUNDRAISERS FEES AND EXPENSES	%	Q) \$
R) NET RECEIVED BY THE CHARITY (P MINUS Q=R)	%	R) \$
PROFESSIONAL FUNDRAISING CONSULTANTS:		
S) TOTAL AMOUNT PAID TO PROFESSIONAL FUNDRAISING CONSULTANTS		S) \$ 0.
IV. COMPENSATION TO THE (3) HIGHEST PAID PERSONS DURING THE YEAR:		
T) NAME, TITLE: MARK ISHAUG, CHIEF EXECUTIVE OFFICER		T) \$ 304,889.
U) NAME, TITLE: STEVEN WEINSTEIN, MD, MEDICAL DIRECTOR		U) \$ 216,580.
V) NAME, TITLE: ALAA SHOREIBAH		V) \$ 209,185.
V. CHARITABLE PROGRAM DESCRIPTION:	CHARITABLE PROGRAM (3 HIGHEST BY \$ EXPENDED) CODE CATEGORIES	List on back side of instructions CODE
W) DESCRIPTION: INDEPENDENT LIVING		W) # 300
X) DESCRIPTION: PREVENTION OF REHOSPITALIZATION		X) # 300
Y) DESCRIPTION: VOCATIONAL AND SOCIAL REHABILITATION		Y) # 300

IF THE ANSWER TO ANY OF THE FOLLOWING IS YES, ATTACH A DETAILED EXPLANATION:		YES	NO
1. WAS THE ORGANIZATION THE SUBJECT OF ANY COURT ACTION, FINE, PENALTY OR JUDGMENT?	1.		X
2. HAS THE ORGANIZATION OR A CURRENT DIRECTOR, TRUSTEE, OFFICER OR EMPLOYEE THEREOF, EVER BEEN CONVICTED BY ANY COURT OF ANY MISDEMEANOR INVOLVING THE MISUSE OR MISAPPROPRIATION OF FUNDS OR ANY FELONY?	2.		X
3. DID THE ORGANIZATION MAKE A GRANT AWARD OR CONTRIBUTION TO ANY ORGANIZATION IN WHICH ANY OF ITS OFFICERS, DIRECTORS OR TRUSTEES OWNS AN INTEREST; OR WAS IT A PARTY TO ANY TRANSACTION IN WHICH ANY OF ITS OFFICERS, DIRECTORS OR TRUSTEES HAS A MATERIAL FINANCIAL INTEREST; OR DID ANY OFFICER, DIRECTOR OR TRUSTEE RECEIVE ANYTHING OF VALUE NOT REPORTED AS COMPENSATION?	3.		X
4. HAS THE ORGANIZATION INVESTED IN ANY CORPORATE STOCK IN WHICH ANY OFFICER, DIRECTOR OR TRUSTEE OWNS MORE THAN 10% OF THE OUTSTANDING SHARES?	4.		X
5. IS ANY PROPERTY OF THE ORGANIZATION HELD IN THE NAME OF OR COMMINGLED WITH THE PROPERTY OF ANY OTHER PERSON OR ORGANIZATION?	5.		X
6. DID THE ORGANIZATION USE THE SERVICES OF A PROFESSIONAL FUNDRAISER? (ATTACH FORM IFC)	6.		X
7a. DID THE ORGANIZATION ALLOCATE THE COST OF ANY SOLICITATION, MAILING, ADVERTISEMENT OR LITERATURE COSTS BETWEEN PROGRAM SERVICE AND FUNDRAISING EXPENSES?	7.		X
7b. IF "YES", ENTER (i) THE AGGREGATE AMOUNT OF THESE JOINT COSTS \$ _____; (ii) THE AMOUNT ALLOCATED TO PROGRAM SERVICES \$ _____; (iii) THE AMOUNT ALLOCATED TO MANAGEMENT AND GENERAL \$ _____; AND (iv) THE AMOUNT ALLOCATED TO FUNDRAISING \$ _____			
8. DID THE ORGANIZATION EXPEND ITS RESTRICTED FUNDS FOR PURPOSES OTHER THAN RESTRICTED PURPOSES?	8.		X
9. HAS THE ORGANIZATION EVER BEEN REFUSED REGISTRATION OR HAD ITS REGISTRATION OR TAX EXEMPTION SUSPENDED OR REVOKED BY ANY GOVERNMENTAL AGENCY?	9.		X
10. WAS THERE OR DO YOU HAVE ANY KNOWLEDGE OF ANY KICKBACK, BRIBE, OR ANY THEFT, DEFALCATION, MISAPPROPRIATION, COMMINGLING OR MISUSE OF ORGANIZATIONAL FUNDS?	10.		X
11. LIST THE NAME AND ADDRESS OF THE FINANCIAL INSTITUTIONS WHERE THE ORGANIZATION MAINTAINS ITS THREE LARGEST ACCOUNTS:			
MB FINANCIAL BANK, 363 N ONTARIO, CHICAGO, IL 60654			
THE NORTHERN TRUST COMPANY, 50 S. LASALLE ST, CHICAGO, IL 60675			
12. NAME AND TELEPHONE NUMBER OF CONTACT PERSON: AL SHOREIBAH, CFO - 773-572-5247			

ALL ATTACHMENTS MUST ACCOMPANY THIS REPORT - SEE INSTRUCTIONS

UNDER PENALTY OF PERJURY, I (WE) THE UNDERSIGNED DECLARE AND CERTIFY THAT I (WE) HAVE EXAMINED THIS ANNUAL REPORT AND THE ATTACHED DOCUMENTS, INCLUDING ALL THE SCHEDULES AND STATEMENTS AND THE FACTS THEREIN STATED ARE TRUE AND COMPLETE AND FILED WITH THE ILLINOIS ATTORNEY GENERAL FOR THE PURPOSE OF HAVING THE PEOPLE OF THE STATE OF ILLINOIS RELY THEREUPON. I HEREBY FURTHER AUTHORIZE AND AGREE TO SUBMIT MYSELF AND THE REGISTRANT HEREBY TO THE JURISDICTION OF THE STATE OF ILLINOIS.

BE SURE TO INCLUDE ALL FEES DUE:

- 1.) REPORTS ARE DUE WITHIN SIX MONTHS OF YOUR FISCAL YEAR END.
- 2.) FOR FEES DUE SEE INSTRUCTIONS.
- 3.) REPORTS THAT ARE LATE OR INCOMPLETE ARE SUBJECT TO A \$100.00 PENALTY.

AL SHOREIBAH

PRESIDENT or TRUSTEE (PRINT NAME)

SIGNATURE

DATE

TREASURER or TRUSTEE (PRINT NAME)

SIGNATURE

DATE

KIMBERLY A. HAUMANN

PREPARER (PRINT NAME)

SIGNATURE

DATE



Plante & Moran, PLLC

10 South Riverside Plaza

9th Floor

Chicago, IL 60606

Tel: 312.207.1040

Fax: 312.207.1066

plantemoran.com

December 21, 2018

Office of the Attorney General
Charitable Trust Bureau
ATTN: Annual Report Section
100 W. Randolph St., 11th Floor
Chicago, IL 60601

Re: The Thresholds
CO: 01-002080
Form: AG990-IL
Year End: 6/30/2018

Dear Sir or Madam:

Information necessary to file a complete and accurate return for the above taxpayer is not available. We thus request an automatic 60-day extension of time through February 28, 2019 to file such return. If you have any questions or need additional information, please call the undersigned at 312.207.1040.

Sincerely,

Plante & Moran, PLLC

A handwritten signature in cursive script, reading "Kimberly A. Haumann".

Kimberly A. Haumann

cc: The Thresholds



Plante & Moran, PLLC
10 South Riverside Plaza
9th Floor
Chicago, IL 60606
Tel: 312.207.1040
Fax: 312.207.1066
plantemoran.com

February 28, 2019

Office of the Attorney General
Charitable Trust Bureau
Attn: Annual Report Section
100 W. Randolph St., 11th Floor
Chicago, IL 60601-3175

Subject: Illinois additional extension of time to file AG990-IL
Re: The Thresholds
CO#: 01-002080
Year End: 6/30/2018

Dear Sir or Madam:

As the accountants for the above-mentioned taxpayer, we are requesting an additional two and a half months of time to file the Illinois Charitable Organization Annual Report, Form AG990-IL. The information necessary to file a complete and accurate return is not yet available. We will complete the Illinois annual report as soon as we received all necessary information. The final return will be filed by the extended due date of May15, 2019.

As requested by your office, we are attaching the following information to our request for additional time:

1. Tentative draft of Form AG990-IL;
2. Tentative draft of Financial Statements;
3. Statutory fee of \$15; and
4. Copy of the application for extension of time filed with the Internal Revenue Service

Please call the undersigned at 312-207-1040 if you have any questions, or need additional information.

Sincerely,
Plante & Moran, PLLC

A handwritten signature in cursive script, reading "Kimberly A. Haumann".

Kimberly A. Haumann

cc: The Thresholds

**Application for Automatic Extension of Time To File an
Exempt Organization Return**

OMB No. 1545-1709

► **File a separate application for each return.**► **Information about Form 8868 and its instructions is at** www.irs.gov/form8868 .

Electronic filing (e-file). You can electronically file Form 8868 to request a 6-month automatic extension of time to file any of the forms listed below with the exception of Form 8870, Information Return for Transfers Associated With Certain Personal Benefit Contracts, for which an extension request must be sent to the IRS in paper format (see instructions). For more details on the electronic filing of this form, visit www.irs.gov/efile, click on Charities & Non-Profits, and click on e-file for Charities and Non-Profits.

Automatic 6-Month Extension of Time. Only submit original (no copies needed).

All corporations required to file an income tax return other than Form 990-T (including 1120-C filers), partnerships, REMICs, and trusts must use Form 7004 to request an extension of time to file income tax returns.

		Enter filer's identifying number
Type or print File by the due date for filing your return. See instructions.	Name of exempt organization or other filer, see instructions. THE THRESHOLDS	Employer identification number (EIN) or 36-2518901
	Number, street, and room or suite no. If a P.O. box, see instructions. 4101 NORTH RAVENSWOOD	Social security number (SSN)
	City, town or post office, state, and ZIP code. For a foreign address, see instructions. CHICAGO, IL 60613	

Enter the Return Code for the return that this application is for (file a separate application for each return)

0	1
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Application Is For	Return Code	Application Is For	Return Code
Form 990 or Form 990-EZ	01	Form 990-T (corporation)	07
Form 990-BL	02	Form 1041-A	08
Form 4720 (individual)	03	Form 4720 (other than individual)	09
Form 990-PF	04	Form 5227	10
Form 990-T (sec. 401(a) or 408(a) trust)	05	Form 6069	11
Form 990-T (trust other than above)	06	Form 8870	12

AL SHOREIBAH, CFO

- The books are in the care of ► **120 S LASALLE, SUITE 1410 - CHICAGO, IL 60603**

Telephone No. ► **773-572-5247**

Fax No. ►

- If the organization does not have an office or place of business in the United States, check this box ☐
- If this is for a Group Return, enter the organization's four digit Group Exemption Number (GEN) ☐. If this is for the whole group, check this box ☐. If it is for part of the group, check this box ☐ and attach a list with the names and EINs of all members the extension is for.

- 1** I request an automatic 6-month extension of time until **MAY 15, 2019**, to file the exempt organization return for the organization named above. The extension is for the organization's return for:

► ☐ calendar year _____ or► ☒ tax year beginning **JUL 1, 2017**, and ending **JUN 30, 2018**.

- 2** If the tax year entered in line 1 is for less than 12 months, check reason: ☐ Initial return ☐ Final return
☐ Change in accounting period

3a If this application is for Forms 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions.	3a	\$	0.
b If this application is for Forms 990-PF, 990-T, 4720, or 6069, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit.	3b	\$	0.
c Balance due. Subtract line 3b from line 3a. Include your payment with this form, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions.	3c	\$	0.

Caution: If you are going to make an electronic funds withdrawal (direct debit) with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions.

THE THRESHOLDS AND AFFILIATED ORGANIZATIONS

CONSOLIDATED FINANCIAL STATEMENTS, ADDITIONAL INFORMATION AND INDEPENDENT AUDITOR'S REPORT

Years Ended June 30, 2018 and 2017

THE THRESHOLDS AND AFFILIATED ORGANIZATIONS
Chicago, Illinois

CONSOLIDATED FINANCIAL STATEMENTS
As of and for the years ended June 30, 2018 and 2017

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Independent Auditor's Report

To the Board of Directors
The Thresholds and Affiliated Organizations

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of The Thresholds and Affiliated Organizations (the "Agency"), which comprise the consolidated statement of financial position as of June 30, 2018 and 2017 and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of The Thresholds and Affiliated Organizations as of June 30, 2018 and 2017 and the changes in their net assets and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As described in Note 16 to the consolidated financial statements, the 2017 consolidated financial statements have been restated to correct a misstatement. Our opinion is not modified with respect to this matter.

To the Board of Directors
The Thresholds and Affiliated Organizations

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 14, 2019 on our consideration of The Thresholds and Affiliated Organizations' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering The Thresholds and Affiliated Organizations' internal control over financial reporting and compliance.

Plante & Moran, PLLC

March 14, 2019

THE THRESHOLDS AND AFFILIATED ORGANIZATIONS
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As of June 30, 2018 (with comparative totals as of June 30, 2017)

	Unrestricted					Total	Total
	Unrestricted	Board - Designated Funds	Custodial Fund	Temporarily Restricted	Permanently Restricted	2018	2017 (as restated)
ASSETS							
Cash	\$ 4,782,048	\$ -	\$ 2,244	\$ 1,920,395	\$ -	\$ 6,704,687	\$ 5,598,929
Investments (Note 14)	290,759	-	-	594,108	1,628,091	2,512,958	3,184,001
Board-designated investments (Note 14)	-	16,552,798	-	-	-	16,552,798	14,706,526
Grants and fees receivable (Note 3)	10,861,203	-	-	-	-	10,861,203	11,695,195
Other receivables	303,371	-	-	668,751	-	972,122	1,404,651
Prepaid expenses	827,317	-	-	-	-	827,317	810,317
Investments in and advances to							
Affiliated organizations (Note 2)	534,424	-	-	-	-	534,424	509,944
Affiliate notes receivable (Note 2)	254,015	-	-	2,594,076	-	2,848,091	2,800,419
Escrow deposits	15,631,472	-	1,965,010	-	-	17,596,482	6,242,162
Property and equipment (Note 4)	38,013,517	-	-	-	-	38,013,517	34,113,560
Other assets	146,209	-	-	-	-	146,209	138,058
Total assets	71,644,335	16,552,798	1,967,254	5,777,330	1,628,091	97,569,808	81,203,762
LIABILITIES							
Accounts payable and accrued expenses	4,460,628	-	-	-	-	4,460,628	5,208,674
Short-term borrowings (Note 5)	-	-	-	-	-	-	2,000,000
Accrued vacation pay	2,119,107	-	-	-	-	2,119,107	1,863,406
Unexpended grants	1,176,498	-	-	-	-	1,176,498	1,103,329
Bonds payable (Note 5)	5,471,853	-	-	-	-	5,471,853	5,664,680
Mortgages payable (Note 5)	14,753,299	-	-	-	-	14,753,299	17,356,851
Notes payable (Note 5)	16,958,855	-	-	-	-	16,958,855	374,000
Interest rate swap (Note 12)	94,125	-	-	-	-	94,125	243,902
Other liabilities	1,369,002	-	-	-	-	1,369,002	1,316,385
Due to members (Note 8)	-	-	1,967,254	-	-	1,967,254	1,666,148
	46,403,367	-	1,967,254	-	-	48,370,621	36,797,375
NET ASSETS							
Unrestricted							
Controlling interest							
Undesignated	21,612,374	-	-	-	-	21,612,374	20,352,099
Board-designated special purpose funds (Note 7)	-	11,259,193	-	-	-	11,259,193	10,962,810
Board-designated endowment fund (Note 10)	-	5,293,605	-	-	-	5,293,605	3,743,716
Noncontrolling interest	3,628,594	-	-	-	-	3,628,594	788,934
Temporarily restricted (Note 9)	-	-	-	5,777,330	-	5,777,330	7,262,138
Permanently restricted							
Endowment funds (Note 10)	-	-	-	-	1,628,091	1,628,091	1,296,690
	25,240,968	16,552,798	-	5,777,330	1,628,091	49,199,187	44,406,387
Total liabilities and net assets	\$ 71,644,335	\$ 16,552,798	\$ 1,967,254	\$ 5,777,330	\$ 1,628,091	\$ 97,569,808	\$ 81,203,762

THE THRESHOLDS AND AFFILIATED ORGANIZATIONS
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As of June 30, 2017

	Unrestricted					Total 2017 (as restated)
	Board -					
	Unrestricted	Designated Funds	Custodial Fund	Temporarily Restricted	Permanently Restricted	
ASSETS						
Cash	\$ 3,540,268	\$ -	\$ 5,454	\$ 2,053,207	\$ -	\$ 5,598,929
Investments (Note 14)	257,644	-	-	1,629,667	1,296,690	3,184,001
Board-designated investments (Note 14)	-	14,706,526	-	-	-	14,706,526
Grants and fees receivable (Note 3)	11,695,195	-	-	-	-	11,695,195
Other receivables	419,463	-	-	985,188	-	1,404,651
Prepaid expenses	810,317	-	-	-	-	810,317
Investments in and advances to						
Affiliated organizations (Note 2)	509,944	-	-	-	-	509,944
Affiliate notes receivable (Note 2)	206,343	-	-	2,594,076	-	2,800,419
Escrow deposits	4,581,468	-	1,660,694	-	-	6,242,162
Property and equipment (Note 4)	34,113,560	-	-	-	-	34,113,560
Other assets	138,058	-	-	-	-	138,058
Total assets	56,272,260	14,706,526	1,666,148	7,262,138	1,296,690	81,203,762
LIABILITIES						
Accounts payable and accrued expenses	5,208,674	-	-	-	-	5,208,674
Short-term borrowings (Note 5)	2,000,000	-	-	-	-	2,000,000
Accrued vacation pay	1,863,406	-	-	-	-	1,863,406
Unexpended grants	1,103,329	-	-	-	-	1,103,329
Bonds payable (Note 5)	5,664,680	-	-	-	-	5,664,680
Mortgages payable (Note 5)	17,356,851	-	-	-	-	17,356,851
Notes payable (Note 5)	374,000	-	-	-	-	374,000
Interest rate swap (Note 12)	243,902	-	-	-	-	243,902
Other liabilities	1,316,385	-	-	-	-	1,316,385
Due to members (Note 8)	-	-	1,666,148	-	-	1,666,148
	35,131,227	-	1,666,148	-	-	36,797,375
NET ASSETS						
Unrestricted						
Controlling interest						
Undesignated	20,352,099	-	-	-	-	20,352,099
Board-designated special purpose funds (Note 7)	-	10,962,810	-	-	-	10,962,810
Board-designated endowment fund (Note 10)	-	3,743,716	-	-	-	3,743,716
Noncontrolling interest	788,934	-	-	-	-	788,934
Temporarily restricted (Note 9)	-	-	-	7,262,138	-	7,262,138
Permanently restricted						
Endowment funds (Note 10)	-	-	-	-	1,296,690	1,296,690
	21,141,033	14,706,526	-	7,262,138	1,296,690	44,406,387
Total liabilities and net assets	\$ 56,272,260	\$ 14,706,526	\$ 1,666,148	\$ 7,262,138	\$ 1,296,690	\$ 81,203,762

THE THRESHOLDS AND AFFILIATED ORGANIZATIONS
CONSOLIDATED STATEMENTS OF ACTIVITIES
Year ended June 30, 2018 (with comparative totals for the year ended June 30, 2017)

	Unrestricted				Total	Total
	Unrestricted	Board- Designated Funds	Temporarily Restricted	Permanently Restricted	2018	2017 (as restated)
REVENUE						
Public Support						
Medicaid service revenue	\$ 39,388,899	\$ -	\$ -	\$ -	\$ 39,388,899	\$ 40,834,118
Grants and fees from government agencies	36,121,915	-	-	-	36,121,915	39,148,823
Community contributions	1,793,339	-	3,085,206	331,401	5,209,946	6,685,138
Special events income	631,182	-	185,000	-	816,182	559,223
Net assets released from restriction	4,887,230	-	(4,887,230)	-	-	-
	<u>82,822,565</u>	<u>-</u>	<u>(1,617,024)</u>	<u>331,401</u>	<u>81,536,942</u>	<u>87,227,302</u>
Other Revenue						
Service fees	4,282,577	-	-	-	4,282,577	1,450,358
Residential fees	2,982,488	-	-	-	2,982,488	3,136,397
Rent subsidy - government agencies	2,927,420	-	-	-	2,927,420	2,536,496
Other income	1,190,254	-	-	-	1,190,254	1,033,288
	<u>11,382,739</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>11,382,739</u>	<u>8,156,539</u>
Non-Operating Revenue						
Realized gain on fixed asset dispositions	762,285	-	-	-	762,285	606,651
Realized and unrealized gain on investments	18,473	266,052	92,870	-	377,395	599,974
Interest and dividend income	52,054	424,897	39,346	-	516,297	481,801
Other non-operating income	251,452	-	-	-	251,452	196,409
	<u>1,084,264</u>	<u>690,949</u>	<u>132,216</u>	<u>-</u>	<u>1,907,429</u>	<u>1,884,835</u>
Total revenue	<u>95,289,568</u>	<u>690,949</u>	<u>(1,484,808)</u>	<u>331,401</u>	<u>94,827,110</u>	<u>97,268,676</u>
EXPENSES						
Program Services						
Vocational and social rehabilitation	2,912,707	-	-	-	2,912,707	3,371,785
Case management and care	45,636,619	-	-	-	45,636,619	49,195,530
Independent living	16,643,213	-	-	-	16,643,213	16,587,645
Research projects	509,678	-	-	-	509,678	538,176
Substance use treatment	687,608	-	-	-	687,608	591,397
Youth services	9,326,629	-	-	-	9,326,629	9,443,674
	<u>75,716,454</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>75,716,454</u>	<u>79,728,207</u>
Supporting Services						
Administrative	16,513,530	-	-	-	16,513,530	13,390,192
Development and fundraising (includes \$240,235 in special events expenses)	1,009,345	-	-	-	1,009,345	1,156,686
	<u>17,522,875</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,522,875</u>	<u>14,546,878</u>
Total expenses	<u>93,239,329</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>93,239,329</u>	<u>94,275,085</u>
Change in net assets, operating & non-op. results	2,050,239	690,949	(1,484,808)	331,401	1,587,781	2,993,591
Other changes in net assets						
Operating transfer	(1,155,323)	1,155,323	-	-	-	-
Contributed capital	3,205,019	-	-	-	3,205,019	-
Total other changes in net assets	<u>2,049,696</u>	<u>1,155,323</u>	<u>-</u>	<u>-</u>	<u>3,205,019</u>	<u>-</u>
Change in unrestricted net assets						
Increase in unrestricted net assets						
Attributable to controlling interest	1,260,275	1,846,272	(1,484,808)	331,401	1,953,140	3,231,718
Attributable to noncontrolling interest	2,839,660	-	-	-	2,839,660	(238,127)
Total current year changes in net assets	<u>4,099,935</u>	<u>1,846,272</u>	<u>(1,484,808)</u>	<u>331,401</u>	<u>4,792,800</u>	<u>2,993,591</u>
Net assets, beginning of year	<u>21,141,033</u>	<u>14,706,526</u>	<u>7,262,138</u>	<u>1,296,690</u>	<u>44,406,387</u>	<u>41,412,796</u>
Net assets, end of year	<u>\$ 25,240,968</u>	<u>\$ 16,552,798</u>	<u>\$ 5,777,330</u>	<u>\$ 1,628,091</u>	<u>\$ 49,199,187</u>	<u>\$ 44,406,387</u>

THE THRESHOLDS AND AFFILIATED ORGANIZATIONS
CONSOLIDATED STATEMENTS OF ACTIVITIES
Year ended June 30, 2017

	Unrestricted				
	Unrestricted	Board- Designated Funds	Temporarily Restricted	Permanently Restricted	Total 2017 (as restated)
REVENUE					
Public Support					
Medicaid service revenue	\$ 40,834,118	\$ -	\$ -	\$ -	\$ 40,834,118
Grants and fees from government agencies	39,148,823	-	-	-	39,148,823
Community contributions	2,632,230	-	3,802,908	250,000	6,685,138
Special events income	559,223	-	-	-	559,223
Net assets released from restriction	4,261,911	-	(4,261,911)	-	-
	<u>87,436,305</u>	<u>-</u>	<u>(459,003)</u>	<u>250,000</u>	<u>87,227,302</u>
Other Revenue					
Service fees	1,450,358	-	-	-	1,450,358
Residential fees	3,136,397	-	-	-	3,136,397
Rent subsidy - government agencies	2,536,496	-	-	-	2,536,496
Other income	1,033,288	-	-	-	1,033,288
	<u>8,156,539</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8,156,539</u>
Non-Operating Revenue					
Realized gain on fixed asset dispositions	606,651	-	-	-	606,651
Realized and unrealized gain on investments	1,072	362,036	236,866	-	599,974
Interest and dividend income	245	427,836	53,720	-	481,801
Other non-operating income	196,409	-	-	-	196,409
	<u>804,377</u>	<u>789,872</u>	<u>290,586</u>	<u>-</u>	<u>1,884,835</u>
Total revenue	<u>96,397,221</u>	<u>789,872</u>	<u>(168,417)</u>	<u>250,000</u>	<u>97,268,676</u>
EXPENSES					
Program Services					
Vocational and social rehabilitation	3,371,785	-	-	-	3,371,785
Case management and care	49,195,530	-	-	-	49,195,530
Independent living	16,587,645	-	-	-	16,587,645
Research projects	538,176	-	-	-	538,176
Substance use treatment	591,397	-	-	-	591,397
Youth services	9,443,674	-	-	-	9,443,674
	<u>79,728,207</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>79,728,207</u>
Supporting Services					
Administrative	13,390,192	-	-	-	13,390,192
Development and fundraising (includes \$351,464 in special events expenses)	1,156,686	-	-	-	1,156,686
	<u>14,546,878</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,546,878</u>
Total expenses	<u>94,275,085</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>94,275,085</u>
Change in net assets, operating & non-op. results	2,122,136	789,872	(168,417)	250,000	2,993,591
Other changes in net assets					
Operating transfer	718,852	(718,852)	-	-	-
Total other changes in net assets	<u>718,852</u>	<u>(718,852)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in unrestricted net assets					
Increase in unrestricted net assets					
Attributable to controlling interest	3,079,115	71,020	(168,417)	250,000	3,231,718
Attributable to noncontrolling interest	(238,127)	-	-	-	(238,127)
Total current year changes in net assets	<u>2,840,988</u>	<u>71,020</u>	<u>(168,417)</u>	<u>250,000</u>	<u>2,993,591</u>
Net assets, beginning of year	<u>18,300,045</u>	<u>14,635,506</u>	<u>7,430,555</u>	<u>1,046,690</u>	<u>41,412,796</u>
Net assets, end of year	<u>\$ 21,141,033</u>	<u>\$ 14,706,526</u>	<u>\$ 7,262,138</u>	<u>\$ 1,296,690</u>	<u>\$ 44,406,387</u>

See accompanying notes to the consolidated financial statements.

	Program Services					Supporting Services							
	Vocational and Social Rehabilitation	Case Management and Care	Independent Living	Research Projects	Substance Use Treatment	Youth Services	Joint Costs	Total Program Services	Administrative	Development and Fundraising	Total Supporting Services	Total 2018	Total 2017 (as restated)
Personnel													
Salaries and wages	\$ 1,718,156	\$ 25,820,032	\$ 4,946,980	\$254,020	\$386,743	\$ 4,996,230	\$ 3,920,327	\$ 42,042,488	\$ 8,076,805	\$ 452,123	\$ 8,528,928	\$ 50,571,416	\$ 51,559,992
Benefits	414,984	6,195,426	1,079,617	61,336	93,441	1,197,338	931,180	9,973,322	1,616,302	109,236	1,725,538	11,698,860	12,283,831
Consultants	125	999,894	-	81,987	88,063	204,260	212,609	1,586,938	789,292	17,594	806,886	2,393,824	1,994,371
	2,133,265	33,015,352	6,026,597	397,343	568,247	6,397,828	5,064,116	53,602,748	10,482,399	578,953	11,061,352	64,664,100	65,838,194
Program Expenses													
Member and program support costs	32,983	1,554,924	2,452,192	204	7,356	444,180	57,437	4,549,276	67,604	208,591	276,195	4,825,471	5,500,272
Supplies and provisions	15,404	390,664	351,756	4,226	8,378	171,138	159,803	1,101,369	281,383	66,817	348,200	1,449,569	1,384,479
Travel	80,793	1,105,618	96,965	8,732	6,426	61,998	68,878	1,429,410	146,199	7,580	153,779	1,583,189	1,844,394
Other staff related expenses	21,278	166,322	28,762	1,820	2,330	22,433	129,451	372,396	292,703	12,336	305,039	677,435	866,428
Occupancy	230,115	2,803,411	2,416,280	41,284	11,709	1,040,830	376,011	6,919,640	696,213	8,748	704,961	7,624,601	7,251,031
Repairs and maintenance	17,023	442,790	1,352,885	-	314	24,533	60,931	1,898,476	39,464	1,026	40,490	1,938,966	1,684,242
	397,596	6,463,729	6,698,840	56,266	36,513	1,765,112	852,511	16,270,567	1,523,566	305,098	1,828,664	18,099,231	18,530,846
Other Expenses													
Information technology	81,051	1,324,513	320,262	12,357	14,543	284,327	233,734	2,270,787	464,240	11,366	475,606	2,746,393	2,810,737
Risk management and insurance	17,283	378,704	201,426	2,447	2,933	64,373	27,251	694,417	79,052	2,043	81,095	775,512	546,275
General	291	68,682	118,358	88	2,681	4,338	148,793	343,231	831,037	33,763	864,800	1,208,031	1,052,661
Bad debt expense	-	1,452	118,477	-	-	115	1,613	121,657	676,221	-	676,221	797,878	1,231,052
	98,625	1,773,351	758,523	14,892	20,157	353,153	411,391	3,430,092	2,050,550	47,172	2,097,722	5,527,814	5,640,725
Interest	-	1	452,991	-	-	-	-	452,992	337,278	-	337,278	790,270	550,413
Depreciation	4,706	198,720	1,921,845	-	-	640	1,216,701	3,342,612	810,474	4,831	815,305	4,157,917	3,714,907
Transfer of joint and other allocated costs	278,515	4,185,466	784,417	41,177	62,691	809,896	(7,544,719)	(1,382,557)	1,309,263	73,291	1,382,554	-	-
Totals	\$ 2,912,707	\$ 45,636,619	\$ 16,643,213	\$509,678	\$687,608	\$ 9,326,629	\$ -	\$ 75,716,454	\$ 16,513,530	\$ 1,009,345	\$ 17,522,875	\$ 93,239,329	\$ 94,275,085

THE THRESHOLDS AND AFFILIATED ORGANIZATIONS
CONSOLIDATED STATEMENTS OF FUNCTIONAL EXPENSES
Year ended June 30, 2017

	Program Services					Supporting Services			
	Vocational and Social Rehabilitation	Case Management and Care	Independent Living	Research Projects	Substance Use Treatment	Youth Services	Joint Costs	Total Program Services	Total Supporting Services
Personnel									
Salaries and wages	\$ 1,980,149	\$ 27,154,387	\$ 5,077,538	\$ 268,932	\$ 325,201	\$ 4,909,883	\$ 5,637,988	45,354,078	\$ 6,205,914
Benefits	480,939	6,506,158	1,117,754	62,748	78,681	1,203,695	1,364,973	10,814,948	1,468,883
Consultants	-	935,738	9,184	78,200	80,418	168,348	174,035	1,445,923	548,448
	2,461,088	34,596,283	6,204,476	409,880	484,300	6,281,926	7,176,996	57,614,949	8,223,245
Program Expenses									
Member and program support costs	20,983	2,219,549	2,413,033	117	973	443,673	37,991	5,136,319	363,953
Supplies and provisions	26,520	440,529	416,739	1,759	8,007	221,166	64,304	1,179,024	205,455
Travel	79,403	1,346,589	91,213	7,426	3,032	68,667	95,494	1,691,824	152,570
Other staff related expenses	14,588	201,309	14,446	2,946	2,301	32,454	109,610	377,654	488,774
Occupancy	202,512	2,761,085	2,317,064	45,875	418	956,332	344,511	6,627,797	623,234
Repairs and maintenance	24,432	350,827	1,264,157	100	100	13,869	25,015	1,678,500	5,742
Allocated occupancy	-	-	-	-	-	-	-	-	-
	368,438	7,319,888	6,516,652	58,223	14,831	1,736,161	676,925	16,691,118	1,839,728
Other Expenses									
Information technology	100,071	1,454,580	343,877	15,010	14,149	284,966	176,531	2,389,184	421,553
Risk management and insurance	23,520	283,438	135,901	1,686	1,560	37,199	22,593	505,897	40,378
General	4,476	69,987	274,619	884	1,907	11,324	47,469	410,666	641,995
Bad debt expense	-	-	12,796	-	-	132,425	-	145,221	1,085,831
	128,067	1,808,005	767,193	17,580	17,616	463,914	246,593	3,430,968	2,189,757
Interest	-	1,625	225,401	-	-	-	-	227,026	323,387
Depreciation	27,675	180,465	1,876,469	-	-	1,280	860,454	2,946,343	768,564
Transfer of joint and other allocated costs	386,517	5,289,264	997,454	52,493	74,650	958,393	(8,960,968)	(1,202,197)	1,202,197
Totals	\$ 3,371,785	\$ 49,195,530	\$ 16,587,645	\$ 538,176	\$ 591,397	\$ 9,443,674	\$ -	\$ 79,728,207	\$ 14,546,878
									\$ 94,275,085

See accompanying notes to the consolidated financial statements.

THE THRESHOLD AND AFFILIATED ORGANIZATIONS
CONSOLIDATED STATEMENTS OF CASH FLOWS
Years ended June 30, 2018 and 2017

	2018	2017 (as restated)
Cash flows from operating activities		
Change in net assets	\$ 4,792,800	\$ 2,993,591
Adjustments to reconcile change in net assets to cash from operating activities		
Depreciation	4,157,917	3,714,907
Net realized and unrealized gain on investments	(377,395)	(599,974)
Net realized gain on disposition of property and equipment	(762,285)	(606,651)
Gain on interest rate swap	(149,777)	(197,658)
Provision for doubtful accounts	268,772	1,246,716
Permanently restricted contributions	(331,401)	(250,000)
Non-cash dividends received	(468,625)	(481,800)
Change in operating assets and liabilities		
Grants and fees receivable and other receivables	997,749	1,307,428
Prepaid expenses and other assets	(25,151)	(747)
Accounts payable and other liabilities	(138,622)	1,314,978
Unexpended grants	73,169	(529,862)
Net cash from operating activities	<u>8,037,151</u>	<u>7,910,928</u>
Cash flows from investing activities		
Additions to property and equipment	(12,972,252)	(7,311,637)
Proceeds from sale of property and equipment	5,671,801	610,003
Purchases of investments	(1,670,062)	(5,058,228)
Sales of investments	1,670,062	5,058,228
Investments in and advances to affiliated organizations	(72,152)	(62,215)
Additions to investments in Board designated funds	(3,138,022)	(250,000)
Withdrawals from investments in Board designated funds	2,813,676	1,000,000
Withdrawals from escrow accounts	(11,354,320)	(401,255)
Net cash from investing activities	<u>(19,051,270)</u>	<u>(6,415,104)</u>
Cash flows from financing activities		
Repayment on line of credit	(2,000,000)	(3,958,000)
Proceeds from permanently restricted contributions	331,401	250,000
(Repayment) Proceeds on mortgages payable	(2,603,552)	1,085,810
Proceeds (Repayment) from notes payable	16,584,855	(168)
Repayment of bonds payable	(192,827)	(183,350)
Net cash from financing activities	<u>12,119,877</u>	<u>(2,805,708)</u>
Net change in cash	<u>1,105,758</u>	<u>(1,309,884)</u>
Cash at beginning of year	<u>5,598,929</u>	<u>6,908,813</u>
Cash at end of year	<u>\$ 6,704,687</u>	<u>\$ 5,598,929</u>
Supplementary disclosure of cash flow information-		
Cash paid during the year for interest	<u>\$ 149,777</u>	<u>\$ 197,658</u>

THE THRESHOLDS AND AFFILIATED ORGANIZATIONS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Years ended June 30, 2018 and 2017

NOTE 1 - NATURE OF BUSINESS AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Business: The Thresholds is a nonprofit social service agency providing a comprehensive program of therapeutic support, case management, education, job training and placement and housing to individuals facing the challenge of recovery from mental illness. The Thresholds has service and residential locations throughout the Chicago metropolitan area.

Principles of Consolidation: The consolidated financial statements include the accounts of The Thresholds and its affiliated organizations (collectively known as the “Agency”), Thresholds Housing, Inc., Transitional Housing, Inc., Housing Associates, Inc., THI-4, Inc., THI-5, Inc., THI-6, Inc., THI-7, Inc., THI-8, Inc., THI-9, Inc., THI-10, Inc., THI-11, Inc., THI-12, Inc., THI-13, Inc., THI-14, Inc., THI-15, Inc., Menard Limited Partnership, Rowan Trees Limited Partnership, Wayne Street Apartments Limited Partnership, Humboldt Apartments, LLC, Humboldt Apartments Limited Partnership, Thresholds GAR, LLC and Thresholds RAD, LLC.

The Board of Directors of The Thresholds controls the management of the affiliated organizations, which are social service and supportive housing agencies. Each affiliate maintains its own financial records. The Thresholds provided services or paid certain expenses on behalf of each of the affiliates during the fiscal years ended June 30, 2018 and 2017 and has charged these amounts to each respective affiliate.

The following affiliated organizations provide individuals facing the challenge of recovery from mental illness with an independent living environment. These properties were financed with mortgages from the U.S. Department of Housing and Urban Development (HUD), City of Chicago and Illinois Housing Development Authority (IHDA), (further discussed in Note 5) and receive various rent subsidies from the above agencies.

Wholly Owned Entities:

Thresholds Housing, Inc.	719 West Aldine, Chicago
Transitional Housing, Inc.	157 West Division, Chicago
Housing Associates, Inc.	1410 East 62 nd Street, Chicago
THI-4, Inc.	1500 North Kedzie, Chicago
THI-5, Inc.	800 West Harbor, Kankakee
THI-6, Inc.	4218, 4220, 4226 South Vincennes, Chicago
THI-7, Inc.	1541-43 East Marquette, Chicago
THI-8, Inc.	3520 West Carroll, Chicago
THI-9, Inc.	3638-50 South Calumet, Chicago
THI-10, Inc.	6757 South Cornell, Chicago
THI-11, Inc.	6928 South Creiger, Chicago
THI-12, Inc.	418 South Karlov, Chicago
THI-13, Inc.	619 West 15 th Street, Chicago Heights
THI-14, Inc.	4358 South Keating, Chicago
THI-15, Inc.	Scattered site housing units
Menard Limited Partnership	334-344 North Menard, Chicago (Note 2)
Rowan Trees Limited Partnership	500 West Englewood, Chicago (Note 2)
Wayne Street Apartments Limited Partnership	6808 North Wayne, Chicago (Note 2)
Thresholds GAR, LLC	Owens 0.01 percent interest in Thresholds RAD, LLC
Humboldt Apartments, LLC	Owens 0.01 percent interest in Humboldt Apartments, LP

THE THRESHOLDS AND AFFILIATED ORGANIZATIONS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Years ended June 30, 2018 and 2017

NOTE 1 - NATURE OF BUSINESS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Other Limited Partnerships/Limited Liability Companies:

Humboldt Apartments Limited Partnership	1819 N. Humboldt, Chicago
Thresholds RAD, LLC	4423 N. Ravenswood, Chicago

The Agency is the 100 percent-owner of Humboldt Apartments, LLC. Effective November 9, 2015, Humboldt Apartments, LLC and National Equity Fund (NEF) formed a limited partnership, Humboldt Apartments Limited Partnership. Humboldt Apartments, LLC is the managing partner and 0.01 percent-owner of Humboldt Apartments Limited Partnership. Humboldt Apartments Limited Partnership provides safe, sanitary and affordable housing for low-income persons and families. The subject property at 1819 N. Humboldt was wholly owned by the Agency.

On November 9, 2015, the above property was purchased by Humboldt Apartments Limited Partnership for \$1,900,000. The purchase was financed by a seller note from the Agency to Humboldt Apartments Limited Partnership.

Humboldt Apartments Limited Partnership is considered to be a variable interest entity because the related partnership agreements and associated agreements call for Humboldt Apartments, LLC to provide certain project performance guarantees and operating deficit funding requirement.

Though 99.99 percent-owned by NEF, The Thresholds is determined to be the primary beneficiary of Humboldt Apartments Limited Partnership because agreements provide it with (1) the power to direct the activities of the entity which may significantly impact the economic performance and (2) the obligation to absorb losses that could potentially be significant to the entities. As a result, this entity has been included in the financial statements as a consolidated variable interest entity.

The Thresholds is the 100 percent-owner of certain consolidated entities including Thresholds GAR, LLC. On December 27, 2017, Thresholds GAR, LLC and Wincopin Circle, LLLP formed a limited liability company, Thresholds RAD, LLC. Thresholds GAR, LLC is the managing partner and 0.01 percent-owner of Thresholds RAD, LLC. Wincopin Circle, LLLP is the investing member with 99.99 percent-ownership interest. Thresholds RAD, LLC is considered to be a variable interest entity because the related partnership agreements and associated agreements call for Thresholds GAR, LLC to provide certain project performance guarantees and operating deficit funding requirement.

Though 99.99 percent-owned by Wincopin Circle, LLLP, The Thresholds is determined to be the primary beneficiary of Thresholds RAD, LLC because agreements provide it with (1) the power to direct the activities of the entity which may significantly impact the economic performance and (2) the obligation to absorb losses that could potentially be significant to the entities.

On December 27, 2017, Menard Limited Partnership, Rowan Trees Limited Partnership, and Wayne Street Apartments Limited Partnership donated their real estate properties and reserves located at 334 – 344 N. Menard, Chicago, IL, 500 W. Englewood, Chicago, IL, and 6808 N. Wayne, Chicago, IL, respectively, to the Housing Opportunities Development Corporation (HODC). Each property was subject to existing Illinois Housing Development Authority and City of Chicago indebtedness at the time of the transfer. The donation to HODC generated an Illinois Affordable Housing Tax Credit (IAHTC). The resulting IAHTC was sold to a third-party and proceeds loaned to Thresholds RAD, LLC in exchanged for a note receivable of \$2,458,131 at a rate of 2.64% per annum with a maturity date of December 30, 2050. Thresholds RAD, LLC assumed the liabilities related to the real estate properties.

THE THRESHOLDS AND AFFILIATED ORGANIZATIONS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Years ended June 30, 2018 and 2017

NOTE 1 - NATURE OF BUSINESS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

On December 27, 2017, Thresholds RAD, LLC purchased the above properties for \$8,125,000.

Basis of Presentation: The accompanying consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) and include all entities described in Note 1, paragraph 1 above. Accounts between the affiliates have been eliminated for consolidated reporting purposes.

Estimates: In preparing consolidated financial statements in conformity with U.S. GAAP, management makes estimates and assumptions affecting the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities as of the date of the consolidated financial statements, as well as the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Endowment Investments and Board-Designated Investments: Under U.S. GAAP, investments in marketable securities with readily determinable fair values and all investments in debt securities are valued at their fair values in the consolidated statement of financial position. Interest and dividends and unrealized gains and losses are reported as income (loss) on the consolidated statement of activities as an increase (decrease) in net assets. Interest and dividend income is recorded on the accrual basis. Realized gains and losses are recognized on a specific identification basis of cost.

Escrow Deposits: Escrow deposits comprise custodial funds (described in Note 8) and reserves required for the various housing projects. Escrow deposits consist of cash and cash equivalents.

Investments: The Agency's investments are recorded at fair value as of June 30, 2018 and 2017, and are discussed in further detail in Note 14.

The Agency's investments are exposed to various risks, such as interest rate, credit and overall market volatility. Due to these risk factors, it is reasonably possible that changes in the value of investments will occur in the near term and could materially affect the amounts reported in the consolidated statements of financial position.

Property and Equipment: Property and equipment are stated at cost or, if donated, at the approximate fair value as of the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets, which range as follows:

Building and improvements	10-25 years
Furniture, equipment, and vehicles	3-10 years

Asset Impairment: The provisions of U.S. GAAP include a requirement that long-lived assets be reviewed for impairment, in certain circumstances, by comparing the future cash flows expected from the asset to the carrying value of the asset. In management's opinion, no impairment exists as of June 30, 2018 and 2017.

THE THRESHOLDS AND AFFILIATED ORGANIZATIONS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Years ended June 30, 2018 and 2017

NOTE 1 - NATURE OF BUSINESS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Classification of Net Assets: Under U.S. GAAP, the Agency is required to report information regarding its financial position and activities according to three classes of net assets:

- Unrestricted - Net assets that are not subject to donor-imposed restrictions and include board-designated net assets.
- Temporarily Restricted - Net assets that are subject to donor-imposed restrictions that may or will be met either by actions of the Agency or the passage of time.
- Permanently Restricted - Net assets that are subject to donor-imposed restrictions to be maintained permanently by the Agency. Generally, the donors of these assets permit the Agency to use all or part of the income earned on related investments for general or specific purposes.

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

Donations of property and equipment are recorded as support at their estimated fair value as of the date of donation. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit stipulations regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Agency reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Agency reclassifies temporarily restricted net assets to unrestricted net assets at that time.

Donated Services: No amounts have been reflected for donated services because they do not meet the requirement for inclusion in the consolidated financial statements.

Functional Expenses: The costs of providing various programs, fundraising and other activities have been summarized on a functional basis in the consolidated statements of functional expenses. Accordingly, certain costs have been allocated among the programs and fundraising activities benefited based on allocation formulas developed in accordance with Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (the "Uniform Guidance"). Although the methods of allocation used are considered reasonable, other methods could be used that would produce a different amount.

Taxes: The Thresholds and Affiliated Organizations are exempt from income taxes under Section 501(c) (3) of the Internal Revenue Code and applicable state law with the exception of Humboldt Apartments, LLC, Humboldt Apartments Limited Partnership, Thresholds GAR, LLC, and Thresholds RAD, LLC. Humboldt Apartments, LLC and Thresholds GAR, LLC elect under Internal Revenue Code Section 168 (H) (6)(F) (II) not to be treated as tax-exempt for purposes of applying the rules found in Internal Revenue Code Sections 168(H) (6). Humboldt Apartments, LLC and Thresholds GAR, LLC treat their share of depreciable property owned by Humboldt Apartments Limited Partnership and Thresholds RAD, LLC, respectively, as property which is not tax-exempt-use property.

THE THRESHOLDS AND AFFILIATED ORGANIZATIONS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Years ended June 30, 2018 and 2017

NOTE 1 - NATURE OF BUSINESS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Public Support and Revenue Recognition: Public support and revenue are reported as increases in unrestricted net assets unless use of the related assets is limited by donor-imposed restrictions. Expenses are reported as decreases in unrestricted net assets. Gains and losses on other assets or liabilities are reported as an increase or decrease in unrestricted net assets unless explicit donor stipulation or law restricts their use.

Contributions, including unconditional promises to give and certain grants, are recorded when pledged by the donor. All contributions are available for unrestricted use unless specifically restricted by the donor. Conditional promises to give and certain grants are recognized when the conditions on which they depend are substantially met. Unconditional promises to give and certain grants due in the next year are recorded at net realizable value.

Revenue from Medicaid services, government grants and contracts designated for use in specific activities is recognized in the period when expenditures have been incurred in compliance with the grantor's restrictions. Any of the funding sources may, at its discretion, request reimbursement for expenses or return of funds, or both, as a result of noncompliance by the Agency with the terms of the grants and contracts. Receivables are recorded related to these grants and fees if the funds are not collected prior to incurring those expenditures. Management reviews these receivables periodically and records an allowance for doubtful accounts as necessary. See Note 3.

Unexpended grants are a result of the Agency receiving funds in advance of performing the activities stated in the grant agreement. Unexpended grants are recognized as revenue once the restriction has been fulfilled and the expenditures incurred.

The Agency may provide services to persons who do not have the ability to pay. Accordingly, the Agency may not receive reimbursement for services and residential assistance provided to certain persons. Revenue recognition for these services is based on management's estimate of net payments to be received and as such, no write-offs are associated with these services.

Adoption of New Accounting Pronouncements: In January 2017, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2017-01, *Business Combinations (Topic 804): Clarifying the Definition of a Business*. This ASU clarifies the definition of a business with the objective of adding guidance to assist entities with evaluating whether transactions should be accounted for as acquisitions or disposals of assets or businesses. The Agency elected, as permitted by the standard, to early adopt ASU 2017-01 prospectively as of July 1, 2017. As a result of the implementation of this update, certain property acquisitions which under previous guidance were accounted for as business combinations are now accounted for as acquisitions of assets. In an acquisition of assets, certain acquisition costs are capitalized as opposed to expensed under previous guidance.

Upcoming Accounting Change: The Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) No. 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities*, in August 2016. ASU No. 2016-14 requires significant changes to the financial reporting model of organizations that follow FASB not-for-profit rules, including changing from three classes of net assets to two classes: net assets with donor restrictions and net assets without donor restrictions. The ASU will also require changes in the way certain information is aggregated and reported by the Agency, including required disclosures about the liquidity and availability of resources. The new standard is effective for the Agency's year ending June 30, 2019 and thereafter and must be applied on a retrospective basis. The Agency has determined that the standard will have an impact on the financial statements by changing the reporting of net asset classes and requiring liquidity

THE THRESHOLDS AND AFFILIATED ORGANIZATIONS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Years ended June 30, 2018 and 2017

NOTE 1 - NATURE OF BUSINESS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

and availability disclosures. The Agency is currently gathering appropriate information to implement these disclosure changes in a timely manner.

Upcoming Accounting Change: In May 2014, the Financial Accounting Standards Board issued Accounting Standards Update (ASU) No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*, which will supersede the current revenue recognition requirements in Topic 605, *Revenue Recognition*. The ASU is based on the principle that revenue is recognized to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The ASU also requires additional disclosure about the nature, amount, timing, and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in judgments and assets recognized from costs incurred to obtain or fulfill a contract. The new guidance will be effective for the Agency's year ending June 30, 2020. The ASU permits application of the new revenue recognition guidance to be applied using one of two retrospective application methods: retrospectively to each period presented (full retrospective method) or retrospectively with the cumulative effect of initially applying the guidance recognized at the date of initial application (the cumulative catch-up transition method). The Agency will most likely adopt the cumulative catch-up transition method if implementation of the standard does not result in a significant adjustment. During management's evaluation of the various revenue contracts, management determined contracts related to service fee revenue may have a significant impact on the timing of recognizing revenue. Additionally, there will be new disclosures related to revenue from contracts with customers.

Upcoming Accounting Change: In February 2016, the Financial Accounting Standards Board issued ASU No. 2016-02, *Leases*, which will supersede the current lease requirements in ASC 840. The ASU requires lessees to recognize a right-of-use asset and related lease liability for all leases, with a limited exception for short-term leases. Leases will be classified as either finance or operating, with the classification affecting the pattern of expense recognition in the statement of operations. Currently, leases are classified as either capital or operating, with only capital leases recognized on the balance sheet. The reporting of lease-related expenses in the statements of operations and cash flows will be generally consistent with the current guidance. The new lease guidance will be effective for the Agency's year ending June 30, 2021 and will be applied using a modified retrospective transition method to the beginning of the earliest period presented. The new lease standard is expected to have a significant effect on the Agency's statement of financial position as a result of the leases for office space classified as operating leases as disclosed in Note 11. The new lease guidance is expected to significantly increase long-term assets and lease liabilities upon adoption. The effects on the consolidated statement of activities are not expected to be significant as recognition and measurement of expenses and cash flows for leases will be substantially the same under the new standard.

Upcoming Accounting Change: In June 2018, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update 2018-08, *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*, which provides enhanced guidance to assist entities in (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) or as exchange (reciprocal transactions) and (2) determining whether a contribution is conditional. The accounting guidance will result in more governmental contracts being accounted for as contributions and may delay revenue recognition for certain grants and contributions that no longer meet the definition of unconditional. The new guidance will be effective for the Agency's year ending June 30, 2020 and will be applied on a modified prospective basis. The Agency does not expect the standard to have a significant impact on the timing of revenue recognition for government grants and contracts but has not yet determined the impact on the timing of recognition of foundation and individual grants and contributions.

THE THRESHOLDS AND AFFILIATED ORGANIZATIONS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Years ended June 30, 2018 and 2017

NOTE 1 - NATURE OF BUSINESS AND SIGNIFICANT ACCOUNTING POLICIES (Continued)

Reclassification: Certain balances in the 2017 statement of activities and 2017 statement of functional expenses have been restated to conform to 2018 standards. 'Other non-operating income' was distinguished from 'Other income' in the 2017 statement of activities. 'Substance Use Treatment' program services are segregated from 'Case Management and Care' services in the 2017 statement of functional expenses.

Subsequent Events: The Agency has evaluated subsequent events through March 14, 2019, the date the 2018 consolidated financial statements were available to be issued.

THE THRESHOLDS AND AFFILIATED ORGANIZATIONS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Years ended June 30, 2018 and 2017

NOTE 2 - INVESTMENTS IN, ADVANCES TO, AND NOTES TO AFFILIATED ORGANIZATIONS

The Agency has invested certain amounts that represent startup costs or contributed capital in affiliated organizations. These partnerships are accounted for using the equity or cost method. Those amounts as of June 30, 2018 and 2017 are as follows:

Investment in Affiliates	Ownership	2018	2017
BT-Diplomat, LLC	0.0026% Managing Member	\$ 432,000	\$ 432,000
Illinois Health Practice Alliance LLC	1.0172% Member Interest	40,000	-
		<u>\$ 472,000</u>	<u>\$ 432,000</u>
Advances to (from) Affiliate			
BT-Diplomat, LLC		\$ 30,736	\$ 37,002
BT-Diplomat Manager, LLC		-	135
Wayne Street Apartments Limited Partnership		15,942	15,941
Rowan Trees Limited Partnership		5,309	5,308
Menard Limited Partnership		11,430	11,429
Humboldt Apartments, LLC		-	8,129
Thresholds RAD, LLC		(895)	-
THI-15, Inc.		312	-
Wincopin Circle, LLLP		(409)	-
Total Investment in and Advances to Affiliates		<u>\$ 534,424</u>	<u>\$ 509,944</u>
Notes to Affiliate			
BT-Diplomat, LLC, including accrued interest		<u>\$ 2,848,091</u>	<u>\$ 2,800,419</u>
Total Notes to Affiliate		<u>\$ 2,848,091</u>	<u>\$ 2,800,419</u>

On November 15, 2012, the Agency and co-developer Brinshore Development, LLC ("Brinshore") entered into a Development Agreement with BT-Diplomat, LLC, an Illinois limited liability company, formed for the purpose of acquiring, developing and rehabilitating a 51-unit multi-family housing facility located in Chicago, Illinois to be known as Buffet Place (the "Project"). The Project was ready for occupancy and opened in January 2014. In conjunction with this transaction, during fiscal year 2013, Thresholds received an Affordable Housing Program Grant in the amount of \$374,000 from One Mortgage Partners Corp. in the form of a note payable, more fully described in Note 5. Additionally, on December 17, 2013, the Agency received a grant from the Illinois Clean Energy Community Foundation to be applied toward the installation of a solar thermal system in the Project in the amount of \$48,000. Funds from these grants were utilized as capital contributions to BT-Diplomat, LLC, giving the Agency an effective equity interest in BT-Diplomat, LLC of 0.0026 percent.

THE THRESHOLDS AND AFFILIATED ORGANIZATIONS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Years ended June 30, 2018 and 2017

**NOTE 2 - INVESTMENTS IN, ADVANCES TO, AND NOTES TO AFFILIATED ORGANIZATIONS
(Continued)**

Additionally, this transaction was facilitated by a land and donation credits contribution from the City of Chicago to the Agency, conditioned on their transfer to BT-Diplomat, LLC for their fair value, which has been evidenced by two notes receivable from BT-Diplomat, LLC to the Agency in amounts of \$1,780,000 and \$814,076, respectively. The former note accrues interest with annual compounding at a rate of 2.4 percent per annum, payable at maturity, and the latter does not accrue interest during its term. Interest accrued through June 30, 2018 and June 30, 2017 totaled \$254,015 and \$206,343, respectively. The notes, and accrued and unpaid interest, are due and payable on November 15, 2052 ("Maturity Date"). Based on the restricted nature of the note receivable resulting from the contribution to the Agency from the City of Chicago, the fair value of the contribution has been recognized as a temporarily restricted net asset, and will be transferred to operating net assets at the time the note is repaid.

On January 18, 2018, the Agency acquired one membership interest in Illinois Health Practice Alliance LLC giving the Agency an effective equity interest of 1.724 percent.

NOTE 3 - GRANTS AND FEES RECEIVABLE

Grants and fees receivable as of June 30, 2018 and 2017 consisted of the following:

	2018	2017
State of Illinois		
Division of Rehabilitation Services (DHS)	\$ 198,980	\$ 220,518
Division of Mental Health (DHS)	625,731	2,357,554
Department of Human Services - Other	93,146	159,093
Department of Healthcare & Family Services	2,598,460	2,684,318
Department of Children and Family Services	310,433	485,951
State of Illinois - Other	103,053	-
	<u>3,929,803</u>	<u>5,907,434</u>
City of Chicago	263,321	423,761
Local Boards of Education	140,109	199,637
U.S. Department of Housing and Urban Development	1,713,999	641,327
Local government support	221,799	121,382
Managed Care Organizations	8,498,172	7,775,806
Commercial Insurance Carriers	33,887	-
Other	607,207	1,285,016
Allowance for doubtful accounts	<u>(4,547,093)</u>	<u>(4,659,167)</u>
	<u>\$10,861,203</u>	<u>\$11,695,195</u>

THE THRESHOLDS AND AFFILIATED ORGANIZATIONS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Years ended June 30, 2018 and 2017

NOTE 4 - PROPERTY AND EQUIPMENT

Property and equipment are stated at cost and consisted of the following as of June 30, 2018 and 2017:

	2018	2017
Land	\$ 3,146,873	\$ 2,394,222
Buildings and improvements	56,848,617	57,380,051
Furniture, equipment and vehicles	16,436,116	15,890,670
	<u>76,431,606</u>	<u>75,664,942</u>
Accumulated Depreciation	<u>(38,418,089)</u>	<u>(41,551,382)</u>
	<u>\$ 38,013,517</u>	<u>\$ 34,113,560</u>

On February 28, 2017, the Agency sold the property at 2204 Shermer Road, Glenview, IL 60025. This sale resulted in a gain of \$596,647. On December 29, 2017, the Agency sold the property at 7547 N. Ridge, Chicago, IL 60645. This sale resulted in a gain of \$230,129. On December 27, 2017, the Agency transferred the following properties 334 – 344 N. Menard, Chicago, IL, 500 W. Englewood, Chicago, IL, and 6808 N. Wayne, Chicago, IL. These transfers resulted in a net gain of \$504,782. Refer to Note 1 for details.

NOTE 5 - DEBT

Short-term Borrowings: Effective March 15, 2018, Thresholds renewed its line of credit of \$4 million with MB Financial Bank. The line of credit is secured by the general business assets of the Agency and is due on March 15, 2019. This line bears an interest rate equal to the prevailing LIBOR plus 210 basis points and is payable on demand. Previously, the line had an interest rate equal to prevailing LIBOR plus 225 basis points. As of June 30, 2018 and 2017, the outstanding balance was \$0 and \$2,000,000 with an effective interest rate of 4.46 and 3.42 percent, respectively. There are no fees for maintaining this line of credit.

On March 15, 2018, Thresholds renewed its line of credit of \$7 million with MB Financial Bank. The line of credit is secured two investment accounts of the Agency which must maintain a minimum market value of \$9,334,000 and is due on March 15, 2019. The line bears interest equal to the prevailing LIBOR plus 150 basis points. As of June 30, 2018 and 2017, there was no outstanding balance with an effective interest rate of 3.86 and 2.67 percent, respectively.

On January 10, 2019, Thresholds secured a line of credit of \$4 million with MB Financial Bank. The line of credit is secured by the general business assets of the Agency and is due on March 15, 2020. This line bears an interest rate equal to the prevailing LIBOR plus 210 basis points and is payable on demand. There are no fees for maintaining this line of credit.

THE THRESHOLDS AND AFFILIATED ORGANIZATIONS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Years ended June 30, 2018 and 2017

NOTE 5 - DEBT (Continued)

On January 10, 2019, Thresholds secured a line of credit of \$7 million with MB Financial Bank. The line of credit is secured by two investment accounts of the Agency which must maintain a minimum market value of \$9,334,000 and is due on March 15, 2020. This line bears an interest rate equal to the prevailing LIBOR plus 150 basis points and is payable on demand. There are no fees for maintaining this line of credit.

Bonds Payable: Pursuant to an agreement with the Illinois Finance Authority ("IFA"), The Thresholds received \$8,000,000 in financing from the proceeds of the sale of IFA Adjustable Rate Demand Revenue Bonds, Series 2005 ("IFA Bonds"). The proceeds were used to finance the acquisition, construction and renovation of facilities at 1110 West Belmont, 4423 North Ravenswood, and 4101 North Ravenswood, all in Chicago.

Effective November 1, 2010, a First Amendment to the IFA Bonds ("Amended IFA Bonds") was executed between The Thresholds and IFA, which among other things increased the outstanding principal amount of the bonds by \$130,000 to \$6,730,000. Concurrently, IFA executed an Amended and Restated Indenture of Trust ("Amended Indenture") with The Bank of New York Mellon Trust Company, N.A. as Trustee, which among other things facilitated transferring ownership of 100 percent in the aggregate principal amount of the bonds to MB Financial Bank, N.A. ("MB Financial"). The bonds shall mature, subject to prior redemption and acceleration, on November 5, 2035. From November 1, 2010 through and including November 5, 2020 ("Initial Interest Rate Period"), the bonds shall bear interest at a Variable Direct Purchase Rate, as defined in the Amended Indenture. Following the Initial Interest Rate Period, interest on the bonds will be recalculated based on then-current market terms as provided in the Amended Indenture. Concurrently with the execution of the Amended IFA Bonds and the Amended Indenture, the Agency entered into a Security Agreement with MB Financial as the secured party. The Agency provided the properties commonly known as 4423 North Ravenswood, 4101 North Ravenswood, 2700 Lake View, 1110 West Belmont, 4219 North Lincoln, and 12135-12145 Western Avenue in Blue Island (the latter two properties effective in fiscal year 2015) as perfected collateral and security for the bonds as more fully described in the Security Agreement. As of June 30, 2018 and 2017, bonds payable were \$5,471,853 and \$5,664,680, respectively. Based on the variable nature of the bonds reflected in quarterly movements in LIBOR, the carrying value of the debt approximated its fair value for the years ended June 30, 2018 and 2017.

A portion of the Agency's interest rate risk on the bonds is managed through the use of an interest rate swap. Refer to Note 12 for details and the impact on the interest expense on the bonds for the years ended June 30, 2018 and 2017.

Mortgage Loans Payable: Land and buildings owned by Thresholds Housing, Inc. are subject to a first mortgage loan on which \$577,828 and \$108,010 was owed as of June 30, 2018 and 2017, respectively. The mortgage (held by First Bank of Highland Park) provides for payments of monthly installments of \$3,323 (including 5.5 percent interest), until maturity in 2038.

Land and buildings owned by Transitional Housing, Inc. are subject to a federally insured first mortgage loan on which \$578,147 and \$627,279 was owed as of June 30, 2018 and 2017, respectively. The mortgage held by HUD provides for payments of monthly installments of \$8,206 (including 9.25 percent interest), until maturity in 2026.

Land and buildings owned by Housing Associates, Inc. are subject to a first mortgage loan on which \$1,170,603 and \$708,206 was owed as of June 30, 2018 and 2017, respectively. The mortgage held by First Bank of Highland Park provides for payment of monthly installments of \$6,731 (including 5.5 percent interest), until maturity in 2038.

THE THRESHOLDS AND AFFILIATED ORGANIZATIONS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Years ended June 30, 2018 and 2017

NOTE 5 - DEBT (Continued)

The land and buildings owned by THI-4, Inc., THI-5, Inc., THI-6, Inc., THI-7, Inc., THI-8, Inc., THI-9, Inc., THI-10, Inc., THI-11, Inc., THI-12, Inc., THI-13, Inc., and THI-14, Inc. are subject to first mortgage capital advances from HUD totaling \$6,658,400 as of June 30, 2018 and 2017, which mature between 2034 and 2040. On the maturity date, the notes will be deemed to be paid and discharged. The notes bear no interest during their term provided the housing remains available to very low-income elderly and disabled persons and the notes do not come due unless there is a default under the terms of the notes, mortgages or regulatory agreements. If default by the borrower occurs, the holder of the note has the option to make the principal amount come due without notice and bear interest at rates between 5.750 to 7.875 percent. In addition, monthly deposits for taxes, insurance and replacement reserves are required.

The land and apartment units owned by THI-15, Inc. are subject to first mortgage notes from Illinois Housing Development Authority totaling \$2,261,737 as of June 30, 2018 and 2017. The mortgage notes mature thirty (30) years from the construction completion date on individual units as defined in the grant agreement, which ranges between 2043 and 2044. On the maturity date, the notes will be deemed to be paid and discharged. The notes bear no interest during their term and the notes do not come due unless there is a default under the terms of the notes, mortgages or regulatory agreements. If default by the borrower occurs, the holder of the note has the option to make the principal amount come due without notice and bear interest at rates of the lesser of 5 percent per annum and the maximum interest rate permitted by law. In addition, monthly deposits for taxes, insurance and replacement reserves are required.

Land and buildings owned by Menard Limited Partnership were subject to a first mortgage with Chicago Department of Housing, in the original amount of \$1,328,000 dated August 11, 1994, with no interest. Principal payments of \$105,560 were made in June 2010, January 2011, and January 2013. On December 27, 2017, the land and buildings were donated and associated mortgages assumed paid in full. Refer to Note 1 for details. The principal balance outstanding as of June 30, 2017 was \$1,011,137.

Land and buildings owned by Menard Limited Partnership were additionally subject to a second mortgage with Illinois Housing Development Authority, in the original amount of \$500,000 dated August 11, 1994, with no interest. On December 27, 2017, the land and buildings were donated and associated mortgages paid in full. Refer to Note 2 for details. The principal balance outstanding as of June 30, 2017 was \$500,000.

Land and buildings owned by Rowan Trees Limited Partnership were subject to a first mortgage with Illinois Housing Development Authority under its HOME program in the original amount of \$1,817,891 dated October 16, 1996, with no interest and monthly principal payments equal to the greater of \$100 or the Partnership's residual receipts. On December 27, 2017, the land and buildings were donated and associated mortgages assumed by Thresholds RAD, LLC. Refer to Note 2 for details. The principal balance outstanding was \$1,727,793 and \$1,728,393 as of June 30, 2018 and 2017, respectively.

Land and buildings owned by Wayne Street Apartments Limited Partnership were subject to a first mortgage with Illinois Housing Development Authority under its HOME program in the original amount of \$1,750,216 dated October 14, 1998, with no interest and monthly principal payments equal to the greater of \$500 or the Partnership's residual receipts. On December 27, 2017, the land and buildings were donated and associated mortgages assumed by Thresholds RAD, LLC. Refer to Note 2 for details. The principal balance outstanding was \$1,641,215 and \$1,644,215 as of June 30, 2018 and 2017, respectively.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Years ended June 30, 2018 and 2017

NOTE 5 - DEBT (Continued)

Land and buildings owned by Humboldt Apartments Limited Partnership are subject to a first mortgage loan on which \$633,309 was owed as of June 30, 2018. The mortgage held by MB Financial Bank provides for payment of monthly installments of \$3,756 (including 5.66 percent interest), until maturity in 2032.

Land and buildings owned by Humboldt Apartments Limited Partnership were subject to a construction loan bearing interest at a floating rate per annum equal to the LIBOR rate plus 2.25 percent. The mortgage was held by MB Financial Bank and was due at maturity in 2017. The principal balance outstanding was \$0 and \$1,722,542 as of June 30, 2018 and 2017, respectively.

Notes Payable: Notes payable consisted of the following obligations of the Agency as of June 30, 2018 and 2017:

	2018	2017
Note payable to MB Financial Bank to finance the investment affiliate organization, BT-Diplomat, LLC (Note 2), for the acquisition, development, and rehabilitation of a 51-unit multi-family affordable housing rental apartment building. The note matures fifteen (15) years after completion of the building as determined by the Federal Housing Finance Agency, which is estimated to occur during 2028. The note will not amortize and bears no interest during its term and will be deemed paid and discharged at maturity provided there is no default under the terms of the note and related affordable housing regulatory agreement as further detailed per the terms of the agreement.	\$ 374,000	\$ 374,000
Note payable to finance the upgrades to Humboldt Apartments Limited Partnership. The note matures fifteen (15) years after completion of the building as determined by the Federal Home Loan Bank Affordable Housing Program, which is estimated to occur during 2032. The note will not amortize and bears no interest during its term and will be deemed paid and discharged at maturity provided there is no default under the terms of the note and related affordable housing regulatory agreements as further detailed per the terms of the agreement.	540,000	-

THE THRESHOLDS AND AFFILIATED ORGANIZATIONS
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Years ended June 30, 2018 and 2017

Note payable to the Illinois Development Housing Authority to finance construction and renovations at Thresholds RAD, LLC properties (Menard, Rowan, Wayne). The note matures on December 1, 2050. The note will not amortize and bears no interest during its term and will be deemed paid and discharged at maturity provided there is no default under the terms of the note and related affordable housing regulatory agreements as further detailed per the terms of the agreement.

1,500,000 -

Note payable to the Housing Opportunity Development Corporation for the purchase of the Thresholds RAD, LLC properties. The note matures on December 1, 2050. 2.64% annual compounding interest is due at maturity.

3,244,855 -

Note payable to Bank of America to finance construction and renovations at Thresholds RAD, LLC properties. The note matures on December 1, 2020. LIBOR Daily Floating Rate plus two hundred (200) basis points per annum interest compounds annually.

11,300,000	-
16,958,855	374,000

Maturities of the debts described above are as follows:

	Bonds Payable	Mortgages	Notes Payable	Total
2018	\$ 99,863	\$ 34,510	\$ -	\$ 134,373
2019	207,058	73,584	-	280,642
2020	217,760	79,455	11,300,000	11,597,215
2021	229,015	86,392	-	315,407
2022	240,852	93,658	-	334,510
Thereafter	4,477,305	14,880,832	5,658,855	25,016,992
Less unamortized debt issuance cost	-	(495,133)	-	(495,133)
	\$ 5,471,853	\$ 14,753,299	\$ 16,958,855	\$ 37,184,007

THE THRESHOLDS AND AFFILIATED ORGANIZATIONS
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Years ended June 30, 2018 and 2017

NOTE 6 - EMPLOYEE BENEFITS

The Thresholds maintains a 401(a) defined contribution retirement plan that provides retirement, disability, death, and severance benefits for eligible employees. The Thresholds' annual contributions to the plan, which are discretionary, are 1 to 9 percent of an employee's compensation, depending on an employee's length of service. The plan is a self-administered plan and is intended to be in compliance with the provisions of the Internal Revenue Code. The Thresholds may at any time terminate its participation in the plan. The Thresholds suspended contributions to the plan in fiscal years 2018 and 2017.

The Thresholds has a 403(b) tax sheltered annuity plan covering all employees. Employees may elect to defer wages subject to IRS limits. The Thresholds matched the first 1 percent of the deferred wages for the years ended June 30, 2018 and 2017. The Agency's contribution was \$224,299 and \$217,875 for fiscal years 2018 and 2017, respectively.

NOTE 7 - BOARD-DESIGNATED FUNDS

The Thresholds' board-designated funds comprise funds designated by the Board of Directors to function as endowments, described in detail in Note 10, and special purpose Board of Director-designated funds.

Special purpose Board of Director-designated funds are reserves established by the Board from unrestricted funds to meet specific identified obligations arising from the Agency's planned activities. These funds are governed by financial policies approved by the Board of Directors to direct the allowed use of funds and authority to use funds. Additionally, the financial policies establish investment criteria to ensure funds are prudently invested to meet the funds' anticipated use.

NOTE 8 - CUSTODIAL FUND

Social Security payments and insurance benefits received on behalf of members are deposited in custodial accounts maintained at various program sites. The funds are deposited in several noninterest-bearing bank accounts. The funds are owed to the members and are available for their benefit and are payable to them on demand when the individuals are able to manage their own affairs.

THE THRESHOLDS AND AFFILIATED ORGANIZATIONS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Years ended June 30, 2018 and 2017

NOTE 9 - TEMPORARILY RESTRICTED ASSETS

Name	2018	2017
A.G. Becker Endowment	\$ 523,191	\$ 472,216
Access & Implementation Programs	212,988	-
Clinical Leadership & Services	200	-
Quality	9,465	-
Admin Information Technology	-	235,048
Administrative Support	26,030	37,300
Bridge South	200	-
BT - Diplomat, LLC	2,594,076	2,594,076
Capital Campaign	755,630	1,128,694
Creative Arts Program	-	500
Deb Carroll House	-	40,506
Dental Program	63,266	53,932
Endowment Earnings	41,523	1,155,323
Justice Programs	94,933	22,500
Lake County Programs	8,750	18,750
McHenry County Program	9,832	5,102
Mobile Assessment	5,000	5,000
North Suburbs Program	95,000	204,175
Northside Housing	55,100	-
Peer Success Programs	-	1,000
Private Access	11,223	-
Property Management	14,498	-
Rebecca Susan Buffett Foundation	83,921	72,326
Strategic Vision	500,000	806,015
Substance Use Treatment	149,479	-
Supported Employment	-	54,000
The Mothers' Program	55,537	71,928
Thomas Cornell Member Support Endowment	29,394	2,128
Veterans Program	355,524	278,699
Vocation Program	60,000	-
Williams Coordination	22,567	-
Youth and Mothers' Programs	-	2,922
	<u>\$ 5,777,330</u>	<u>\$ 7,262,138</u>

All donor restricted balances above are restricted for specific purposes. Of these balances, there are \$842,850 and \$1,129,045, as of June 30, 2018 and 2017, respectively, in temporarily restricted net assets with time restrictions.

THE THRESHOLDS AND AFFILIATED ORGANIZATIONS
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Years ended June 30, 2018 and 2017

NOTE 10 - ENDOWMENT

The portion of the Agency's endowment funds classified as permanently restricted net assets is invested in perpetuity and consists of the following:

	<u>2018</u>	<u>2017</u>
A.G. Becker Endowment	\$ 483,027	\$ 483,027
Roger O. Brown Endowment	485,409	485,409
Thomas Cornell Member Support Endowment	581,400	250,000
Rae Epstein Endowment	<u>78,254</u>	<u>78,254</u>
	<u>\$ 1,628,091</u>	<u>\$ 1,296,690</u>

Income from the Roger O. Brown Endowment Fund and the Rae Epstein Memorial Fund are unrestricted in nature. It is Agency policy to report unrestricted endowment income as temporarily restricted net assets until approval for the appropriation of expenditures is obtained by the Agency's Board of Directors (Note 9). Income from the A.G. Becker Endowment Fund is temporarily restricted, with a limited distribution of income permitted subject to limitations described in the agreement letter. Income from the Thomas Cornell Member Support Endowment is temporarily restricted, with a limited distribution of income permitted subject to limitations described in the agreement letter.

Endowment

The Agency's endowment funds include both donor-restricted endowment funds and funds designated by the Board of Directors to function as endowments. As required by U.S. GAAP, net assets associated with endowment funds, including funds designated by the Board of Directors to function as endowments, are classified and reported based on existences or absences of donor-imposed restrictions.

Interpretation of Relevant Law

The Board of Directors of The Thresholds has interpreted the Uniform Prudent Management of Institutional Funds Act (UPMIFA), which was enacted by the State of Illinois on June 30, 2009, as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the Agency classifies as permanently restricted net assets (1) the original value of gifts donated to the permanent endowment and (2) the original value of subsequent gifts to the permanent endowment. The portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the Agency.

THE THRESHOLDS AND AFFILIATED ORGANIZATIONS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Years ended June 30, 2018 and 2017

NOTE 10 – ENDOWMENT (Continued)

In accordance with UPMIFA, the Agency considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds:

1. The duration and preservation of the fund
2. The purposes of the donor-restricted endowment funds
3. General economic conditions
4. Possible effects of inflation or deflation
5. The expected total return from income and the appreciation of investments
6. Other resources of the Agency
7. The investment policy of the Agency

Return Objectives and Risk Parameters

The Thresholds has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowment. Endowment assets include those assets of donor-restricted funds that the Agency must hold in perpetuity or for a donor specified period(s) as well as board-designated funds. Under this policy, the investment objectives of the Endowment Fund are to preserve, protect, and grow the Agency's assets, as well as the maintenance of sufficient liquid reserves to meet obligations arising from planned activities. To accomplish these goals, the Endowment Fund will be diversified among various asset classes with the goal of reducing volatility of return, and among various issuers of securities to reduce non-systematic, single issuer, principle risk. Additionally, the Endowment Fund will maintain liquidity in the portfolio sufficient to meet obligations as they arise over time. Investment performance is evaluated against a comparable index based on the allocation of the fund assets to various broad asset classes. The overall investment performance objective is to meet or exceed the total fund portfolio benchmark return over a market cycle, consistent with acceptable volatility characteristics.

Spending Policy and How the Investment Objectives Relate to Spending Policy

The allowed use of permanently restricted funds is limited and governed by specific donor restrictions. Where no specific external restrictions exist, such as Board-Designated Endowment Funds, specific Board approval is required to appropriate funds, the approval of which will be identified and incorporated in the Agency Annual Budget, or specific Board Resolution. This is consistent with the Agency's objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

There were no Board of Directors approved appropriations in fiscal years 2018. Thresholds' Board of Directors approved appropriations of \$89,025 in fiscal year 2017.

Strategies Employed for Achieving Objectives

To satisfy its long-term rate-of-return objectives, the Agency relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Agency targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

THE THRESHOLDS AND AFFILIATED ORGANIZATIONS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Years ended June 30, 2018 and 2017

NOTE 10 - ENDOWMENT (Continued)

Endowment net asset composition by type of fund as of June 30, 2018:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds	\$ -	\$ 594,108	\$ 1,628,091	\$ 2,222,199
Board-designated endowment funds	5,293,605	-	-	5,293,605
Total Funds	\$ 5,293,605	\$ 594,108	\$ 1,628,091	\$ 7,515,804
 Endowment net assets, beginning of year	 \$ 3,743,716	 \$ 1,629,667	 \$ 1,296,690	 \$ 6,670,073
Investment Income	84,410	39,346	-	123,756
Net Appreciation (realized and unrealized)	297,704	92,870	-	390,574
Total Investment Return	\$ 382,114	\$ 132,216	\$ -	\$ 514,330
Contributions (Note 10)	-	-	331,401	331,401
Appropriation of endowment assets for expenditures	1,167,775	(1,167,775)	-	-
Endowment net assets, end of year	\$ 5,293,605	\$ 594,108	\$ 1,628,091	\$ 7,515,805

Endowment net asset composition by type of fund as of June 30, 2017:

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Donor-restricted endowment funds		\$ 1,629,667	\$ 1,296,690	\$ 2,926,357
Board-designated endowment funds	3,743,716			3,743,716
Total Funds	\$ 3,743,716	\$ 1,629,667	\$ 1,296,690	\$ 6,670,073
 Endowment net assets, beginning of year	 \$ 3,006,302	 \$ 1,595,411	 \$ 1,046,690	 \$ 5,648,403
Investment Income	63,937	53,719	-	117,656
Net Appreciation (realized and unrealized)	281,923	236,866	-	518,789
Total Investment Return	\$ 345,860	\$ 290,585	\$ -	\$ 636,445
Contributions (Note 10)	\$ -	\$ -	\$ 250,000	\$ 250,000
Appropriation of endowment assets to Special Purpose Board Designated Fund	\$ (89,025)	\$ -	\$ -	\$ (89,025)
Appropriation of funding	\$ 224,250	\$ -	\$ -	\$ 224,250
Appropriation of endowment assets for expenditures	256,329	(256,329)	-	-
Endowment net assets, end of year	\$ 3,743,716	\$ 1,629,667	\$ 1,296,690	\$ 6,670,073

THE THRESHOLDS AND AFFILIATED ORGANIZATIONS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Years ended June 30, 2018 and 2017

NOTE 11 - LEASE OBLIGATIONS

The Agency occupies office space and certain independent living facilities under long-term leases, the last of which expires in 2027.

The approximate total minimum annual rental payments under the above leases are as follows:

2018	\$	258,718
2019		2,374,359
2020		1,721,867
2021		1,333,911
2022		1,250,687
2023		984,759
Thereafter		<u>3,763,924</u>
	\$	11,688,224

NOTE 12 - INTEREST RATE SWAP

Effective January 1, 2005, The Thresholds began limited use of an interest rate swap for the purpose of managing interest rate risks. Interest rate swap agreements are used to convert floating rate long term debt to a fixed rate (Note 5). The change in fair value of these instruments is recorded as a movement in the consolidated statements of activities. The increase in the fair value of the interest rate swaps for the fiscal year ended June 30, 2018 was \$149,776 and the increase in the fair value of the interest rate swaps for the fiscal year ended June 30, 2017 was \$197,658.

The following table presents the amounts and locations of the amounts relating to the Agency's interest rate swap in the Agency's consolidated financial statements as of and for the years ended June 30, 2018 and 2017.

Statement of Financial Position	<u>2018</u>	<u>2017</u>
Location - Liabilities		
Interest Rate Swap	\$ 94,125	\$ 243,902
Statement of Functional Expenses Information		
Location - Interest expense		
Amount of loss (gain)	\$ (149,777)	\$ (197,658)
Net interest payment	\$ 80,374	\$ 106,640

The Thresholds entered into an interest rate swap agreement with MB Financial effective from November 1, 2010, totaling \$5,700,000 in notional principal and amortizing per the terms of the swap agreement through November 5, 2020.

THE THRESHOLDS AND AFFILIATED ORGANIZATIONS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Years ended June 30, 2018 and 2017

NOTE 12 - INTEREST RATE SWAP (Continued)

The notional principal amount outstanding as of June 30, 2018 and 2017 was \$4,648,245 and \$4,810,880, respectively. This agreement effectively changes the Agency's interest rate exposure on its portion of the floating rate bonds to 5.03 percent. The Agency paid the counterparties interest at fixed rates as noted, and the counterparties paid the Agency interest at a variable rate equal to three-month USD-Libor-BBA plus a spread of 2.24 percent, multiplied by 69 percent. The swaps resulted in a payment to the counterparties of \$80,374 and \$106,640 for the years ended June 30, 2018 and 2017, respectively.

The Agency is exposed to credit-related losses in the event of nonperformance by the counterparties to these financial instruments. However, the counterparties to these agreements are major financial institutions and the risk of loss due to nonperformance is considered by management to be minimal. The Agency does not hold or issue interest rate swaps for trading purposes.

NOTE 13 - CONCENTRATIONS

All grants and fees from government agencies were derived under federal, state, city and third-party reimbursement programs in the fiscal years ended June 30, 2018 and 2017.

The Agency has deposits in excess of insurable limits at financial institutions. The Agency has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash. Additionally, the Agency receives a substantial portion of its support from the State of Illinois in the form of various grants to provide human services that are offered to the general public. This support totaled 68 percent of total revenue for the fiscal years ended June 30, 2018 and 2017. As of June 30, 2018 and 2017, the Agency had receivables from the State of Illinois amounting to \$3,929,803 and \$5,907,434, respectively.

THE THRESHOLDS AND AFFILIATED ORGANIZATIONS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Years ended June 30, 2018 and 2017

NOTE 14 - FAIR VALUE MEASUREMENTS

Accounting standards require certain assets and liabilities be reported at fair value in the consolidated financial statements and provide a framework for establishing that fair value. The framework for determining fair value is based on a hierarchy that prioritizes the inputs and valuation techniques used to measure fair value.

The following tables present information about the Agency's assets and liabilities measured at fair value on a recurring basis at June 30, 2018 and 2017 and the valuation techniques used by the Agency to determine those fair values.

In general, fair values determined by Level 1 inputs use quoted prices in active markets for identical assets or liabilities that the Agency has the ability to access.

Fair values determined by Level 2 inputs use other inputs that are observable, either directly or indirectly. These Level 2 inputs include quoted prices for similar assets and liabilities in active markets and other inputs such as contractual terms, interest rates, credit curves, measure of volatility, yield curves, and correlations of such inputs that are observable at commonly quoted intervals.

Level 3 inputs are unobservable inputs, including inputs that are available in situations where there is little, if any, market activity for the related asset or liability. These Level 3 fair value measurements are based primarily on management's own estimates using pricing models, discounted cash flow methodologies, or similar techniques taking into account the characteristics of the asset or liability. The Agency currently does not utilize any Level 3 inputs.

In instances whereby inputs used to measure fair value fall into different levels in the above fair value hierarchy, fair value measurements in their entirety are categorized based on the lowest level input that is significant to the valuation. The Agency's assessment of the significance of particular inputs to these fair value measurements requires judgment and considers factors specific to each asset or liability.

THE THRESHOLDS AND AFFILIATED ORGANIZATIONS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Years ended June 30, 2018 and 2017

NOTE 14 - FAIR VALUE MEASUREMENTS (Continued)

Description	Fair Values	Markets for Identical Assets (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Fair Values as of June 30, 2018				
Assets				
Investments:				
Money Market Funds and Certificates of Deposit	\$ 2,127,903	\$ -	\$ 2,127,903	\$ -
Equity Mutual Funds:				
Large Cap Funds	4,744,516	4,744,516	-	-
Foreign Stock Funds	2,070,730	2,070,730	-	-
Midcap Funds	833,788	833,788	-	-
Small Cap Funds	649,628	649,628	-	-
Alternative Strategies	69,737	69,737	-	-
Fixed Income Funds	10,195,525	5,425,541	4,769,984	-
Treasury Notes	8,325,156	8,325,156	-	-
	<u>\$ 29,016,983</u>	<u>\$ 22,119,096</u>	<u>\$ 6,897,887</u>	<u>\$ -</u>
Liabilities				
Interest Rate Swap	\$ 94,125	\$ -	\$ 94,125	\$ -
	<u>\$ 94,125</u>	<u>\$ -</u>	<u>\$ 94,125</u>	<u>\$ -</u>
Fair Values as of June 30, 2017				
Assets				
Investments:				
Money Market Funds and Certificates of Deposit	\$ 777,138	\$ -	\$ 777,138	\$ -
Equity Mutual Funds:				
Large Cap Funds	4,257,727	4,257,727	-	-
Foreign Stock Funds	1,616,865	1,616,865	-	-
Midcap Funds	709,190	709,190	-	-
Small Cap Funds	675,850	675,850	-	-
Fixed Income Funds	9,853,757	5,083,773	4,769,984	-
	<u>\$ 17,890,527</u>	<u>\$ 12,343,405</u>	<u>\$ 5,547,122</u>	<u>\$ -</u>
Liabilities				
Interest Rate Swap	\$ 243,902	\$ -	\$ 243,902	\$ -
	<u>\$ 243,902</u>	<u>\$ -</u>	<u>\$ 243,902</u>	<u>\$ -</u>

THE THRESHOLDS AND AFFILIATED ORGANIZATIONS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Years ended June 30, 2018 and 2017

NOTE 14 - FAIR VALUE MEASUREMENTS (Continued)

Level 1 Inputs

Estimated fair values for the Agency's money market funds, equity mutual funds and fixed income mutual funds are based on quoted market prices.

Level 2 Inputs

Fixed income funds included in this category represent corporate and municipal bonds that may be traded on major exchanges such as the New York Stock Exchange or in smaller, decentralized over-the-counter markets. These funds and the brokered certificates of deposit are determined primarily based on Level 2 inputs. The fair values are derived through institutional subscription services such as interactive data.

The derivative instrument consists solely of an interest rate swap that is not traded on an exchange and is recorded at fair value based on a variety of observable inputs, including contractual terms, interest rate curves, yield curves, measure of volatility and correlations of such inputs. Valuation adjustments may be made in the determination of fair value.

The Agency's policy is to recognize transfers in and transfers out of Level 1, 2, and 3 fair value classifications as of the actual date of the event of change in circumstances that caused the transfer. During the years ended June 30, 2018 and 2017, there were no such transfers.

NOTE 15 – COMMITMENTS AND CONTINGENCIES

The Agency has an obligation to fund operating losses, construction costs, and potential tax credit indemnity of certain limited partnerships for which the Agency has an interest in, as defined in the individual partnership operating agreement. The following table indicates the entities and the maximum guarantees:

Thresholds RAD, LLC	unlimited (see below)
Humboldt Apartments Limited Partnership	unlimited (see below)

The Agency, as managing member of Thresholds RAD, LLC, is required to provide operating deficit loans to Thresholds RAD, LLC should the operating reserve be insufficient. The amount is limited to \$594,000 and will terminate as certain operational hurdles are met or after passage of time. The managing member is required to advance up to \$450,000 in a non-interest bearing loan to Thresholds RAD, LLC if an operating deficit exists due to a reduction of operating or rental subsidies. The Agency shall make necessary advances to complete construction & renovation of the three Thresholds RAD, LLC properties should designated proceeds be insufficient. Furthermore, the Agency guarantees generated tax credits limited to the purchase price of \$2,997,960.

The Agency is required to provide operating deficit loans to Humboldt Apartments Limited Partnership should the operating reserve be insufficient, limited to \$139,367. The Agency shall make necessary advances to complete construction & renovation of Humboldt Apartment, LP should designated proceeds be insufficient. Furthermore, the Agency guarantees generated tax credits limited to the purchase price of \$2,458,131.

As of June 30, 2018 and 2017, no operating losses have been funded.

THE THRESHOLDS AND AFFILIATED ORGANIZATIONS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Years ended June 30, 2018 and 2017

NOTE 16 – PRIOR PERIOD ADJUSTMENTS

The accompanying financial statements for 2017 have been restated to consolidate Humboldt Apartments Limited Partnership, a variable interest entity, erroneously not included since inception in 2015. The effect of the restatement was to decrease net income for 2017 by \$238,151. Net assets at the beginning of 2017 have been adjusted for the effects of the restatement on prior years. As a result of the prior period adjustment, net assets as of June 30, 2016 increased from \$40,385,727, as originally reported, to \$41,412,796.

The following financial statement line items for fiscal year 2017 were affected by the change:

**Statement of Activities and Changes in Net Assets
Year Ended June 30, 2017**

	As Computed Under Old Method	As Reported Under New Method	Effect of Change
Other Revenue: Residential Fees	\$ 3,019,560	3,136,397	116,837
Other Revenue: Rent subsidy - Government Agencies	2,264,750	2,536,496	271,746
Other Revenue: Other income	1,143,531	1,033,288	(110,243)
Total Revenue			278,340
 Program Expense: Independent Living	 16,071,154	 16,587,645	 516,491
Total Expense			516,491
 Total 2017 changes in net assets	 3,231,742	 2,993,591	 <u>(238,151)</u>
 Net assets, beginning of 2017	 40,385,727	 41,412,796	 1,027,069
 Net assets, end of 2017	 43,617,469	 44,406,387	 788,918

THE THRESHOLDS AND AFFILIATED ORGANIZATIONS
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
Years ended June 30, 2018 and 2017

NOTE 16 – Prior Period Adjustment (Continued)

**Statement of Financial Position
June 30, 2017**

	As Computed Under Old Method	As Reported Under New Method	Effect of Change
Assets: Cash	\$ 5,457,557	5,598,929	141,372
Assets: Other receivables	1,405,799	1,404,651	(1,148)
Assets: Investments in and advances to Affiliated organizations	513,473	509,944	(3,529)
Assets: Investments in and advances to Affiliate notes receivable	4,860,188	2,800,419	(2,059,769)
Assets: Property and equipment	27,637,400	34,113,560	6,476,160
Total Assets			3,616,671
Liabilities: Accounts payable and accrued expenses	4,207,076	5,208,674	1,001,598
Mortgages payable	15,024,615	17,356,851	2,332,236
Other liabilities	886,051	1,316,385	430,334
Total Liabilities			2,827,753
Net Assets: Controlling Interest - Undesignated	20,352,115	20,352,099	(16)
Net Assets: Noncontrolling Interest	-	788,934	788,934
Total Net Assets			788,918



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Independent Auditor's Report on Supplemental Information

To the Board of Directors
The Thresholds and Affiliated Organizations

We have audited the consolidated financial statements of The Thresholds and Affiliated Organizations as of and for the years ended June 30, 2018 and 2017 and have issued our report thereon dated March 14, 2019, which contained an unmodified opinion on those consolidated financial statements.

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The supplemental information is presented for the purpose of additional information and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

Plante & Moran, PLLC

March 14, 2019

THE THRESHOLDS AND AFFILIATED ORGANIZATIONS
COMPARATIVE SCHEDULE OF REVENUE INFORMATION
Years ended June 30, 2018 and 2017

	2018		2017 (as restated)	
	Amount	% of Revenue	Amount	% of Revenue
Community contributions				
Individuals	\$ 3,365,746	3.5%	\$ 6,111,071	6.3%
Non-cash contributions	1,844,200	1.9%	574,067	0.6%
Special events income	816,182	0.9%	559,223	0.6%
	<u>6,026,128</u>	<u>6.4%</u>	<u>7,244,361</u>	<u>7.4%</u>
Grants and fees from government agencies				
Illinois Department of Healthcare and Family Services	40,885,390	43.1%	41,970,349	43.1%
Illinois Department of Human Services Division of Mental Health	15,531,996	16.4%	14,583,907	15.0%
Illinois Department of Human Services Division of Rehabilitation Services	1,141,088	1.2%	1,222,938	1.3%
Illinois Department of Human Services	782,377	0.8%	1,917,059	2.0%
Illinois Department of Children and Family Services	6,584,772	6.9%	6,362,189	6.5%
U.S. Department of Housing and Urban Development	5,960,018	6.3%	5,988,614	6.2%
U.S. Department of Veterans Affairs	922,079	1.0%	1,165,796	1.2%
U.S. Department of Justice	171,244	0.2%	37,636	0.0%
U.S. Department of Health and Human Services	53,892	0.1%	147,603	0.2%
City of Chicago	1,811,862	1.9%	2,139,031	2.2%
Other Government Income	612,227	0.6%	3,834,608	3.9%
Various Boards of Education	1,053,869	1.1%	613,211	0.6%
	<u>75,510,814</u>	<u>79.6%</u>	<u>79,982,941</u>	<u>82.2%</u>
Agency income				
Service fee income	4,282,577	4.5%	1,450,358	1.5%
Residential fees	2,982,488	3.1%	3,136,397	3.2%
Rent subsidies government agencies	2,927,420	3.1%	2,536,496	2.6%
Interest income of the Endowment and Board-				
Designated Funds	516,297	0.5%	481,801	0.5%
Realized gain on fixed asset dispositions	762,285	0.8%	606,651	0.6%
Realized and unrealized (loss) gain on investments	377,395	0.4%	599,974	0.6%
Other	1,441,706	1.5%	1,229,697	1.3%
	<u>13,290,168</u>	<u>14.0%</u>	<u>10,041,374</u>	<u>10.3%</u>
	<u>\$ 94,827,110</u>	<u>100.0%</u>	<u>\$ 97,268,676</u>	<u>100.0%</u>

THE THRESHOLDS AND AFFILIATED ORGANIZATIONS
CONSOLIDATING STATEMENT OF FINANCIAL POSITION INFORMATION
As of June 30, 2018

The Thresholds.....	Board- Designated Funds	Housing Projects*	Eliminations	Total	Temporarily Restricted The Thresholds	Permanently Restricted The Thresholds	Custodial Fund The Thresholds	2018 Total All Funds
	Unrestricted								
ASSETS									
Cash	\$ 2,661,207	\$ -	\$ 2,120,841	\$ -	\$ 4,782,048	\$ 1,920,395	\$ -	\$ 2,244	\$ 6,704,687
Investments (Notes 14)	290,759	-	-	-	290,759	594,108	1,628,091	-	2,512,958
Board-designated investments (Notes 14)	-	16,552,798	-	-	16,552,798	-	-	-	16,552,798
Grants and fees receivable (net of allowance for doubtful accounts) (Note 3)	10,861,203	-	-	-	10,861,203	-	-	-	10,861,203
Other receivables	311,430	-	(8,059)	-	303,371	668,751	-	-	972,122
Prepaid expenses	827,317	-	-	-	827,317	-	-	-	827,317
Due from affiliated organizations (Note 2)	964,808	-	(97)	(902,287)	62,424	-	-	-	62,424
Investments in affiliated organizations (Note 2)	2,168,484	-	-	(1,696,484)	472,000	-	-	-	472,000
Affiliate notes receivable (Note 2)	2,956,773	-	-	(2,702,758)	254,015	2,594,076	-	-	2,848,091
Escrow deposits	2,579,911	-	13,051,561	-	15,631,472	-	-	1,965,010	17,596,482
Property and equipment (Note 4)	17,185,566	-	20,827,951	-	38,013,517	-	-	-	38,013,517
Other assets	146,209	-	-	-	146,209	-	-	-	146,209
Total assets	\$ 40,953,667	\$ 16,552,798	\$ 35,992,197	\$ (5,301,529)	\$ 88,197,133	\$ 5,777,330	\$ 1,628,091	\$ 1,967,254	\$ 97,569,808

* Note: Housing Projects include Thresholds Housing, Inc., Transitional Housing, Inc., Housing Associates, Inc., THI-4, THI-5, THI-6, THI-7, THI-8, THI-9, THI-10, THI-11, THI-12, THI-13, THI-14, THI-15, Rowan Trees Limited Partnership, Menard Limited Partnership, Thresholds GAR, LLC, Humboldt Apartments, LLC, Humboldt Apartments Limited Partnership, and Thresholds RAD, LLC

THE THRESHOLDS AND AFFILIATED ORGANIZATIONS
CONSOLIDATING STATEMENT OF FINANCIAL POSITION INFORMATION
As of June 30, 2018

The Thresholds.....									
	Unrestricted	Board-Designated Funds	Housing Projects*	Eliminations	Total	Temporarily Restricted The Thresholds	Permanently Restricted The Thresholds	Custodial Fund The Thresholds	2018 Total All Funds	
LIABILITIES AND NET ASSETS (DEFICIT)										
Liabilities										
Accounts payable and accrued expenses	\$ 3,558,485	\$ -	\$ 902,143	\$ -	\$ 4,460,628	\$ -	\$ -	\$ -	\$ 4,460,628	
Short-term borrowings (Note 5)	-	-	-	-	-	-	-	-	-	
Accrued vacation pay	2,119,107	-	-	-	2,119,107	-	-	-	2,119,107	
Due to affiliated organizations (Note 2)	-	-	902,287	(902,287)	-	-	-	-	-	
Unexpended grants	1,176,498	-	-	-	1,176,498	-	-	-	1,176,498	
Bonds payable (Note 5)	5,471,853	-	-	-	5,471,853	-	-	-	5,471,853	
Mortgages payable (Note 5)	-	-	15,293,299	(540,000)	14,753,299	-	-	-	14,753,299	
Notes payable (Note 5)	914,000	-	17,944,855	(1,900,000)	16,958,855	-	-	-	16,958,855	
Interest rate swap (Note 12)	94,125	-	-	-	94,125	-	-	-	94,125	
Other liabilities	241,588	-	1,390,172	(262,758)	1,369,002	-	-	-	1,369,002	
Due to members (Note 8)	-	-	-	-	-	-	-	1,967,254	1,967,254	
Total liabilities	13,575,656	-	36,432,756	(3,605,045)	46,403,367	-	-	1,967,254	48,370,621	
Net assets (deficit)										
Unrestricted	27,378,011	-	(4,069,153.00)	(1,696,484)	21,612,374	-	-	-	21,612,374	
Controlling interest	-	11,259,193	-	-	11,259,193	-	-	-	11,259,193	
Board-designated special purpose funds (Note 7)	-	5,293,605	-	-	5,293,605	-	-	-	5,293,605	
Board-designated endowment fund (Note 10)	-	-	-	-	-	-	-	-	-	
Noncontrolling interest	-	-	3,628,594.39	-	3,628,594	-	-	-	3,628,594	
Temporarily restricted (Note 9)	-	-	-	-	-	5,777,330	-	-	5,777,330	
Permanently restricted	-	-	-	-	-	-	1,628,091	-	1,628,091	
Endowment funds (Note 10)	-	-	-	-	-	-	-	-	-	
Total net assets (deficit)	27,378,011	16,552,798	(440,559)	(1,696,484)	41,793,766	5,777,330	1,628,091	-	49,199,187	
Total liabilities and net assets (deficit)	\$ 40,953,667	\$ 16,552,798	\$ 35,992,197	\$ (5,301,529)	\$ 88,197,133	\$ 5,777,330	\$ 1,628,091	\$ 1,967,254	\$ 97,569,808	

* Note: Housing Projects include Thresholds Housing, Inc., Transitional Housing, Inc., Housing Associates, Inc., THH-4, THH-5, THH-6, THH-7, THH-8, THH-9, THH-10, THH-11, THH-12, THH-13, THH-14, THH-15, Rowan Trees Limited Partnership, Wayne Street Apartments Limited Partnership, Thresholds GAR, LLC, Humboldt Apartments, LLC, Humboldt Apartments Limited Partnership, and Thresholds RAD, LLC

THE THRESHOLDS AND AFFILIATED ORGANIZATIONS
CONSOLIDATING STATEMENT OF FINANCIAL POSITION INFORMATION
As of June 30, 2017 (as restated)

	.....The Thresholds.....		Board- Designated Funds	Housing Projects*	Eliminations	Total	Temporarily Restricted The Thresholds	Permanently Restricted The Thresholds	Custodial Fund The Thresholds	Total All Funds
	Unrestricted									
ASSETS										
Cash	\$ 2,813,429	\$ -	\$ -	\$ 726,839	\$ -	\$ 3,540,268	2,053,207	\$ -	\$ 5,454	\$ 5,598,929
Investments (Note 14)	257,644	-	-	-	-	257,644	1,629,667	1,296,690	-	3,184,001
Board-designated investments (Note 14)	-	14,706,526	-	-	-	14,706,526	-	-	-	14,706,526
Grants and fees receivable (net of allowance for doubtful accounts) (Note 3)	11,695,195	-	-	-	-	11,695,195	-	-	-	11,695,195
Other receivables	377,279	-	-	42,184	-	419,463	985,188	-	-	1,404,651
Prepaid expenses	808,393	-	-	1,924	-	810,317	-	-	-	810,317
Due from affiliated organizations (Note 2)	1,038,483	-	-	-	(1,041,912)	(3,429)	-	-	-	(3,429)
Investments in affiliated organizations (Note 2)	2,209,857	-	-	-	(1,696,484)	513,373	-	-	-	513,373
Affiliate notes receivable (Note 2)	2,266,112	-	-	-	(2,059,769)	206,343	2,594,076	-	-	2,800,419
Escrow deposits	114,864	-	-	4,466,604	-	4,581,468	-	-	1,660,694	6,242,162
Property and equipment (Note 4)	17,978,465	-	-	16,135,095	-	34,113,560	-	-	-	34,113,560
Other assets	138,058	-	-	-	-	138,058	-	-	-	138,058
Total assets	\$ 39,697,779	\$ 14,706,526	\$ 21,372,646	\$ (4,798,165)	\$ 70,978,786	\$ 7,262,138	\$ 1,296,690	\$ 1,666,148	\$ 81,203,762	

* Note: Housing Projects include Thresholds Housing, Inc., Transitional Housing, Inc., Housing Associates, Inc., THI-4, THI-5, THI-6, THI-7, THI-8, THI-9, THI-10, THI-11, THI-12, THI-13, THI-14, THI-15, Rowan Trees Limited Partnership, Menard Limited Partnership, Thresholds GAR, LLC, Humboldt Apartments, LLC, Humboldt Apartments Limited Partnership, and Thresholds RAD, LLC.

.....The Thresholds.....

* Note: Housing Projects include Thresholds Housing, Inc., Transitional Housing, Inc., Housing Associates, Inc., THI-4, THI-5, THI-6, THI-7, THI-8, THI-9, THI-10, THI-11, THI-12, THI-13, THI-14, THI-15, Rowan Trees Limited Partnership, Menard Limited Partnership, Wayne Street Apartments Limited Partnership, Thresholds GAR, LLC, Humboldt Apartments, LLC, Humboldt Apartments Limited Partnership.

THE THRESHOLDS AND AFFILIATED ORGANIZATIONS
CONSOLIDATING STATEMENT OF ACTIVITIES INFORMATION
For the year ended June 30, 2018

The Thresholds.....					
	Unrestricted	Board Designated Funds	Housing Projects*	Eliminations	Total	
						Temporarily Restricted The Thresholds
						Permanently Restricted The Thresholds
						Total All Funds
REVENUE						
Public Support						
Medicaid service revenue	\$ 39,388,899	\$ -	\$ -	\$ -	\$ 39,388,899	\$ -
Grants and fees from government agencies	36,121,915	-	-	-	36,121,915	-
Community contributions	1,793,339	-	-	-	1,793,339	331,401
Special events income	631,182	-	-	-	631,182	-
Satisfaction of temporary restriction	4,887,230	-	-	-	4,887,230	-
	82,822,565	-	-	-	82,822,565	(1,617,024)
						331,401
						81,536,942
Other Revenue						
Service fees	4,282,577	-	-	-	4,282,577	-
Residential fees	1,965,226	-	1,017,262	-	2,982,488	-
Rent subsidy - government agencies	220,226	-	2,707,194	-	2,927,420	-
Other income	1,256,469	-	202,677	(268,892)	1,190,254	-
	7,724,498	-	3,927,133	(268,892)	11,382,739	-
						11,382,739
Non-Operating Revenue						
Realized gain on dispositions	2,703,696	-	(1,941,411)	-	762,285	-
Realized and unrealized (loss) gain on investments	23,335	266,052	(4,862)	-	284,525	92,870
Interest and dividend income	155,043	424,897	-	(102,989)	476,951	39,346
Other non-operating revenue	251,452	-	-	-	251,452	-
	3,133,526	690,949	(1,946,273)	(102,989)	1,775,213	132,216
						-
						-
Total revenue	\$ 93,680,589	\$ 690,949	\$ 1,980,860	\$ (371,881)	\$ 95,980,517	\$ 331,401
						\$ (1,484,808)
						\$ 94,827,110

* Note: Housing Projects include Thresholds Housing, Inc., Transitional Housing, Inc., Housing Associates, Inc., THI-4, THI-5, THI-6, THI-7, THI-8, THI-9, THI-10, THI-11, THI-12, THI-13, THI-14, THI-15, Rowan Trees Limited Partnership, Menard Limited Partnership, Wayne Street Apartments Limited Partnership, Thresholds GAR, LLC, Humboldt Apartments, LLC, Humboldt Apartments Limited Partnership, and Thresholds RAD, LLC

THE THRESHOLDS AND AFFILIATED ORGANIZATIONS
CONSOLIDATING STATEMENT OF ACTIVITIES INFORMATION
For the year ended June 30, 2018

	.....The Thresholds.....					
	Unrestricted	Board Designated Funds	Housing Projects*	Eliminations	Total	
						Temporarily Restricted The Thresholds
						Permanently Restricted The Thresholds
						Total All Funds
EXPENSES						
Program Services						
Vocational and social rehabilitation	\$ 2,913,950	\$ -	\$ -	\$ (1,243)	\$ 2,912,707	\$ 2,912,707
Case management and care	45,688,027	-	-	(51,408)	45,636,619	45,636,619
Independent living	12,776,571	-	4,176,220	(309,578)	16,643,213	16,643,213
Research projects	509,901	-	-	(223)	509,678	509,678
Substance use treatment	687,608	-	-	-	687,608	687,608
Youth services	9,332,251	-	-	(5,622)	9,326,629	9,326,629
	71,908,308	-	4,176,220	(368,074)	75,716,454	75,716,454
Supporting Services						
Administrative	16,419,089	-	98,201	(3,760)	16,513,530	16,513,530
Development and fundraising	1,009,392	-	-	(47)	1,009,345	1,009,345
	17,428,481	-	98,201	(3,807)	17,522,875	17,522,875
	89,336,789	-	4,274,421	(371,881)	93,239,329	93,239,329
Changes in net assets before transfer	4,343,800	690,949	(2,293,561)	-	2,741,188	1,587,781
Other changes in net assets						
Operating transfer	(1,155,323)	1,155,323	-	-	0	0
Contributed capital	-	-	3,205,019	-	3,205,019	3,205,019
Total other changes in net assets	(1,155,323)	1,155,323	3,205,019	-	3,205,019	3,205,019
Change in unrestricted net assets						
Increase in unrestricted net assets						
Attributable to controlling interest	3,188,477	1,846,272	(1,928,202)	-	3,106,547	1,953,140
Attributable to noncontrolling interest	-	-	2,839,660	-	2,839,660	2,839,660
Change in net assets	3,188,477	1,846,272	911,458	-	5,946,207	4,792,800
Net assets (deficit), beginning of year	24,189,533	14,706,526	(1,352,016)	(1,696,484)	35,847,559	44,406,387
Net assets (deficit), end of year	\$ 27,378,011	\$ 16,552,798	(440,559)	\$ (1,696,484)	\$ 41,793,766	\$ 49,199,187

* Note: Housing Projects include Thresholds Housing, Inc., Transitional Housing, Inc., Housing Associates, Inc., THI-4, THI-5, THI-6, THI-7, THI-8, THI-9, THI-10, THI-11, THI-12, THI-13, THI-14, THI-15, Rowan Trees Limited Partnership, Menard Limited Partnership, Wayne Street Apartments Limited Partnership, Thresholds GAR, LLC, Humboldt Apartments Limited Partnership, and Thresholds RAD, LLC

THE THRESHOLDS AND AFFILIATED ORGANIZATIONS
CONSOLIDATING STATEMENT OF ACTIVITIES INFORMATION
For the year ended June 30, 2017 (as restated)

	..... The Thresholds.....	Board Designated Funds	Housing Projects*	Eliminations	Total	Temporarily Restricted The Thresholds	Permanently Restricted The Thresholds	Total All Funds
REVENUE								
Public Support								
Medicaid service revenue	\$ 40,834,118	\$ -	\$ -	\$ -	\$ 40,834,118	\$ -	\$ -	\$ 40,834,118
Grants and fees from government agencies	39,148,823	-	-	-	39,148,823	-	-	39,148,823
Community contributions	2,632,230	-	-	-	2,632,230	3,802,908	250,000	6,685,138
Special events income	559,223	-	-	-	559,223	-	-	559,223
Satisfaction of temporary restriction	4,261,911	-	-	-	4,261,911	(4,261,911)	-	-
	<u>87,436,305</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>87,436,305</u>	<u>(459,003)</u>	<u>250,000</u>	<u>87,227,302</u>
Other Revenue								
Service fees	1,450,358	-	-	-	1,450,358	-	-	1,450,358
Residential fees	2,092,233	-	1,044,164	-	3,136,397	-	-	3,136,397
Rent subsidy - government agencies	130,320	-	2,406,176	-	2,536,496	-	-	2,536,496
Other income	1,082,455	-	336,591	(385,758)	1,033,288	-	-	1,033,288
	<u>4,755,366</u>	<u>-</u>	<u>3,786,931</u>	<u>(385,758)</u>	<u>8,156,539</u>	<u>-</u>	<u>-</u>	<u>8,156,539</u>
Non-Operating Revenue								
Realized gain on dispositions	606,651	-	-	-	606,651	-	-	606,651
Realized and unrealized (loss) gain on investments	1,072	362,036	-	-	363,108	236,866	-	599,974
Interest and dividend income	245	427,836	-	-	428,081	53,720	-	481,801
Other non-operating income	196,409	-	-	-	196,409	-	-	196,409
	<u>804,377</u>	<u>789,872</u>	<u>-</u>	<u>-</u>	<u>1,594,249</u>	<u>290,586</u>	<u>-</u>	<u>1,884,835</u>
Total revenue	<u>\$ 92,996,048</u>	<u>\$ 789,872</u>	<u>\$ 3,786,931</u>	<u>\$ (385,758)</u>	<u>\$ 97,187,093</u>	<u>\$ (168,417)</u>	<u>\$ 250,000</u>	<u>\$ 97,268,676</u>

* Note: Housing Projects include Thresholds Housing, Inc., Transitional Housing, Inc., Housing Associates, Inc., THH-4, THH-5, THH-6, THH-7, THH-8, THH-9, THH-10, THH-11, THH-12, THH-13, THH-14, THH-15, Rowan Trees Limited Partnership, Menard Limited Partnership, Wayne Street Apartments Limited Partnership, Thresholds GAR, LLC, Humboldt Apartments Limited Partnership, and Thresholds RAD, LLC

THE THRESHOLDS AND AFFILIATED ORGANIZATIONS
CONSOLIDATING STATEMENT OF ACTIVITIES INFORMATION
For the year ended June 30, 2017 (as restated)

	..... The Thresholds.....					
	Unrestricted	Board Designated Funds	Housing Projects*	Eliminations	Total	Total All Funds
EXPENSES						
Program Services						
Vocational and social rehabilitation	\$ 3,374,770	\$ -	\$ -	\$ (2,985)	\$ 3,371,785	\$ 3,371,785
Case management and care	49,236,236	-	-	(40,706)	49,195,530	49,195,530
Independent living	13,103,323	-	3,603,126	(118,804)	16,587,645	16,587,645
Research projects	538,852	-	-	(676)	538,176	538,176
Substance use treatment	591,397	-	-	-	591,397	591,397
Youth services	9,457,771	-	-	(14,097)	9,443,674	9,443,674
	<u>76,302,349</u>	<u>-</u>	<u>3,603,126</u>	<u>(177,268)</u>	<u>79,728,207</u>	<u>79,728,207</u>
Supporting Services						
Administrative	13,325,620	-	272,600	(208,028)	13,390,192	13,390,192
Development and fundraising	1,157,147	-	-	(461)	1,156,686	1,156,686
	<u>14,482,767</u>	<u>-</u>	<u>272,600</u>	<u>(208,489)</u>	<u>14,546,878</u>	<u>14,546,878</u>
	<u>90,785,116</u>	<u>-</u>	<u>3,875,726</u>	<u>(385,757)</u>	<u>94,275,085</u>	<u>94,275,085</u>
Changes in net assets before transfer	2,210,932	789,872	(88,795)	(1)	2,912,008	2,993,591
Other Changes in Net Assets						
Operating transfer	718,852	(718,852)	-	-	-	-
Capital contribution repayment	600,000	-	(600,000)	-	-	-
Total other changes in net assets	<u>1,318,852</u>	<u>(718,852)</u>	<u>(600,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Change in unrestricted net assets						
Increase in unrestricted net assets						
Attributable to controlling interest	3,529,784	71,020	(450,668)	(1)	3,150,135	3,231,718
Attributable to noncontrolling interest	-	-	(238,127)	-	(238,127)	(238,127)
Change in net assets	<u>3,529,784</u>	<u>71,020</u>	<u>(688,795)</u>	<u>(1)</u>	<u>2,912,008</u>	<u>2,993,591</u>
Net assets (deficit), beginning of year	20,659,749	14,635,506	(663,221)	(1,696,483)	32,935,551	41,412,796
Net assets (deficit), end of year	<u>\$ 24,189,533</u>	<u>\$ 14,706,526</u>	<u>\$ (1,352,016)</u>	<u>\$ (1,696,484)</u>	<u>\$ 35,847,559</u>	<u>\$ 44,406,387</u>

* Note: Housing Projects include Thresholds Housing, Inc., Transitional Housing, Inc., Housing Associates, Inc., THH-4, THH-5, THH-6, THH-7, THH-8, THH-9, THH-10, THH-11, THH-12, THH-13, THH-14, THH-15, Rowan Trees Limited Partnership, Menard Limited Partnership, Wayne Street Apartments Limited Partnership, Thresholds GAR, LLC, Humboldt Apartments, LLC, Humboldt Apartments Limited Partnership, and Thresholds RAD, LLC

**A complete copy of
the Federal return was attached
to the government/mailing copy of this return.**