

# 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)

2003

Open to Public Inspection

Department of the Treasury  
Internal Revenue Service

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

**A** For the 2003 calendar year, or tax year beginning 9-1, 2003, and ending 8-31, 2004

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

Please use IRS label or print or type. See Specific Instructions.	<b>C</b> Name of organization GRAYSON COUNTY JUVENILE ALTERNATIVES, INC. Number and street (or P.O. box if mail is not delivered to street address) Room/suite P.O. BOX 1625 City or town, state or country, and ZIP + 4 SHERMAN TX 75091	<b>D</b> Employer identification number 75-1550809 <b>E</b> Telephone number (903) 893-4717 <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).

**G** Website: ▶ www.gcja.org

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

**K** Check here  if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS; but if the organization received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return.

**L** Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 ▶ 1,126,318

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

**I** Group Exemption Number ▶

**H** and **I** are not applicable to section 527 organizations.  
**H(a)** Is this a group return for affiliates?  Yes  No  
**H(b)** If "Yes," enter number of affiliates ▶ \_\_\_\_\_  
**H(c)** Are all affiliates included?  Yes  No (If "No," attach a list. See instructions.)  
**H(d)** Is this a separate return filed by an organization covered by a group ruling?  Yes  No

**Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances** (See page 18 of the instructions.)

	<b>1</b> Contributions, gifts, grants, and similar amounts received:				
	<b>a</b> Direct public support	<b>1a</b>	65,154		
	<b>b</b> Indirect public support	<b>1b</b>	36,699		
	<b>c</b> Government contributions (grants)	<b>1c</b>	807,017		
	<b>d</b> Total (add lines 1a through 1c) (cash \$ <u>891,641</u> noncash \$ <u>17,229</u> )	<b>1d</b>		908,870	
	<b>2</b> Program service revenue including government fees and contracts (from Part VII, line 93)	<b>2</b>		208,210	
	<b>3</b> Membership dues and assessments	<b>3</b>			
	<b>4</b> Interest on savings and temporary cash investments	<b>4</b>		9,238	
	<b>5</b> Dividends and interest from securities	<b>5</b>			
	<b>6a</b> Gross rents	<b>6a</b>			
	<b>b</b> Less: rental expenses	<b>6b</b>			
	<b>c</b> Net rental income or (loss) (subtract line 6b from line 6a)	<b>6c</b>			
	<b>7</b> Other investment income (describe ▶ _____)	<b>7</b>			
	<b>8a</b> Gross amount from sales of assets other than inventory	<b>8a</b>	(A) Securities	(B) Other	
	<b>b</b> Less: cost or other basis and sales expenses	<b>8b</b>		0	
	<b>c</b> Gain or (loss) (attach schedule)	<b>8c</b>		2,576	
	<b>d</b> Net gain or (loss) (combine line 8c, columns (A) and (B))	<b>8d</b>		(2,576)	
	<b>9</b> Special events and activities (attach schedule). If any amount is from gaming, check here <input type="checkbox"/>				
	<b>a</b> Gross revenue (not including \$ _____ of contributions reported on line 1a)	<b>9a</b>			
	<b>b</b> Less: direct expenses other than fundraising expenses	<b>9b</b>			
	<b>c</b> Net income or (loss) from special events (subtract line 9b from line 9a)	<b>9c</b>			
	<b>10a</b> Gross sales of inventory, less returns and allowances	<b>10a</b>			
	<b>b</b> Less: cost of goods sold	<b>10b</b>			
	<b>c</b> Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	<b>10c</b>			
	<b>11</b> Other revenue (from Part VII, line 103)	<b>11</b>			
	<b>12</b> Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	<b>12</b>			1,123,742
Expenses	<b>13</b> Program services (from line 44, column (B))	<b>13</b>			1,020,111
	<b>14</b> Management and general (from line 44, column (C))	<b>14</b>			38,966
	<b>15</b> Fundraising (from line 44, column (D))	<b>15</b>			
	<b>16</b> Payments to affiliates (attach schedule)	<b>16</b>			
	<b>17</b> Total expenses (add lines 16 and 44, column (A))	<b>17</b>			1,059,077
Net Assets	<b>18</b> Excess or (deficit) for the year (subtract line 17 from line 12)	<b>18</b>			64,665
	<b>19</b> Net assets or fund balances at beginning of year (from line 73, column (A))	<b>19</b>			979,409
	<b>20</b> Other changes in net assets or fund balances (attach explanation)	<b>20</b>			
	<b>21</b> Net assets or fund balances at end of year (combine lines 18, 19, and 20)	<b>21</b>			1,044,074

**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. (See page 22 of the instructions.)

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
22	Grants and allocations (attach schedule) . . . . . (cash \$ _____ noncash \$ _____)	22			
23	Specific assistance to individuals (attach schedule)	23			
24	Benefits paid to or for members (attach schedule)	24			
25	Compensation of officers, directors, etc. . . . .	25	60,935	57,888	3,047
26	Other salaries and wages . . . . .	26	380,003	361,003	19,000
27	Pension plan contributions . . . . .	27	5,636	5,354	282
28	Other employee benefits . . . . .	28	46,044	43,742	2,302
29	Payroll taxes . . . . .	29	40,991	38,941	2,050
30	Professional fundraising fees . . . . .	30			
31	Accounting fees . . . . .	31	7,800	7,800	
32	Legal fees . . . . .	32			
33	Supplies . . . . .	33	9,083	9,083	
34	Telephone . . . . .	34	19,849	18,856	993
35	Postage and shipping . . . . .	35	6,652	6,319	333
36	Occupancy . . . . .	36	63,410	59,914	3,496
37	Equipment rental and maintenance . . . . .	37	17,782	17,782	
38	Printing and publications . . . . .	38	427	406	21
39	Travel . . . . .	39	5,169	3,877	1,292
40	Conferences, conventions, and meetings . . . . .	40	11,605	11,605	
41	Interest . . . . .	41			
42	Depreciation, depletion, etc. (attach schedule)	42	21,309	20,244	1,065
43	Other expenses not covered above (itemize): a . . . . .	43a			
	b SEE ATTACHED SCHEDULE . . . . .	43b	362,382	357,297	5,085
	c . . . . .	43c			
	d . . . . .	43d			
	e . . . . .	43e			
44	Total functional expenses (add lines 22 through 43). Organizations completing columns (B) - (D), carry these totals to lines 13 - 15	44	1,059,077	1,020,111	38,966

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 \$ \_\_\_\_\_; (ii) the amount allocated to Program services \$ \_\_\_\_\_;  
 (iii) the amount allocated to Management and general \$ \_\_\_\_\_; and (iv) the amount allocated to Fundraising \$ \_\_\_\_\_

**Part III Statement of Program Service Accomplishments** (See page 25 of the instructions.)

What is the organization's primary exempt purpose? <b>SEE (a) BELOW</b>	Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts; but optional for others.)
a EMERGENCY SHELTER AND COUNSELING FOR YOUTH IN TROUBLE . . . . . TOTAL CLIENTS SERVED- 1,275 TOTAL DAYS OF CARE IN SHELTER- 2,456 (Grants and allocations \$ _____)	1,020,111
b . . . . . (Grants and allocations \$ _____)	
c . . . . . (Grants and allocations \$ _____)	
d . . . . . (Grants and allocations \$ _____)	
e Other program services (attach schedule) (Grants and allocations \$ _____)	
f Total of Program Service Expenses (should equal line 44, column (B), Program services) . . . . .	1,020,111

**Part IV Balance Sheets** (See page 25 of the instructions.)

<b>Note:</b> 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>	<b>45</b> Cash — non-interest-bearing .....	201,433	<b>45</b>	103,230	
	<b>46</b> Savings and temporary cash investments .....	356,174	<b>46</b>	514,511	
	<b>47a</b> Accounts receivable .....	107,903			
	<b>47a</b>				
	<b>b</b> Less: allowance for doubtful accounts .....		91,312	<b>47c</b>	107,903
	<b>47b</b>				
	<b>48a</b> Pledges receivable .....				
	<b>48a</b>				
	<b>b</b> Less: allowance for doubtful accounts .....			<b>48c</b>	
	<b>48b</b>				
	<b>49</b> Grants receivable .....			<b>49</b>	
	<b>50</b> Receivables from officers, directors, trustees, and key employees (attach schedule) .....			<b>50</b>	
	<b>51a</b> Other notes and loans receivable (attach schedule) .....				
	<b>51a</b>				
<b>b</b> Less: allowance for doubtful accounts .....			<b>51c</b>		
<b>51b</b>					
<b>52</b> Inventories for sale or use .....			<b>52</b>		
<b>53</b> Prepaid expenses and deferred charges .....	29,587	<b>53</b>		25,655	
<b>54</b> Investments — securities (attach schedule) .....	▶ <input type="checkbox"/> Cost <input type="checkbox"/> FMV		<b>54</b>		
<b>55a</b> Investments — land, buildings, and equipment: basis .....					
<b>55a</b>					
<b>b</b> Less: accumulated depreciation (attach schedule) .....			<b>55c</b>		
<b>55b</b>					
<b>56</b> Investments — other (attach schedule) .....			<b>56</b>		
<b>57a</b> Land, buildings, and equipment: basis .....	499,568				
<b>57a</b>					
<b>b</b> Less: accumulated depreciation (attach schedule) .....		364,783	<b>57c</b>	340,898	
<b>57b</b>	158,670				
<b>58</b> Other assets (describe ▶ .....			<b>58</b>		
<b>59 Total assets</b> (add lines 45 through 58) (must equal line 74) .....	1,043,289	<b>59</b>		1,092,197	
<b>Liabilities</b>	<b>60</b> Accounts payable and accrued expenses .....	63,880	<b>60</b>	48,123	
	<b>61</b> Grants payable .....		<b>61</b>		
	<b>62</b> Deferred revenue .....		<b>62</b>		
	<b>63</b> Loans from officers, directors, trustees, and key employees (attach schedule) .....		<b>63</b>		
	<b>64a</b> Tax-exempt bond liabilities (attach schedule) .....		<b>64a</b>		
	<b>b</b> Mortgages and other notes payable (attach schedule) .....		<b>64b</b>		
	<b>65</b> Other liabilities (describe ▶ .....		<b>65</b>		
<b>66 Total liabilities</b> (add lines 60 through 65) .....	63,880	<b>66</b>		48,123	
<b>Net Assets or Fund Balances</b>	<b>Organizations that follow SFAS 117, check here</b> <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.				
	<b>67</b> Unrestricted .....	979,019	<b>67</b>	1,043,684	
	<b>68</b> Temporarily restricted .....	390	<b>68</b>	390	
	<b>69</b> Permanently restricted .....		<b>69</b>		
	<b>Organizations that do not follow SFAS 117, check here</b> <input type="checkbox"/> and complete lines 70 through 74.				
	<b>70</b> Capital stock, trust principal, or current funds .....		<b>70</b>		
	<b>71</b> Paid-in or capital surplus, or land, building, and equipment fund .....		<b>71</b>		
	<b>72</b> Retained earnings, endowment, accumulated income, or other funds .....		<b>72</b>		
	<b>73 Total net assets or fund balances</b> (add lines 67 through 69 or lines 70 through 72; column (A) must equal line 19; column (B) must equal line 21) .....	979,409	<b>73</b>		1,044,074
	<b>74 Total liabilities and net assets / fund balances</b> (add lines 66 and 73) .....	1,043,289	<b>74</b>		1,092,197

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.



Part VI Other Information (See page 28 of the instructions.)

Yes No

76	Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity . . .	76		X
77	Were any changes made in the organizing or governing documents but not reported to the IRS? . . . . . If "Yes," attach a conformed copy of the changes.	77		X
78a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	78a		X
b	If "Yes," has it filed a tax return on Form 990-T for this year? . . . . .	78b	N/A	
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement	79		X
80a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization? . . . . .	80a		X
b	If "Yes," enter the name of the organization ► . . . . . . . . . . and check whether it is <input type="checkbox"/> exempt or <input type="checkbox"/> nonexempt.			
81a	Enter direct and indirect political expenditures. See line 81 instructions . . . . .	81a	N/A	
b	Did the organization file Form 1120-POL for this year? . . . . .	81b		X
82a	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		
83a	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	
84a	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	N/A	
85	501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members? . . . . .	85a	N/A	
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? . . . . . 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.	85b	N/A	
c	Dues, assessments, and similar amounts from members . . . . .	85c		
d	Section 162(e) lobbying and political expenditures . . . . .	85d		
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices . . . . .	85e		
f	Taxable amount of lobbying and political expenditures (line 85d less 85e) . . . .	85f		
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f? . . . . .	85g	N/A	
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	N/A	
86	501(c)(7) orgs. Enter: a Initiation fees and capital contributions included on line 12 . .	86a		
b	Gross receipts, included on line 12, for public use of club facilities . . . . .	86b		
87	501(c)(12) orgs. Enter: a Gross income from members or shareholders . . . . .	87a		
b	Gross income from other sources. (Do not net amounts due or paid to other sources against amounts due or received from them.) . . . . .	87b		
88	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 . . . . .	88		X
89a	501(c)(3) organizations. Enter: Amount of tax imposed on the organization during the year under: section 4911 ► 0 ; section 4912 ► 0 ; section 4955 ► 0			
b	501(c)(3) and 501(c)(4) orgs. 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 . . . . .			0
d	Enter: Amount of tax on line 89c, above, reimbursed by the organization . . . . .			0
90a	List the states with which a copy of this return is filed ► NONE			
b	Number of employees employed in the pay period that includes March 12, 2003 (See instructions.)	90b		27
91	The books are in care of ► GENE PERKINS, EXECUTIVE DIRECTOR Telephone no. ► (903) 893-4717 Located at ► 1602 E. LAMAR, SHERMAN, TEXAS ZIP + 4 ► 75091			
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 . . . . .	92		

**Part VII Analysis of Income-Producing Activities** (See page 33 of the instructions.)

**Note:** Enter gross amounts unless otherwise indicated.

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
<b>93</b> Program service revenue:					
<b>a</b> PROGRAM SERVICE FEE					208,210
<b>b</b>					
<b>c</b>					
<b>d</b>					
<b>e</b>					
<b>f</b> Medicare/Medicaid payments					
<b>g</b> Fees and contracts from government agencies					
<b>94</b> Membership dues and assessments					
<b>95</b> Interest on savings and temporary cash investments			14	9,238	
<b>96</b> Dividends and interest from securities					
<b>97</b> Net rental income or (loss) from real estate:					
<b>a</b> debt-financed property inventory					
<b>b</b> not debt-financed property					
<b>98</b> Net rental income or (loss) from personal property					
<b>99</b> Other investment income					
<b>100</b> Gain or (loss) from sales of assets other than inventory					
<b>101</b> Net income or (loss) from special events					
<b>102</b> Gross profit or (loss) from sales of inventory					
<b>103</b> Other revenue: <b>a</b>					
<b>b</b>					
<b>c</b>					
<b>d</b>					
<b>e</b>					
<b>104</b> Subtotal (add columns (B), (D), and (E))				9,238	208,210
<b>105</b> Total (add line 104, columns (B), (D), and (E))					217,448

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

**Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes** (See page 34 of 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).
<b>93</b>	SERVICE FEES RECEIVED HELP PAY FOR COUNSELING FEES AND WAGES OF EMPLOYEES INVOLVED IN THE COUNSELING PROCESS.

**Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities** (See page 34 of 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
	%			
	%			
	%			
	%			

**Part X Information Regarding Transfers Associated with Personal Benefit Contracts** (See page 34 of the instructions.)

(a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?  Yes  No

(b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?  Yes  No

**Note:** If "Yes" to (b), file Form 8870 and Form 4720 (see instructions).

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**

Signature of officer: *Joseph E. Maddox* Date: 11/29/04

Type or print name and title: Joseph E. Maddox

**Paid Preparer's Use Only**

Preparer's signature: *R. Bostwick* Date: 11/4/04 Check if self-employed:

Firm's name (or yours if self-employed), address, and ZIP + 4: MCCLANAHAN AND HOLMES, LLP 304 W. CHESTNUT STREET, DENISON, TX 75020-3111

Preparer's SSN or PTIN (See Gen. Inst. W): P00291662

EIN: 75-0946514 Phone no.: (903) 465-6070