

Form **990**Department of the Treasury  
Internal Revenue Service**Return of Organization Exempt From Income Tax**Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung  
benefit trust or private foundation)

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

OMB No. 1545-0047

**2006**Open to Public  
InspectionA For the 2006 calendar year, or tax year beginning **JUL 1, 2006** and ending **JUN 30, 2007**

<b>B</b> Check if applicable:  <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	<b>C</b> Name of organization <b>CENTERSTONE COMMUNITY MENTAL HEALTH CENTERS, INC.</b>  Number and street (or P.O. box if mail is not delivered to street address) Room/suite <b>P.O. BOX 40406</b>  City or town, state or country, and ZIP + 4 <b>NASHVILLE, TN 37204-0406</b>	<b>D</b> Employer identification number <b>62-1674308</b>	
		<b>E</b> Telephone number <b>615-463-6600</b>	
		<b>F</b> Accounting method: <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) ▶	
		• Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).	
		<b>Hand here not applicable to section 527 organizations.</b> H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) If "Yes," enter number of affiliates ▶ <b>N/A</b> H(c) Are all affiliates included? <b>N/A</b> <input type="checkbox"/> Yes <input type="checkbox"/> No (If "No," attach a list.) H(d) Is this a separate return filed by an organization covered by a group ruling? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

G Website: ▶ **N/A**J Organization type (check only one) ☒ 501(c) ( 3 ) (insert no) ☐ 4947(a)(1) or ☐ 527K Check here ☐ if the organization is not a 509(a)(3) supporting organization and its gross receipts are normally not more than \$25,000. A return is not required, but if the organization chooses to file a return, be sure to file a complete return.I Group Exemption Number ▶ **N/A**L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 ▶ **68,786,175.**M Check ☐ if the organization is not required to attach Sch. B (Form 990, 990-EZ, or 990-PF).**Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances**

<b>Revenue</b>	1 Contributions, gifts, grants, and similar amounts received:				
	a Contributions to donor advised funds	1a			
	b Direct public support (not included on line 1a)	1b		<b>5,388,341.</b>	
	c Indirect public support (not included on line 1a)	1c			
	d Government contributions (grants) (not included on line 1a)	1d		<b>14,005,385.</b>	
	e Total (add lines 1a through 1d) (cash \$ <b>19,393,726.</b> noncash \$ )	1e		<b>19,393,726.</b>	
	2 Program service revenue including government fees and contracts (from Part VII, line 93)	2		<b>48,922,171.</b>	
	3 Membership dues and assessments	3			
	4 Interest on savings and temporary cash investments	4			
	5 Dividends and interest from securities	5		<b>470,278.</b>	
	6 a Gross rents	6a			
	b Less: rental expenses	6b			
c Net rental income or (loss). Subtract line 6b from line 6a	6c				
7 Other investment income (describe ▶ )	7				
	8 a Gross amount from sales of assets other than inventory	(A) Securities	8a		
	b Less: cost or other basis and sales expenses		8b		
	c Gain or (loss) (attach schedule)		8c		
	d Net gain or (loss). Combine line 8c, columns (A) and (B)				8d
	9 Special events and activities (attach schedule). If any amount is from gaming, check here <input type="checkbox"/>				
	a Gross revenue (not including \$ of contributions reported on line 1b)	9a			
	b Less: direct expenses other than fundraising expenses	9b			
	c Net income or (loss) from special events. Subtract line 9b from line 9a				9c
	10 a Gross sales of inventory, less returns and allowances	10a			
	b Less: cost of goods sold	10b			
c Gross profit or (loss) from sales of inventory (attach schedule). Subtract line 10b from line 10a				10c	
11 Other revenue (from Part VII, line 103)	11				
12 Total revenue. Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11	12		<b>68,786,175.</b>		
<b>Expenses</b>	13 Program services (from line 44, column (B))	13	<b>50,456,728.</b>		
	14 Management and general (from line 44, column (C))	14	<b>13,050,132.</b>		
	15 Fundraising (from line 44, column (D))	15	<b>365,786.</b>		
	16 Payments to affiliates (attach schedule)	16			
	17 Total expenses. Add lines 16 and 44, column (A)	17	<b>63,872,646.</b>		
<b>Net Assets</b>	18 Excess or (deficit) for the year. Subtract line 17 from line 12	18	<b>4,913,529.</b>		
	19 Net assets or fund balances at beginning of year (from line 73, column (A))	19	<b>33,030,157.</b>		
	20 Other changes in net assets or fund balances (attach explanation)	20	<b>0.</b>		
	21 Net assets or fund balances at end of year. Combine lines 18, 19, and 20	21	<b>37,943,686.</b>		

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LHA For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

Form 990 (2006)

**CENTERSTONE COMMUNITY MENTAL  
HEALTH CENTERS, INC.**

Form 990 (2006)

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**Part II Statement of  
Functional Expenses**

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others.

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22a Grants paid from donor advised funds (attach schedule) (cash \$ 0 • noncash \$ 0) If this amount includes foreign grants, check here <input type="checkbox"/>				
22b Other grants and allocations (attach schedule) (cash \$ 0 • noncash \$ 0) If this amount includes foreign grants, check here <input type="checkbox"/>				
23 Specific assistance to individuals (attach schedule)				
24 Benefits paid to or for members (attach schedule)				
25a Compensation of current officers, directors, key employees, etc. listed in Part V-A	0.	0.	0.	0.
b Compensation of former officers, directors, key employees, etc. listed in Part V-B	0.	0.	0.	0.
c Compensation and other distributions, not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
26 Salaries and wages of employees not included on lines 25a, b, and c	43,447,304.	31,742,939.	11,506,213.	198,152.
27 Pension plan contributions not included on lines 25a, b, and c				
28 Employee benefits not included on lines 25a - 27				
29 Payroll taxes				
30 Professional fundraising fees				
31 Accounting fees				
32 Legal fees				
33 Supplies	2,136,479.	1,637,772.	490,083.	8,624.
34 Telephone	1,432,561.	1,049,303.	376,915.	6,343.
35 Postage and shipping	157,161.	68,163.	85,573.	3,425.
36 Occupancy	2,775,458.	2,005,828.	750,942.	18,688.
37 Equipment rental and maintenance				
38 Printing and publications				
39 Travel	1,386,126.	1,259,607.	124,413.	2,106.
40 Conferences, conventions, and meetings	439,714.	309,387.	95,766.	34,561.
41 Interest	116,505.		116,505.	
42 Depreciation, depletion, etc. (attach schedule)				
43 Other expenses not covered above (itemize):				
a				
b				
c				
d				
e				
f				
g SEE STATEMENT 1	11,981,338.	12,383,729.	-496,278.	93,887.
44 Total functional expenses. Add lines 22a through 43g. (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	63,872,646.	50,456,728.	13,050,132.	365,786.

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

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? ☐ Yes ☒ No  
 If "Yes," enter (i) the aggregate amount of these joint costs \$ N/A ; (ii) the amount allocated to Program services \$ N/A ;  
 (iii) the amount allocated to Management and general \$ N/A ; and (iv) the amount allocated to Fundraising \$ N/A

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Form 990 (2006)

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

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

What is the organization's primary exempt purpose? ► <u>SEE STATEMENT 2</u>		Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)
All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)		
<b>a</b>	<b>CORE SERVICES - INDIVIDUAL AND GROUP COUNSELLING PROVIDED TO PATIENTS WITH DRUG AND ALCOHOL ABUSE PROBLEMS AND FOR PATIENTS FROM ABUSIVE HOME ENVIRONMENTS. DIAGNOSTIC AND MEDICATION SERVICES ARE PROVIDED.</b>	
(Grants and allocations \$ ) If this amount includes foreign grants, check here ► <input type="checkbox"/>		20,055,727.
<b>b</b>	<b>ADULT SERVICES - OUT-PATIENT MENTAL HEALTH SERVICES ARE PROVIDED TO THE CHRONICALLY MENTALLY ILL.</b>	
(Grants and allocations \$ ) If this amount includes foreign grants, check here ► <input type="checkbox"/>		14,830,458.
<b>c</b>	<b>CHILD SERVICES - INDIVIDUAL AND GROUP COUNSELLING PROVIDED FOR YOUTH WITH BEHAVIORAL PROBLEMS AND MENTAL HEALTH PROBLEMS. AGES SERVED FROM 2 TO ADULthood.</b>	
(Grants and allocations \$ ) If this amount includes foreign grants, check here ► <input type="checkbox"/>		15,570,543.
<b>d</b>		
(Grants and allocations \$ ) If this amount includes foreign grants, check here ► <input type="checkbox"/>		
<b>e</b>	<b>Other program services (attach schedule)</b>	
(Grants and allocations \$ ) If this amount includes foreign grants, check here ► <input type="checkbox"/>		
<b>f</b>	<b>Total of Program Service Expenses (should equal line 44, column (B), Program services) ►</b>	<b>50,456,728.</b>

Form 990 (2006)

**CENTERSTONE COMMUNITY MENTAL  
HEALTH CENTERS, INC.**

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**Part IV Balance Sheets** (See the instructions.)

**Note:** Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.

		(A) Beginning of year		(B) End of year
<b>Assets</b>	45 Cash - non-interest-bearing	12,507,195.	45	9,586,597.
	46 Savings and temporary cash investments	969,662.	46	6,622.
	47 a Accounts receivable	13,296,987.		
	b Less: allowance for doubtful accounts		47c	13,296,987.
	48 a Pledges receivable	3,788,044.		
	b Less: allowance for doubtful accounts		48c	3,788,044.
	49 Grants receivable		49	
	50 a Receivables from current and former officers, directors, trustees, and key employees		50a	
	b Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)		50b	
	51 a Other notes and loans receivable		51c	
	b Less: allowance for doubtful accounts			
	52 Inventories for sale or use	82,041.	52	95,231.
	53 Prepaid expenses and deferred charges	600,498.	53	779,460.
	54 a Investments - publicly-traded securities <input type="checkbox"/> Cost <input type="checkbox"/> FMV		54a	
	b Investments - other securities <input type="checkbox"/> Cost <input type="checkbox"/> FMV		54b	
55 a Investments - land, buildings, and equipment: basis				
b Less: accumulated depreciation		55c		
56 Investments - other		56		
57 a Land, buildings, and equipment: basis	39,298,140.			
b Less: accumulated depreciation	16,686,048.			
58 Other assets, including program-related investments (describe <input type="checkbox"/> SEE STATEMENT 3 )	153,120.	58	198,447.	
59 <b>Total assets</b> (must equal line 74). Add lines 45 through 58	41,119,487.	59	50,363,480.	
<b>Liabilities</b>	60 Accounts payable and accrued expenses	6,695,230.	60	7,918,764.
	61 Grants payable		61	
	62 Deferred revenue		62	
	63 Loans from officers, directors, trustees, and key employees		63	
	64 a Tax-exempt bond liabilities		64a	
	b Mortgages and other notes payable	1,394,100.	64b	4,501,030.
	65 Other liabilities (describe <input type="checkbox"/> )		65	
66 <b>Total liabilities.</b> Add lines 60 through 65	8,089,330.	66	12,419,794.	
<b>Net Assets or Fund Balances</b>	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.			
	67 Unrestricted	33,030,157.	67	33,955,642.
	68 Temporarily restricted		68	3,988,044.
	69 Permanently restricted		69	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74.			
	70 Capital stock, trust principal, or current funds		70	
	71 Paid-in or capital surplus, or land, building, and equipment fund		71	
	72 Retained earnings, endowment, accumulated income, or other funds		72	
	73 <b>Total net assets or fund balances.</b> Add lines 67 through 69 or lines 70 through 72. (Column (A) must equal line 19 and column (B) must equal line 21)	33,030,157.	73	37,943,686.
	74 <b>Total liabilities and net assets/fund balances.</b> Add lines 66 and 73	41,119,487.	74	50,363,480.

Form 990 (2006)

Form 990 (2000)	HEALTH CENTERS, INC.
<b>Part IV-A</b>	<b>Reconciliation of Revenue per Audited Financial Statements With Revenue per Return</b> (See the instructions.)

<b>a</b>	Total revenue, gains, and other support per audited financial statements	<b>a</b>	68,786,175.
<b>b</b>	Amounts included on line <b>a</b> but not on Part I, line 12:		
<b>1</b>	Net unrealized gains on investments	<b>b1</b>	
<b>2</b>	Donated services and use of facilities	<b>b2</b>	
<b>3</b>	Recoveries of prior year grants	<b>b3</b>	
<b>4</b>	Other (specify):	<b>b4</b>	
	Add lines <b>b1</b> through <b>b4</b>	<b>b</b>	0.
<b>c</b>	Subtract line <b>b</b> from line <b>a</b>	<b>c</b>	68,786,175.
<b>d</b>	Amounts included on Part I, line 12, but not on line <b>a</b> :		
<b>1</b>	Investment expenses not included on Part I, line 6b	<b>d1</b>	
<b>2</b>	Other (specify):	<b>d2</b>	
	Add lines <b>d1</b> and <b>d2</b>	<b>d</b>	0.
<b>e</b>	Total revenue (Part I, line 12). Add lines <b>c</b> and <b>d</b>	<b>e</b>	68,786,175.

Part IV-B Reconciliation of Expenses per Audited Financial Statements With Expenses per Return	
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a		Total expenses and losses per audited financial statements	a	63,872,646.
b		Amounts included on line a but not on Part I, line 17:		
1	b1	Donated services and use of facilities		
2	b2	Prior year adjustments reported on Part I, line 20		
3	b3	Losses reported on Part I, line 20		
4	b4	Other (specify):		
		Add lines b1 through b4	b	0.
c		Subtract line b from line a	c	63,872,646.
d		Amounts included on Part I, line 17, but not on line a:		
1	d1	Investment expenses not included on Part I, line 6b		
2	d2	Other (specify):		
		Add lines d1 and d2	d	0.
e		Total expenses (Part I, line 17). Add lines c and d	e	63,872,646.

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

[illegible]



**CENTERSTONE COMMUNITY MENTAL  
HEALTH CENTERS, INC.**

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Part VI Other information (continued)		Yes	No
82 a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	82a	X
b If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III.)		82b	N/A
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	83a	X
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	83b	X
84 a	Did the organization solicit any contributions or gifts that were not tax deductible?	84a	X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	84b	
85	501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members?	85a	
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less?	85b	
If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.			
c	Dues, assessments, and similar amounts from members	85c	N/A
d	Section 162(e) lobbying and political expenditures	85d	N/A
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85e	N/A
f	Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f	N/A
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	85g	
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85h	
86	501(c)(7) organizations. Enter: a Initiation fees and capital contributions included on line 12	86a	N/A
b	Gross receipts, included on line 12, for public use of club facilities	86b	N/A
87	501(c)(12) organizations. Enter: a Gross income from members or shareholders	87a	N/A
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.)	87b	N/A
88 a	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If "Yes," complete Part IX	88a	X
b	At any time during the year, did the organization, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Part XI	88b	X
89 a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 <u>0.</u> ; section 4912 <u>0.</u> ; section 4955 <u>0.</u>		
b	501(c)(3) and 501(c)(4) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction	89b	X
c	Enter: Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 <u>0.</u>		
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization <u>0.</u>		
e	All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction?	89e	X
f	All organizations. Did the organization acquire a direct or indirect interest in any applicable insurance contract?	89f	X
g	For supporting organizations and sponsoring organizations maintaining donor advised funds. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	89g	X
90 a	List the states with which a copy of this return is filed <u>NONE</u>		
b	Number of employees employed in the pay period that includes March 12, 2006	90b	1049
91 a	The books are in care of <u>THE ORGANIZATION</u> Telephone no. <u>615-463-6600</u>		
Located at <u>P.O. BOX 40406, NASHVILLE, TN</u> ZIP + 4 <u>37204-0406</u>			
b	At any time during the calendar year, did the organization have an interest in or a signature or other authority over a financial account in a foreign country (such as a bank account, securities account, or other financial account)? If "Yes," enter the name of the foreign country <u>N/A</u>	91b	X
See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.			

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<b>Part VI</b>	<b>Other Information</b> (continued)	<b>Yes</b>	<b>No</b>
c At any time during the calendar year, did the organization maintain an office outside of the United States? If "Yes," enter the name of the foreign country <span style="float: right;">N/A</span>		91c	<input checked="" type="checkbox"/>
92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041- Check here and enter the amount of tax-exempt interest received or accrued during the tax year <span style="float: right;">92</span>			<input type="checkbox"/> N/A

Part VII Analysis of Income-Producing Activities (See the instructions.)					
Note: Enter gross amounts unless otherwise indicated.					
	(A) Business code	(B) Amount	(C) Exclu- sion code	(D) Amount	(E) Related or exempt function income
93 Program service revenue:					
a PROGRAM SERVICE FEES					46,666,819.
b GOVERNMENT CONTRACTS					1,697,371.
c OTHER INCOME					557,981.
d					
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments					
96 Dividends and interest from securities			14	470,278.	
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue:					
a					
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))		0.		470,278.	48,922,171.
105 Total (add line 104, columns (B), (D), and (E))					49,392,449.

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

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See the instructions.)	
Line No. ▼	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).
	SEE STATEMENT 6

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See the instructions.)				
(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
N/A	%			
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See the instructions.)	
(a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
(b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Note: If "Yes" to (b), file Form 8870 and Form 4720 (see instructions).	

Form 990 (2006)



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HEALTH CENTERS, INC.**

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**Part XI** Information Regarding Transfers To and From Controlled Entities. Complete only if the organization is a controlling organization as defined in section 512(b)(13) **N/A**

106 Did the reporting organization make any transfers to a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity.

Yes	No

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a				
b				
c				
Totals				

107 Did the reporting organization receive any transfers from a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity.

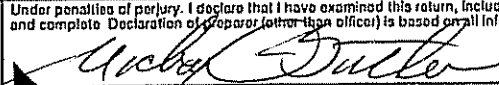
Yes	No

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a				
b				
c				
Totals				

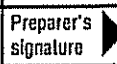
108 Did the organization have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in question 107 above?

Yes	No

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

Please Sign Here:  Date: 1/30/08

VP FISCAL OPERATIONS  
Type or print name and title

Paid Preparer's Use Only: Preparer's signature:  Date: 01/02/08 Check if self-employed: ☐ Preparer's SSN or PTIN (See Gen. Inst. X):

Firm's name (or yours if self-employed), address and ZIP + 4: THURMAN, CAMPBELL & CO, CPA'S  
324 FRANKLIN STREET  
CLARKSVILLE, TN 37040 EIN:  Phone no.: (931) 552-7474

Form 990 (2006)

**CENTERSTONE COMMUNITY MENTAL**

Schedule A (Form 990 or 990-EZ) 2006 **HEALTH CENTERS, INC.**

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**Part IV-A** Support Schedule (Complete only if you checked a box on line 10, 11, or 12.) Use cash method of accounting.  
 Note: You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.

Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2004	(c) 2003	(d) 2002	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	13,795,271.	10,070,995.	11,930,920.	12,661,751.	48,458,937.
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose	42,988,379.	43,437,829.	41,010,379.	38,826,693.	166,263,280.
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	492,595.	321,525.	181,542.	209,488.	1,205,150.
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets	1,803,159.	2,170,942.	SEE STATEMENT 7 2,131,888.	1,721,782.	7,827,771.
23 Total of lines 15 through 22	59,079,404.	56,001,291.	55,254,729.	53,419,714.	223,755,138.
24 Line 23 minus line 17	16,091,025.	12,563,462.	14,244,350.	14,593,021.	57,491,858.
25 Enter 1% of line 23	590,794.	560,013.	552,547.	534,197.	
26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24					26a N/A
b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2002 through 2005 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts					26b N/A
c Total support for section 509(a)(1) test: Enter line 24, column (e)					26c N/A
d Add: Amounts from column (e) for lines: 18 _____ 19 _____ 22 _____ 26b _____					26d N/A
e Public support (line 26c minus line 26d total)					26e N/A
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					26f N/A %
27 Organizations described on line 12: a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person." Do not file this list with your return. Enter the sum of such amounts for each year: (2005) 0. (2004) 0. (2003) 0. (2002) 0.					
b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11b, as well as individuals.) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year: (2005) 0. (2004) 0. (2003) 0. (2002) 0.					
c Add: Amounts from column (e) for lines: 15 48,458,937. 16 _____ 17 166,263,280. 20 _____ 21 _____					27c 214,722,217.
d Add: Line 27a total 0. and line 27b total 0.					27d 0.
e Public support (line 27c total minus line 27d total)					27e 214,722,217.
f Total support for section 509(a)(2) test: Enter amount on line 23, column (e)	27f 223,755,138.				
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))					27g 95.9630%
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					27h .5386%
28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2002 through 2005, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.					

**CENTERSTONE COMMUNITY MENTAL**

Schedule A (Form 990 or 990-EZ) 2006 **HEALTH CENTERS, INC.**

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**Part V Private School Questionnaire** (See page 9 of the instructions.)

N/A

**(To be completed ONLY by schools that checked the box on line 6 in Part IV)**

	Yes	No
29 Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?		
30 Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?		
31 Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves? If "Yes," please describe; if "No," please explain. (If you need more space, attach a separate statement.)		
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32 Does the organization maintain the following:		
a Records indicating the racial composition of the student body, faculty, and administrative staff?		
b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?		
c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?		
d Copies of all material used by the organization or on its behalf to solicit contributions? If you answered "No" to any of the above, please explain. (If you need more space, attach a separate statement.)		
<hr/>		
33 Does the organization discriminate by race in any way with respect to:		
a Students' rights or privileges?		
b Admissions policies?		
c Employment of faculty or administrative staff?		
d Scholarships or other financial assistance?		
e Educational policies?		
f Use of facilities?		
g Athletic programs?		
h Other extracurricular activities? If you answered "Yes" to any of the above, please explain. (If you need more space, attach a separate statement.)		
<hr/>		
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34 a Does the organization receive any financial aid or assistance from a governmental agency?		
b Has the organization's right to such aid ever been revoked or suspended? If you answered "Yes" to either 34a or b, please explain using an attached statement.		
35 Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev. Proc. 75-50, 1975-2 C.B. 587, covering racial nondiscrimination? If "No," attach an explanation		

Schedule A (Form 990 or 990-EZ) 2006

N/A

Check ☒ a ☐ If the organization belongs to an animated group.

(b)  
To be completed for all  
electing organizations

N/A

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

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 45 through 50 on page 13 of the instructions.)

Part VI-B	Lobbying Activity by Nonelecting Public Charities
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N/A

Yes	No	Amount
		0.

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

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

- (i) Cash

- (11) Other assets

- (i) Sales or exchanges of assets with a noncharitable exempt organization

- (ii) Purchases of assets from a noncharitable exempt organization

- (iii) Rental of facilities, equipment, or other assets

- (iv) Reimbursement arrangements

- (v) Loans or loan guarantees

- (vi) Performance of services or membership or fundraising solicitations

- c Sharing of facilities, equipment, mailing lists, other assets, or paid employees

- N/A

	Yes	No
51a(i)		X
a(ii)		X
b(i)		X
b(ii)		X
b(iii)		X
b(iv)		X
b(v)		X
b(vi)		X
c		X

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

- b If "Yes," complete the following schedule:

[illegible]

FORM 990 OTHER EXPENSES STATEMENT 1

DESCRIPTION	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT AND GENERAL	(D) FUNDRAISING
DEPRECIATION	1,621,056.	900,213.	708,753.	12,090.
PROFESSIONAL FEES	475,446.	72,522.	402,924.	
COMPUTER	163,553.	26,137.	131,612.	5,804.
INSURANCE	685,641.	665,641.	19,315.	685.
OTHER	219,941.	543,582.	-374,952.	51,311.
CLIENT ASSISTANCE	3,062,360.	3,055,353.	6,993.	14.
SUBCONTRACTED				
SERVICES	4,719,350.	3,481,400.	1,215,243.	22,707.
ADVERTISING	169,675.	91,362.	77,037.	1,276.
SUPPORT STAFF				
ALLOCATION	0.	3,543,461.	-3,543,461.	
BAD DEBT	864,316.	4,058.	860,258.	
TOTAL TO FM 990, LN 43	11,981,338.	12,383,729.	-496,278.	93,887.

FORM 990 STATEMENT OF ORGANIZATION'S PRIMARY EXEMPT PURPOSE STATEMENT 2  
PART III

## EXPLANATION

TO PROVIDE MENTAL HEALTH SERVICES TO THE MIDDLE TENNESSEE REGION FOR THOSE INDIVIDUALS WHO MAY NOT BE ABLE TO RECEIVE SUCH SERVICES ANY WHERE ELSE. AFFILIATES.

FORM 990 OTHER ASSETS STATEMENT 3

DESCRIPTION	AMOUNT
OTHER ASSETS	95,294.
RESTRICTED ASSETS	103,153.
TOTAL TO FORM 990, PART IV, LINE 58, COLUMN B	198,447.

FORM 990      PART V-A - LIST OF CURRENT OFFICERS, DIRECTORS,      STATEMENT      4  
                                  TRUSTEES AND KEY EMPLOYEES

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
JANET AYERS 314 WHITWORTH WAY NASHVILLE, TN 37205	DIRECTOR 0.00	0.	0.	0.
RICHARD BAXTER 4641 CHALMERS DR NASHVILLE, TN 37215	DIRECTOR 0.00	0.	0.	0.
LINDA BROOKS 5004 HILL PLACE DR NASHVILLE, TN 37205	DIRECTOR 0.00	0.	0.	0.
MARTIN BROWN 424 CHURCH ST NASHVILLE, TN 37219	DIRECTOR 0.00	0.	0.	0.
JESSIE CAMPBELL 112 AUTUMN LN TULLAHOMA, TN 37388	DIRECTOR 0.00	0.	0.	0.
LISA CAMPBELL 1206 CHICKERING RD NASHVILLE, TN 37215	DIRECTOR 0.00	0.	0.	0.
TOM COX 3841 GREEN HILLS VILLAGE DR NASHVILLE, TN 37215	DIRECTOR 0.00	0.	0.	0.
RICHARD FITZGERALD PO BOX 305110 NASHVILLE, TN 37230	DIRECTOR 0.00	0.	0.	0.
CHRISTA HOLLEMAN 1949 NORWOOD TRAIL CLARKSVILLE, TN 37043	DIRECTOR 0.00	0.	0.	0.
LEE ANN INGRAM 1475 MORAN RD FRANKLIN, TN 37064	DIRECTOR 0.00	0.	0.	0.
TRISH LINDLER 806 FOSTER HILL DR NASHVILLE, TN 37215	DIRECTOR 0.00	0.	0.	0.

CENTERSTONE COMMUNITY MENTAL HEALTH CENT

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BEVERLY LITTLE 260 DOGWOOD DR MANCHESTER, TN 37355	DIRECTOR 0.00	0.	0.	0.
TOM MAHLER 72 CATHERINE'S CT WICHESTER, TN 37398	DIRECTOR 0.00	0.	0.	0.
ALBERT MENEFEE III 2490 N. BERRY'S CHAPEL RD BRENTWOOD, TN 37027	DIRECTOR 0.00	0.	0.	0.
NEDDA POLLACK 60 GREEN AVE LAWRENCEVILLE, NJ 08648	DIRECTOR 0.00	0.	0.	0.
CARMEN REAGAN 130 VANNOAK DR CLARKSVILLE, TN 37043	DIRECTOR 0.00	0.	0.	0.
STEVE SALIBA 714 NORTH MILITARY AVE LAWRENCEBURG, TN 38464	DIRECTOR 0.00	0.	0.	0.
JOAN SIVLEY 504 BELGRAVE PARK NASHVILLE, TN 37215	DIRECTOR 0.00	0.	0.	0.
PATTI SMALLWOOD 4421 TYNE BLVD NASHVILLE, TN 37215	DIRECTOR 0.00	0.	0.	0.
HUBERT SMITH PO BOX 3335 CLARKSVILLE, TN 37043	DIRECTOR 0.00	0.	0.	0.
GEORGE STADLER 424 CHURCH ST NASHVILLE, TN 37219	DIRECTOR 0.00	0.	0.	0.
SPERRY STADLER 4007 HARDING PLACE NASHVILLE, TN 37215	DIRECTOR 0.00	0.	0.	0.
JIM SWEETEN 649A HARRIS LANE GALLATIN, TN 37066	DIRECTOR 0.00	0.	0.	0.
DEBI TATE 3433 HAMPTON AVE NASHVILLE, TN 37215	DIRECTOR 0.00	0.	0.	0.



JOHNSON WALLACE	DIRECTOR			
PO BOX 305025	0.00	0.	0.	0.
NASHVILLE, TN 37230				

TOTALS INCLUDED ON FORM 990, PART V-A		0.	0.	0.
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FORM 990	IDENTIFICATION OF RELATED ORGANIZATIONS	STATEMENT	5
	PART VI, LINE 80B		

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NAME OF ORGANIZATION	EXEMPT	NONEXEMPT
CUMBERLAND HOLDING	X	
CENTERSTONE FOUNDATION / ENDOWMENT TRUST	X	
ADVANTAGE BEHAVIORAL HEALTH	X	

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FORM 990	PART VIII - RELATIONSHIP OF ACTIVITIES TO	STATEMENT	6
	ACCOMPLISHMENT OF EXEMPT PURPOSES		

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LINE	EXPLANATION OF RELATIONSHIP OF ACTIVITIES
93A	TREATMENT, CARE AND DEVELOPMENT OF MENTAL HEALTH CONSUMERS
93B	GOVERNMENTAL CONTRACTS FOR THE PURPOSE OF PROVIDEING SERVICES TO MENTAL HEALTH CONSUMERS
93C	VARIOUS SPECIAL EVENTS AND OTHER INCOMES ATTRIBUTED TO PROGRAMS FOR MENTAL HEALTH CONSUMERS
93D	VARIOUS DEVELOPMENT ACTIVITIES TO RAISE FUNDS FOR PROGRAMS FOR MENTAL HEALTH CONSUMERS

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SCHEDULE A	OTHER INCOME	STATEMENT	7
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DESCRIPTION	2005 AMOUNT	2004 AMOUNT	2003 AMOUNT	2002 AMOUNT
OTHER	442,286.	798,199.	466,351.	329,168.
GOVERNMENT CONTRACTS	1,360,873.	1,372,743.	1,665,537.	1,392,614.
TOTAL TO SCHEDULE A, LINE 22	1,803,159.	2,170,942.	2,131,888.	1,721,782.

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

OMB No 1545-1878

For calendar year 2006 or fiscal year beginning JUL 1, 2006, and ending JUN 30, 2007**2006**Department of the Treasury  
Internal Revenue Service▶ Do not send to the IRS. Keep for your records.  
▶ See instructions.

Return ID (20-digit number) ▶

N/A

Name of exempt organization **CENTERSTONE COMMUNITY MENTAL  
HEALTH CENTERS, INC.**Employer identification number  
**62-1674308**Name and title of officer  
**JOE MOORE  
VP FISCAL OPERATIONS****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 from the return if any. If you check the box on line 1a, 2a, 3a, 4a, or 5a below and the amount on that line for the return for which you are filing 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, line 12)	1b	<b>68786175</b>
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 2006 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 acknowledgement of receipt or reason for rejection of the transmission, (b) an indication of any refund offset, (c) the reason for any delay in processing the return or refund, and (d) 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 **THURMAN, CAMPBELL & CO.** to enter my PIN **74308**  
ERO firm name do not enter all zeros  
as my signature on the organization's tax year 2006 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 2006 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 ▶ **01/02/08****Part III Certification and Authentication**

ERO's EFIN/PIN. Enter your six-digit EFIN followed by your five-digit self-selected PIN. **62072495199**  
do not enter all zeros

I certify that the above numeric entry is my PIN, which is my signature on the 2006 electronically filed return for the organization indicated above. I confirm that I am submitting this return in accordance with the requirements of Pub. 4206, Information for Authorized IRS e-file Providers of Exempt Organization Filings.

ERO's signature ▶ \_\_\_\_\_ Date ▶ **01/02/08**

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