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Form **990**

Return of Organization Exempt From Income Tax

OMB No 1545-0047

2013

Department of the Treasury
Internal Revenue Service

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

Do not enter Social Security numbers on this form as it may be made public

Information about Form 990 and its instructions is at www.irs.gov/form990

Open to Public Inspection

A For the 2013 calendar year, or tax year beginning **OCT 1, 2013** and ending **SEP 30, 2014**

B Check if applicable: <input type="checkbox"/> Address change <input checked="" type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization CAPSTONE COMMUNITY ACTION, INC.		D Employer identification number 03-0216254	
	Doing Business As			
	Number and street (or P O box if mail is not delivered to street address) Room/suite 20 GABLE PLACE		E Telephone number 802-479-1053	
	City or town, state or province, country, and ZIP or foreign postal code BARRE, VT 05641-2267		G Gross receipts \$ 14,651,541.	
	F Name and address of principal officer LORI BELDING 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: 501(c)(3) 501(c)() ◀ (insert no) 4947(a)(1) or 527

J Website: ▶ **WWW.CAPSTONEVT.ORG**

K Form of organization Corporation Trust Association Other ▶ **L** Year of formation **1965** **M** State of legal domicile **VT**

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: CAPSTONE COMMUNITY ACTION PROVIDES COMPREHENSIVE SERVICES TO HELP PEOPLE ACHIEVE ECONOMIC		
	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	14
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	14
	5 Total number of individuals employed in calendar year 2013 (Part V, line 2a)	5	246
	6 Total number of volunteers (estimate if necessary)	6	208
	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	355,462.
b Net unrelated business taxable income from Form 990-T, line 34	7b	-29,924.	
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9 Program service revenue (Part VIII, line 2g)	15,264,370.	13,558,990.
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	862,181.	977,985.
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	333,532.	-5,395.
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	0.	0.
	12 Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	16,460,083.	14,531,580.
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	4,682,029.	3,940,787.
	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)	8,205,498.	7,745,564.
	16a Professional fundraising fees (Part IX, column (A), line 11e)	0.	0.
	b Total fundraising expenses (Part IX, column (D), line 25) ▶ 11,145.		
	17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	3,000,288.	2,746,197.
18 Total expenses - Add lines 13-17 (must equal Part IX, column (A), line 25)	15,887,815.	14,432,548.	
19 Revenue less expenses. Subtract line 18 from line 12	572,268.	99,032.	
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)	10,131,395.	9,400,168.
	22 Net assets or fund balances. Subtract line 21 from line 20	5,216,346.	4,386,506.
		4,915,049.	5,013,662.

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 <i>Lori Belding</i>	Date 1/29/15			
	LORI BELDING, BOARD PRESIDENT Type or print name and title				
Paid Preparer Use Only	Print/Type preparer's name Lynn E. Kasch	Preparer's signature <i>Lynn E Kasch</i>	Date 1/21/15	Check <input type="checkbox"/> if self-employed	PTIN P00441702
	Firm's name ▶ LEONE, MCDONNELL & ROBERTS, P.A.	Firm's EIN ▶ 02-0417217			
	Firm's address ▶ 5 NELSON STREET DOVER, NH 03820		Phone no 603-749-2700		

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

giz 18

SCANNED FEB 18 2014

Part III Statement of Program Service Accomplishments

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

X

1 Briefly describe the organization's mission:
CAPSTONE COMMUNITY ACTION PROVIDES COMPREHENSIVE SERVICES TO HELP PEOPLE ACHIEVE ECONOMIC WELL-BEING WITH DIGNITY AND DEVELOPS PARTNERSHIPS TO STRENGTHEN VERMONT COMMUNITIES. OUR COMMITMENT IS: TO ALLEVIATE THE SUFFERING CAUSED BY POVERTY, TO WORK WITH INDIVIDUALS

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 \$ 3,642,468. including grants of \$ _____) (Revenue \$ 97,975.)
CAPSTONE HEAD START AND EARLY HEAD START PROGRAMS, CAPSTONE'S COMPREHENSIVE CHILD AND FAMILY DEVELOPMENT ACTIVITIES, PREPARE YOUNG CHILDREN FOR FUTURE SUCCESS IN SCHOOL AND IN LIFE THROUGH THE OPERATION OF LICENSED CHILD CARE CENTERS, THROUGH PARTNERSHIPS WITH LOCAL SCHOOLS AND BY PROVIDING SERVICES TO FAMILIES IN THEIR HOMES. IN ADDITION TO EARLY CHILDHOOD EDUCATION, CAPSTONE PROVIDES PARENT EDUCATION, PARENT LEADERSHIP OPPORTUNITIES, MALE INVOLVEMENT ACTIVITIES, HEALTH, DENTAL AND NUTRITION SERVICES, DISABILITY SERVICES, MENTAL HEALTH SERVICES, AND RESOURCE AND REFERRAL FOR OTHER NEEDED SOCIAL SERVICES. FAMILY LITERACY PROGRAMMING, PARTIALLY FUNDED THROUGH TEEN PARENT EDUCATION, HHS OFFICE OF ADOLESCENT HEALTH, AND CANADAY FAMILY CHARITABLE TRUST, IS PROVIDED IN THE HOME, ON-SITE AT THE COUNCIL'S BROOK STREET SCHOOL

4b (Code _____) (Expenses \$ 2,862,404. including grants of \$ 1,305,826.) (Revenue \$ 22,596.)
FAMILY AND COMMUNITY SUPPORT SERVICES (FCSS) PROVIDE IMMEDIATE ASSISTANCE TO PEOPLE IN NEED OF FOOD, HOUSING, UTILITIES, AND HOME HEATING FUEL. OFFICES ARE LOCATED IN BARRE, BERLIN, BRADFORD, MORRISVILLE, AND RANDOLPH. STAFF MEMBERS ARE TRAINED TO HELP PEOPLE ARTICULATE AND PRIORITIZE THEIR NEEDS, IDENTIFY OPPORTUNITIES FOR RESOURCES AND SERVICES, AND MAKE REFERRALS TO STATE AGENCIES AND OTHER COMMUNITY-BASED PROGRAMS (INCLUDING OTHER PROGRAMS WITHIN THE AGENCY). IN ADDITION TO FOOD SHELVES, LOW-INCOME HOUSING COUNSELING, AND FUEL AND UTILITY ASSISTANCE, FCSS ALSO HOUSES THE AGENCY'S TAX PREPARATION AND RESOLUTION PROGRAMS, SUPERVISED VISITATION AND EXCHANGE SERVICES FOR NONCUSTODIAL PARENTS, RE-ENTRY ASSISTANCE FOR POST-INCARCERATED WOMEN, SERVICE COORDINATION FOR VERMONTERS WITH MULTIPLE NEEDS REFERRED

4c (Code _____) (Expenses \$ 3,698,945. including grants of \$ 1,494,115.) (Revenue \$ 692,116.)
CAPSTONE'S WEATHERIZATION TEAM CONDUCTS HOME ENERGY AUDITS FOR INCOME ELIGIBLE CENTRAL VERMONT HOUSEHOLDS. THE TEAM AND PARTNERING CONTRACTORS FOLLOW UP WITH COST SAVINGS MEASURES SUCH AS ADDED INSULATION, DRAFT REDUCTION, HEATING SYSTEM EFFICIENCY IMPROVEMENTS, INSTALLATION OF ENERGY EFFICIENT LIGHTING, HOT WATER HEATER REPLACEMENT OR INSULATION, AND MORE. IN ADDITION, THIS PROGRAM OFFERS EMERGENCY HEATING SYSTEM REPLACEMENTS OR REPAIRS TO ENSURE THE PROPER SAFETY AND FUNCTIONING OF THEIR HOME HEATING SYSTEMS. 218 HOUSING UNITS WERE WEATHERIZED BENEFITTING 477 INDIVIDUALS. THE VERMONT FUEL EFFICIENCY PARTNERSHIP CONTINUES TO WORK WITH OWNERS OF MULTI-UNIT AFFORDABLE HOUSING TO IMPROVE THE ENERGY EFFICIENCY, COMFORT AND SAFETY OF THOSE OCCUPYING THEIR RENTAL UNITS. 168 MULTI-UNIT HOUSING OCCUPANTS

4d Other program services (Describe in Schedule O)
 (Expenses \$ 2,580,991. including grants of \$ 1,140,846.) (Revenue \$ 165,298.)

4e Total program service expenses **▶** 12,784,808.

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>	X	
2 Is the organization required to complete Schedule B, Schedule of Contributors?	X	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>		X
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>		X
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i>		X
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i>		X
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>		X
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>		X
9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability; serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i>		X
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i>		X
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i>	X	
b Did the organization report an amount for investments - other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i>		X
c Did the organization report an amount for investments - program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i>		X
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i>		X
e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>	X	
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i>	X	
12a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i>	X	
b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional</i>		X
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>		X
14a Did the organization maintain an office, employees, or agents outside of the United States?		X
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV</i>		X
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or other assistance to or for any foreign organization? <i>If "Yes," complete Schedule F, Parts II and IV</i>		X
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or other assistance to or for foreign individuals? <i>If "Yes," complete Schedule F, Parts III and IV</i>		X
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I</i>		X
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>		X
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>		X
20a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>		X
b <i>If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?</i>		

Part IV Checklist of Required Schedules (continued)

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

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

		Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year 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		
1b	Enter the number of voting members included in line 1a, above, who are independent		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		X
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, or trustees, or key employees to a management company or other person?		X
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?	X	
5	Did the organization become aware during the year of a significant diversion of the organization's assets?		X
6	Did the organization have members or stockholders?		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?		X
7b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?		X
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following		
8a	The governing body?	X	
8b	Each committee with authority to act on behalf of the governing body?	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		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
10b	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	
12a	Did the organization have a written conflict of interest policy? If "No," go to line 13	X	
12b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	X	
12c	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?		
15a	The organization's CEO, Executive Director, or top management official	X	
15b	Other officers or key employees of the organization If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).		X
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
16b	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?		

Section C. Disclosure

- 17** List the states with which a copy of this Form 990 is required to be filed **VT**
- 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, physical address, and telephone number of the person who possesses the books and records of the organization: **▶**
SHARON BERNARD - 802-479-1053
20 GABLE PLACE, BARRE, VT 05641

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

Check 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) MICHAEL SHERMAN PUBLIC SECTOR REPRESENTATI	1.00	X					0.	0.	0.	
(2) EILEEN BRADLEY TREASURER	1.00	X		X			0.	0.	0.	
(3) RUBIN BENNETT VICE PRESIDENT	1.00	X		X			0.	0.	0.	
(4) DEB MARKOWITZ PUBLIC SECTOR REPRESENTATI	1.00	X					0.	0.	0.	
(5) LORI BELDING PRESIDENT	1.00	X		X			0.	0.	0.	
(6) ADAM ROSEN PRIVATE SECTOR REPRESENTAT	1.00	X					0.	0.	0.	
(7) MICHELE PACKARD PARTICIPANT SECTOR REPRESE	1.00	X					0.	0.	0.	
(8) JAY ISAKSON PARTICIPANT SECTOR REPRESE	1.00	X					0.	0.	0.	
(9) EDIE CONNELLEE PARTICIPANT SECTOR ALTERNA	1.00	X					0.	0.	0.	
(10) HEATHER MUSICK PARTICIPANT SECTOR ALTERNA	1.00	X					0.	0.	0.	
(11) SEAN NOONAN PARTICIPANT SECTOR ALTERNA	1.00	X					0.	0.	0.	
(12) ROSAIRE BISSON SECRETARY	1.00	X		X			0.	0.	0.	
(13) STEVE PAPPAS PRIVATE SECTOR REPRESENTAT	1.00	X					0.	0.	0.	
(14) DONNA SHERLAW PARTICIPANT SECTOR REPRESE	1.00	X					0.	0.	0.	
(15) HAL COHEN EXECUTIVE DIRECTOR	45.00			X			122,167.	0.	1,195.	

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			
1b Sub-total							122,167.	0.	1,195.	
c Total from continuation sheets to Part VII, Section A							0.	0.	0.	
d Total (add lines 1b and 1c)							122,167.	0.	1,195.	

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 1

	Yes	No
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		X
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? If "Yes," complete Schedule J for such individual		X
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? If "Yes," complete Schedule J for such person		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
NONE		

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 0

Part VIII Statement of Revenue

Check 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 13,252.					
	b Membership dues	1b					
	c Fundraising events	1c					
	d Related organizations	1d					
	e Government grants (contributions)	1e 11,750,686.					
	f All other contributions, gifts, grants, and similar amounts not included above	1f 1,795,052.					
	g Noncash contributions included in lines 1a-1f \$						
	h Total. Add lines 1a-1f		13,558,990.				
	Program Service Revenue	2 a WEATHERIZATION	Business Code 230000	692,116.	336,654.	355,462.	
b HOUSING RENTALS		624200	125,735.	125,735.			
c COMMUNITY ECONOMIC DEVELOPMENT		624200	10,478.	10,478.			
d							
e							
f All other program service revenue		624200	149,656.	149,656.			
g Total. Add lines 2a-2f			977,985.				
Other Revenue	3 Investment income (including dividends, interest, and other similar amounts)		8,434.			8,434.	
	4 Income from investment of tax-exempt bond proceeds						
	5 Royalties						
	6 a Gross rents	(i) Real	(ii) Personal				
		b Less: rental expenses					
		c Rental income or (loss)					
	d Net rental income or (loss)						
	7 a Gross amount from sales of assets other than inventory	(i) Securities	(ii) Other				
		106,132.					
		b Less: cost or other basis and sales expenses		106,505.	13,456.		
		c Gain or (loss)		-373.	-13,456.		
d Net gain or (loss)			-13,829.		-13,829.		
8 a Gross income from fundraising events (not including \$ _____ of contributions reported on line 1c). See Part IV, line 18	a						
	b Less: direct expenses	b					
	c Net income or (loss) from fundraising events						
9 a Gross income from gaming activities See Part IV, line 19	a						
	b Less: direct expenses	b					
	c Net income or (loss) from gaming activities						
10 a Gross sales of inventory, less returns and allowances	a						
	b Less: cost of goods sold	b					
	c Net income or (loss) from sales of inventory						
Miscellaneous Revenue		Business Code					
11 a _____							
	b _____						
	c _____						
	d All other revenue						
	e Total. Add lines 11a-11d						
12 Total revenue See instructions			14,531,580.	622,523.	355,462.	-5,395.	

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 governments and organizations in the United States See Part IV, line 21				
2 Grants and other assistance to individuals in the United States See Part IV, line 22	3,940,787.	3,940,787.		
3 Grants and other assistance to governments, organizations, and individuals outside the United States. See Part IV, lines 15 and 16				
4 Benefits paid to or for members				
5 Compensation of current officers, directors, trustees, and key employees	135,116.		135,116.	
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	5,740,216.	4,909,465.	823,821.	6,930.
8 Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	62,906.	52,407.	10,411.	88.
9 Other employee benefits	1,364,501.	1,137,728.	224,898.	1,875.
10 Payroll taxes	442,825.	368,918.	73,287.	620.
11 Fees for services (non-employees):				
a Management				
b Legal	17,793.	9,492.	8,301.	
c Accounting	33,500.		33,500.	
d Lobbying				
e Professional fundraising services See Part IV, line 17				
f Investment management fees				
g Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch O)	74,981.	7,506.	67,475.	
12 Advertising and promotion				
13 Office expenses				
14 Information technology				
15 Royalties				
16 Occupancy	783,457.	717,635.	65,822.	
17 Travel	368,042.	350,367.	17,555.	120.
18 Payments of travel or entertainment expenses for any federal, state, or local public officials				
19 Conferences, conventions, and meetings	19,746.	16,278.	3,468.	
20 Interest	92,501.	92,501.		
21 Payments to affiliates				
22 Depreciation, depletion, and amortization	150,222.	150,222.		
23 Insurance	85,351.	65,234.	20,117.	
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 CONTRACTUAL	361,297.	360,170.	325.	802.
b OTHER	309,591.	291,409.	18,181.	1.
c SUPPLIES	253,650.	164,683.	88,688.	279.
d TELEPHONE	98,530.	83,160.	15,053.	317.
e All other expenses	97,536.	66,846.	30,577.	113.
25 Total functional expenses Add lines 1 through 24e	14,432,548.	12,784,808.	1,636,595.	11,145.
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	24,918.	1	5,210.
	2	Savings and temporary cash investments	1,668,064.	2	1,620,320.
	3	Pledges and grants receivable, net	1,199,159.	3	873,517.
	4	Accounts receivable, net	575,870.	4	480,298.
	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	122,213.	8	152,081.
	9	Prepaid expenses and deferred charges	130,205.	9	77,765.
	10a	Land, buildings, and equipment: cost or other basis Complete Part VI of Schedule D	7,216,525.		
	b	Less: accumulated depreciation	1,180,903.	10c	6,035,622.
	11	Investments - publicly traded securities	100.	11	6,128.
	12	Investments - other securities See Part IV, line 11		12	
	13	Investments - program-related See Part IV, line 11		13	
	14	Intangible assets		14	
	15	Other assets See Part IV, line 11	170,386.	15	149,227.
16	Total assets. Add lines 1 through 15 (must equal line 34)	10,131,395.	16	9,400,168.	
Liabilities	17	Accounts payable and accrued expenses	1,542,488.	17	1,194,101.
	18	Grants payable		18	
	19	Deferred revenue	858,750.	19	481,957.
	20	Tax-exempt bond liabilities		20	
	21	Escrow or custodial account liability Complete Part IV of Schedule D		21	
	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	2,589,320.	23	2,511,600.
	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	225,788.	25	198,848.
	26	Total liabilities. Add lines 17 through 25	5,216,346.	26	4,386,506.
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	3,966,300.	27	3,190,269.
	28	Temporarily restricted net assets	948,749.	28	1,823,393.
	29	Permanently restricted net assets		29	
	Organizations that do not follow SFAS 117 (ASC 958), check here <input type="checkbox"/> and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds		30	
	31	Paid-in or capital surplus, or land, building, or equipment fund		31	
	32	Retained earnings, endowment, accumulated income, or other funds		32	
	33	Total net assets or fund balances	4,915,049.	33	5,013,662.
	34	Total liabilities and net assets/fund balances	10,131,395.	34	9,400,168.

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	14,531,580.
2	Total expenses (must equal Part IX, column (A), line 25)	2	14,432,548.
3	Revenue less expenses. Subtract line 2 from line 1	3	99,032.
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	4,915,049.
5	Net unrealized gains (losses) on investments	5	-419.
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	0.
10	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	5,013,662.

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		X
2b	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 checked="" type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	X	
2c	If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.	X	
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	X	
3b	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	X	

Form 990 (2013)

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support
Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.
▶ Attach to Form 990 or Form 990-EZ.

▶ Information about Schedule A (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization **CAPSTONE COMMUNITY ACTION, INC.** **Employer identification number** **03-0216254**

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

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

- 1 A church, convention of churches, or association of churches described in **section 170(b)(1)(A)(i)**.
- 2 A school described in **section 170(b)(1)(A)(ii)**. (Attach Schedule E.)
- 3 A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii)**.
- 4 A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii)**. Enter the hospital's name, city, and state: _____
- 5 An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv)**. (Complete Part II.)
- 6 A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v)**.
- 7 An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 8 A community trust described in **section 170(b)(1)(A)(vi)**. (Complete Part II.)
- 9 An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See **section 509(a)(2)**. (Complete Part III.)
- 10 An organization organized and operated exclusively to test for public safety. See **section 509(a)(4)**.
- 11 An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2). See **section 509(a)(3)**. Check the box that describes the type of supporting organization and complete lines 11e through 11h.
 - a Type I
 - b Type II
 - c Type III - Functionally integrated
 - d Type III - Non-functionally integrated
- e By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)
- f If the organization received a written determination from the IRS that it is a Type I, Type II, or Type III supporting organization, check this box
- g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?
 - (i) A person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the supported organization?
 - (ii) A family member of a person described in (i) above?
 - (iii) A 35% controlled entity of a person described in (i) or (ii) above?
- h Provide the following information about the supported organization(s).

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

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

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

Schedule A (Form 990 or 990-EZ) 2013

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) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants.")	14741029.	18249126.	20122870.	15264370.	13558990.	81936385.
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	14741029.	18249126.	20122870.	15264370.	13558990.	81936385.
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 Public support. Subtract line 5 from line 4						81936385.

Section B. Total Support

Calendar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
7 Amounts from line 4	14741029.	18249126.	20122870.	15264370.	13558990.	81936385.
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources	27,627.	8,837.	5,125.	9,897.	8,434.	59,920.
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV)			66,144.			66,144.
11 Total support. Add lines 7 through 10						82062449.

12 Gross receipts from related activities, etc (see instructions) 12

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

Section C. Computation of Public Support Percentage

14 Public support percentage for 2013 (line 6, column (f) divided by line 11, column (f))	14	99.85	%
15 Public support percentage from 2012 Schedule A, Part II, line 14	15	99.34	%

- 16a **33 1/3% support test - 2013.** 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
- b **33 1/3% support test - 2012.** 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
- 17a **10% -facts-and-circumstances test - 2013.** If the organization did not check a box on line 13, 16a, or 16b, and line 14 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization
- b **10% -facts-and-circumstances test - 2012.** If the organization did not check a box on line 13, 16a, 16b, or 17a, and line 15 is 10% or more, and if the organization meets the "facts-and-circumstances" test, check this box and stop here. Explain in Part IV how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization
- 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

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

(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in) ▶	(a) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(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) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income. Do not include gain or loss from the sale of capital assets (Explain in Part IV.)						
13 Total support. (Add lines 9, 10c, 11, and 12.)						

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

Section C. Computation of Public Support Percentage

15 Public support percentage for 2013 (line 8, column (f) divided by line 13, column (f))	15	%
16 Public support percentage from 2012 Schedule A, Part III, line 15	16	%

Section D. Computation of Investment Income Percentage

17 Investment income percentage for 2013 (line 10c, column (f) divided by line 13, column (f))	17	%
18 Investment income percentage from 2012 Schedule A, Part III, line 17	18	%

19a 33 1/3% support tests - 2013. 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 - 2012. 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

Supplemental Financial Statements

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

▶ Attach to Form 990.

▶ Information about Schedule D (Form 990) and its instructions is at www.irs.gov/form990

2013

Open to Public Inspection

Name of the organization

CAPSTONE COMMUNITY ACTION, INC.

Employer identification number

03-0216254

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

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

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

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

	Held at the End of the Tax Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d
- Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ _____
- Number of states where property subject to conservation easement is located ▶ _____
- Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? Yes No
- Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶ _____
- Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ \$ _____
- Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? Yes No
- In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

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

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

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

(i) Revenues included in Form 990, Part VIII, line 1	▶ \$ _____
(ii) Assets included in Form 990, Part X	▶ \$ _____
- If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items.

a Revenues included in Form 990, Part VIII, line 1	▶ \$ _____
b Assets included in Form 990, Part X	▶ \$ _____

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

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

- a Public exhibition
- b Scholarly research
- c Preservation for future generations
- d Loan or exchange programs
- e Other _____

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

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

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

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

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

	Amount
1c	
1d	
1e	
1f	

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

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

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

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

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

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

- a Board designated or quasi-endowment _____ %
- b Permanent endowment _____ %
- c Temporarily restricted endowment _____ %

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

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

- (i) unrelated organizations
- (ii) related organizations

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

b If "Yes" to 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" to 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		209,818.		209,818.
b Buildings		6,578,368.	934,850.	5,643,518.
c Leasehold improvements				
d Equipment				
e Other		428,339.	246,053.	182,286.
Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c))				6,035,622.

Part VII Investments - Other Securities.

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

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col (B) line 15) ▶	

Part X Other Liabilities.

Complete if the organization answered "Yes" to 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) SECURITY DEPOSIT	6,052.
(3) TANGIBLE ASSET DEFERRED REVENUE	192,796.
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
Total. (Column (b) must equal Form 990, Part X, col (B) line 25) ▶	
	198,848.

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

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

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

1	Total revenue, gains, and other support per audited financial statements		1	14,544,616.
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:			
a	Net unrealized gains on investments	2a	-420.	
b	Donated services and use of facilities	2b		
c	Recoveries of prior year grants	2c		
d	Other (Describe in Part XIII.)	2d		
e	Add lines 2a through 2d	2e	-420.	
3	Subtract line 2e from line 1	3	14,545,036.	
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	-13,456.	
c	Add lines 4a and 4b	4c	-13,456.	
5	Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)	5	14,531,580.	

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

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

1	Total expenses and losses per audited financial statements		1	14,432,548.
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:			
a	Donated services and use of facilities	2a		
b	Prior year adjustments	2b		
c	Other losses	2c		
d	Other (Describe in Part XIII.)	2d		
e	Add lines 2a through 2d	2e	0.	
3	Subtract line 2e from line 1	3	14,432,548.	
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:			
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a		
b	Other (Describe in Part XIII.)	4b		
c	Add lines 4a and 4b	4c	0.	
5	Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)	5	14,432,548.	

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 X, LINE 2:

EXPLANATION: ACCOUNTING STANDARD CODIFICATION NO. 740, "ACCOUNTING FOR INCOME TAXES," ESTABLISHED THE MINIMUM THRESHOLD FOR RECOGNIZING, AND A SYSTEM FOR MEASURING, THE BENEFITS OF TAX RETURN POSITIONS IN FINANCIAL STATEMENTS. THE COUNCIL HAS ANALYZED THE ORGANIZATION'S TAX POSITION TAKEN ON ITS INCOME TAX RETURNS FOR THE YEARS (2010 THROUGH 2013), FOR THE PURPOSES OF IMPLEMENTATION, AND HAS CONCLUDED THAT NO ADDITIONAL PROVISION FOR INCOME TAXES IS NECESSARY IN THE COUNCIL'S FINANCIAL STATEMENTS.

PART XI, LINE 4B - OTHER ADJUSTMENTS:

LOSS ON DISPOSAL OF PROPERTY

Part III Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 22
 Part III can be duplicated if additional space is needed

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
FOOD FOR CHILDREN IN DAYCARE HOME	647	874,302.	0.		
EMERGENCY SERVICES FOR INDIVIDUALS	3176	1,305,826.	0.		
WEATHERIZATION AND EMERGENCY HEATING SYSTEM REPLACEMENTS AND REPAIRS FOR HOUSEHOLDS	853	1,494,115.	0.		
IRENE FLOOD RECOVERY	74	137,846.	0.		
ASSETS FOR INDEPENDENCE MATCH FOR SAVERS	59	128,445.	0.		

Part IV Supplemental Information. Provide the information required in Part I, line 2, Part III, column (b), and any other additional information.

PART IV

EXPLANATION: THE COUNCIL MAINTAINS CASE MANAGEMENT FILES TO TRACK THE

GRANT ASSISTANCE TO INDIVIDUALS AND FAMILIES.

Part III Continuation of Grants and Other Assistance to Individuals in the United States (Schedule I (Form 990), Part III)

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
CAR REPAIR ASSISTANCE FOR INDIVIDUALS	3.	253.	0.		

**SCHEDULE M
(Form 990)**

Noncash Contributions

OMB No 1545-0047

2013

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

- ▶ Complete if the organizations answered "Yes" on Form 990, Part IV, lines 29 or 30.
- ▶ Attach to Form 990.
- ▶ Information about Schedule M (Form 990) and its instructions is at www.irs.gov/form990.

Name of the organization **CAPSTONE COMMUNITY ACTION, INC.** Employer identification number **03-0216254**

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	5	112,903.	FMV DATE OF DONATION
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**

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

Part II

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.

Multiple horizontal lines for supplemental information.

SCHEDULE O
(Form 990 or 990-EZ)

Supplemental Information to Form 990 or 990-EZ

OMB No 1545-0047

2013

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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.

▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990

Name of the organization

CAPSTONE COMMUNITY ACTION, INC.

Employer identification number
03-0216254

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

WELL-BEING WITH DIGNITY AND DEVELOPS PARTNERSHIPS TO STRENGTHEN VERMONT COMMUNITIES. OUR COMMITMENT IS: TO ALLEVIATE THE SUFFERING CAUSED BY POVERTY, TO WORK WITH INDIVIDUALS AND FAMILIES TO MOVE OUT OF POVERTY, AND TO ADVOCATE FOR ECONOMIC JUSTICE FOR ALL VERMONTERS.

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

AND FAMILIES TO MOVE OUT OF POVERTY, AND TO ADVOCATE FOR ECONOMIC JUSTICE FOR ALL VERMONTERS.

FORM 990, PART III, LINE 4A, PROGRAM SERVICE ACCOMPLISHMENTS:

LEARNING TOGETHER CENTER. 373 CHILDREN PARTICIPATED IN HEAD START AND EARLY HEAD START PROGRAMS THAT BENEFITTED 849 ADDITIONAL FAMILY MEMBERS. 13 TEEN PARENTS PARTICIPATED IN OUR FAMILY LITERACY PROGRAMS.

FORM 990, PART III, LINE 4B, PROGRAM SERVICE ACCOMPLISHMENTS:

BY THE VERMONT DEPARTMENT OF CHILDREN AND FAMILIES. PRIOR TO THE OFFICIAL CLOSING OF OUR DISASTER CASE MANAGEMENT SERVICES (LAUNCHED IN RESPONSE TO TROPICAL STORM IRENE AND OTHER FLOODING DISASTERS), SERVICES WERE PROVIDED TO 74 FAMILIES WHO HAD YET TO FULLY RECOVER FROM DEVASTATING NATURAL DISASTERS. THIS YEAR 5,731 HOUSEHOLDS WERE PROVIDED WITH EMERGENCY SERVICES, INCLUDING FOOD FROM OUR FOOD SHELVES, FUEL & UTILITY ASSISTANCE, AS WELL AS REFERRALS TO OTHER COMMUNITY RESOURCES TO ADDRESS CRITICAL NEEDS. 3,176 HOUSEHOLDS USED OUR FUEL AND UTILITY PROGRAMS TO KEEP HEATING THEIR HOMES AND MAINTAINING

Name of the organization CAPSTONE COMMUNITY ACTION, INC.	Employer identification number 03-0216254
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ELECTRICITY. THE GREAT RECESSION'S LINGERING IMPACT ON CENTRAL VERMONT HAS BEEN FELT MOST ACCUTELY IN AREAS OF FOOD AND HOUSING WITH STAFF REPORTING MORE COMPLEX HOUSING ISSUES AMONG PARTICIPANTS AND INCREASED FOOD SHELF VISITS. IN RESPONSE TO THIS TREND, CAPSTONES'S FAMILY COMMUNITY SUPPORT SERVICES EXPANDED ITS HOUSING ASSISTANCE PROGRAMS TO MEET THIS GROWING DEMAND BY SECURING ADDITIONAL STATE AND FEDERAL FUNDING THROUGH GRANTS AND CONTRACTS. UNDER SUB CONTRACT WITH THE UNIVERSITY OF VERMONT, THE AGENCY HIRED A (VETS) FAMILY DEVELOPMENT HOUSING COUNSELOR TO FOCUS SPECIFICALLY ON THE HOUSING NEEDS OF SERVICE MEN AND WOMEN. THE AGENCY WAS FORTUNATE TO FIND AN EXPERIENCED COUNSELOR WITH A MILITARY BACKGROUND. WITH ADDITIONAL FUNDING FROM THE VERMONT DEPARTMNET FOR CHILDREN AND FAMILIES AND THE VERMONT DEPARTMENT OF CORRECTIONS, THE AGENCY WAS ABLE TO ADD THREE MORE HOUSING-RELATED POSITIONS. 1,458 FAMILIES ACCESSED HELP TO FIND AND KEEP SAFE SECURE HOUSING THROUGH OUR HOUSING COUNSELING PROGRAMS. TWO SERVICE COORDINATOR POSITIONS WERE DEVELOPED TO FOCUS ON THE NEEDS OF FORMERLY INCARCERATED VERMONTERS. THE WASHINGTON COUNTY POSITION PRIMARILY SERVES WOMEN, AND THE LAMOILLE COUTY POSITION PRIMARILY SERVES MEN. WITH STATE EMERGENCY SHELTER AND COMMUNITY SERVICE FUNDS THE AGENCY WAS ABLE TO ADD AN ADDITIONAL HOUSING COUNSELOR GENERALIST POSITION.

FORM 990, PART III, LINE 4C, PROGRAM SERVICE ACCOMPLISHMENTS:
BENEFITTED FROM IMPROVED ENERGY EFFICIENCY MEASURERS.

FORM 990, PART III, LINE 4D, OTHER PROGRAM SERVICES:
HOUSING: CAPSTONE PROVIDES 9 AFFORDABLE HOUSING UNITS IN TWO BUILDINGS (HUD SECTION 8) IN RANDOLPH, VERMONT CALLED PROSPECT FOREST HOMES.

THIS GROUP OF FUNDS HOLDS THE PROPERTY, PLANT AND EQUIPMENT USED TO

Name of the organization

CAPSTONE COMMUNITY ACTION, INC.

Employer identification number
03-0216254

PROVIDE THESE HOUSING UNITS.

CAPSTONE'S MICRO BUSINESS DEVELOPMENT PROGRAM ASSISTS LOW TO MODERATE INCOME VERMONTERS INTERESTED IN IMPROVING THEIR ECONOMIC OUTLOOK THROUGH SELF-EMPLOYMENT. CAPSTONE OFFERS COMPREHENSIVE TRAININGS IN BUSINESS BASICS. INDIVIDUALIZED COUNSELING IS PROVIDED TO PARTICIPANTS IN AREAS OF BUSINESS PLAN DEVELOPMENT, PRODUCT DEVELOPMENT, MARKETING, FINANCE, MANAGING EMPLOYEES, AND MUCH MORE. 244 ENTREPRENEURS RECEIVED COUNSELING AND TECHNICAL ASSISTANCE ON STARTING OR EXPANDING A BUSINESS THROUGH THE MICRO BUSINESS DEVELOPMENT PROGRAM.

TANGIBLE ASSETS IS CAPSTONE'S MATCHED SAVINGS AND FINANCIAL LITERACY PROGRAM. AFTER COMPLETING A COMPREHENSIVE FINANCIAL LITERACY CURRICULUM, CENTRAL VERMONTERS BEGAN ACCRUING SOME OF THEIR EARNED INCOME IN SAVINGS ACCOUNTS WHERE THEIR EFFORTS WERE MATCHED BY AS MUCH AS \$3 FOR EVERY \$1 DEPOSITED. WITH ADDITIONAL FEDERAL GRANTS AND STATE OF VERMONT ALLOCATIONS, CAPSTONE CONTINUES TO ENCOURAGE OTHER VERMONTERS TO BECOME FINANCIALLY LITERATE WHILE THEY ACCRUE ASSETS FOR POST-SECONDARY EDUCATION, BUSINESS DEVELOPMENT, OR HOME OWNERSHIP. 672 PEOPLE ATTENDED FINANCIAL LITERACY WORKSHOPS OR RECEIVED ONE-TO-ONE FINANCIAL COUNSELING. 59 CENTRAL VERMONTER'S SAVED TOWARDS AN ASSET THAT WILL PROVIDE LONG-TERM ECONOMIC SECURITY - A FIRST-TIME HOME, EDUCATION, OR BUSINESS. THIS YEAR CAPSTONE PARTNERED WITH THE UNIVERSITY OF VERMONT EXTENSION TO RUN AN IDA PROGRAM FOR YOUTH SEEKING TO PURSUE CAREERS IN LOCAL AGRICULTURE.

THE VERMONT WOMEN'S BUSINESS CENTER (VWBC) SERVES WOMEN AROUND THE STATE THROUGH PARTNERSHIPS WITH COMMUNITY ACTION AGENCIES AND OTHER

Name of the organization CAPSTONE COMMUNITY ACTION, INC.	Employer identification number 03-0216254
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SERVICE PROVIDERS. THE VWBC PROVIDES WOMEN WITH THE TRAINING, ASSISTANCE AND SUPPORT NEEDED TO START AND EXPAND SUCCESSFUL BUSINESSES, THEREBY PROMOTING ECONOMIC INDEPENDENCE AND HEALTHY COMMUNITIES. 160 WOMEN STATEWIDE RECEIVED TRAINING, COUNSELING AND TECHNICAL ASSISTANCE FROM THE VERMONT WOMEN'S BUSINESS CENTER TO PURSUE DREAMS OF BUSINESS OWNERSHIP.

CAPSTONE'S CHILD CARE FOOD PROGRAM WORKED WITH 80 CHILD CARE PROVIDERS WHO PROVIDED HEALTHY, NUTRITIOUS MEALS AND SNACKS TO THE 647 CHILDREN IN THEIR CARE. CAPSTONE HELPS APPROVED PROVIDERS ACCESS CCFP MEAL AND SNACK REIMBURSEMENTS THROUGH THE U.S. DEPARTMENT OF AGRICULTURE.

FOR THE 2013 TAX SEASON (JANUARY TO APRIL 2014) CAPSTONE'S VOLUNTEER INCOME TAX ASSISTANCE (VITA) PROGRAM PREPARED TAX RETURNS FOR 1,049 PEOPLE. GIVEN THAT WE USUALLY PREPARE BOTH THE FEDERAL AND STATE TAX RETURNS FOR OUR CLIENTS, OUR STAFF AND VOLUNTEER PREPARED APPROXIMATELY 2,212 TAX RETURNS. FEDERAL REFUNDS TOTAL \$1,025,963. STATE REFUNDS TOTALED \$347,461. WE WERE ABLE TO ACCOMPLISH THIS WITH THE HELP OF 30 DEDICATED VOLUNTEERS WHO DOANTED NUMEROUS HOURS AT AN IN-KIND VALUE OF \$18,774. WE RANT SIX DIFFERENT TAX SITES WITH AN IN-KIND RENTAL VALUE UTILIZING ONLY TWO PAID SITE COORDINATORS AND ONE PAID STAFF MEMBER.

THE CAPSTONE TRANSPORTATION PROJECT, A STATEWIDE PARTNERSHIP WITH THE VERMONT DEPARTMENT FOR CHILDREN AND FAMILIES AND VOCATIONAL REHABILITATION, ASSISTS INDIVIDUALS PURCHASING QUALITY CARS AND MAKING CAR REPAIRS BY HELPING THEM IDENTIFY THEIR VEHICLE NEEDS AND FINANCIAL CAPACITY. PARTICIPANTS RECEIVE EDUCATIONAL INFORMATION AND GUIDANCE ON CREDIT ISSUES, FINDING AND TEST DRIVING CARS, AND MAINTENANCE ISSUES.

Name of the organization

CAPSTONE COMMUNITY ACTION, INC.

Employer identification number
03-0216254

CAPSTONE TRANSPORTTION PROJECT STAFF OFFERS COMPREHENSIVE REVIEW OF REPAIR ESTIMATES AND OFTEN HELPS CONSUMERS PRIORITIZE REPAIRS TO BETTER SUIT THEIR FINANCES. 678 VERMONTERS BENEFITTED FROM TRANSPORTATION EDUCATION, ADVICE AND TECHNICAL ASSISTANCE FROM THE CAPSTONE TRANSPORTATION PROJECT.

CAPSTONE CONTINUES TO OPERATE AS A VOLUNTEER WORK PLACEMENT SITE FOR VERMONT'S REACH UP PROGRAM. VOLUNTEERS TYPICALLY WORK IN OUR FOOD SHELF HELPING TO RESTOCK SHELVES AND ASSIST PARTICIPANTS. THIS PAST YEAR, CAPSTONE, IN PARTNERSHIP WITH THE VERMONT FOOD BANK, ESTABLISHED A COMMUNITY KITCHEN ACADEMY TO TRAIN UNEMPLOYED/UNDEREMPLOYED VERMONTERS FOR CAREERS IN THE FOOD SERVICES SECTOR. STUDENTS COMPLETE A RIGOROUS 13-WEEK COURSE OF BOOK LEARNING, PRACTICAL SKILLS DEVELOPMENT, MENU PLANNING, RECIPE DEVELOPMENT, AND EMPLOYMENT READINESS. STUDENTS ACHIEVE SERVSAFE CERTIFICATION, AN ESSENTIAL INDUSTRY CREDENTIAL, AND MANY RECEIVE UP TO NINE COLLEGE CREDITS THROUGH THE COMMUNITY COLLEGE OF VERMONT. THIS PROGRAM FOLLOWS A MODEL PROGRAM ESTABLISHED BY THE VERMONT FOOD BANK AT CHIITENDEN FOOD SHELF IN BURLINGTON. 21 STUDENTS GRADUATED FROM THE COMMUNITY KITCHEN ACADEMY. 90% OF GRADUATES (ACROSS THE BARRE AND BURLINGTON SITES) ARE PLACED SUCCESSFULLY IN EMPLOYMENT.

CAPSTONE IS AN ACTIVE MEMBER OF VERMONT'S COMMUNITY SERVICES BLOCK GRANT AGENCY NETWORK THAT PROVIDES FAMILY DEVELOPMENT AND EMERGENCY SERVICES THROUGHOUT THE STATE. CSBG FUNDS ARE FEDERAL PASS-THROUGH RESOURCES ADMINISTERED BY THE STATE OF VERMONT OFFICE OF ECONOMIC OPPORTUNITY. CSBG IS AN IMPORTANT SOURCE OF BOTH DISCRETIONARY AND PROGRAMMATIC RESOURCES THAT ARE USED TO LEVERAGE OTHER SOURCES OF

Name of the organization CAPSTONE COMMUNITY ACTION, INC.	Employer identification number 03-0216254
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FUNDING, WHICH ENABLES STAFF TO ADDRESS THE FOLLOWING GOALS: 1)

LOW-INCOME PEOPLE BECOME MORE SELF-SUFFICIENT; 2) CONDITIONS IN WHICH
LOW-INCOME PEOPLE LIVE ARE IMPROVED; 3) LOW-INCOME PEOPLE OWN A STAKE
IN THEIR COMMUNITIES; 4) PARTNERSHIP AMONG SUPPORTERS AND PROVIDERS OF
SERVICES TO LOW-INCOME PEOPLE ARE ACHIEVED; 5) AGENCIES INCREASE THEIR
CAPACITY TO ACHIEVE RESULTS; AND 6) LOW-INCOME PEOPLE, ESPECIALLY
VULNERABLE POPULATIONS, ACHIEVE THEIR POTENTIAL BY STRENGTHENING THEIR
FAMILY AND OTHER SUPPORT SYSTEMS.

EXPENSES \$ 2,580,991. INCL GRANTS OF \$ 1,140,846. REVENUE \$ 165,298.

FORM 990, PART VI, SECTION A, LINE 4:

EXPLANATION: THE ORGANIZATION CHANGED ITS NAME FROM CENTRAL VERMONT
COMMUNITY ACTION COUNCIL TO CAPSTONE COMMUNITY ACTION, INC.

THE STRUCTURE OF THE BOARD OF DIRECTORS WAS CHANGED TO REDUCE THE OVERALL
NUMBER OF BOARD MEMBERS AND TO CONSOLIDATE THE POSITIONS OF SOME AREA
PARTICIPANTS.

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

EXPLANATION: A COPY OF THE ANNUAL FORM FORM 990 WILL BE GIVEN TO EACH BOARD
MEMBER PRIOR TO FILING.

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

EXPLANATION: A CONFLICT OF INTEREST POLICY IS UPDATED AND SIGNED BY EACH
BOARD MEMBER ON AN ANNUAL BASIS.

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

EXPLANATION: THE COMPENSATION OF THE EXECUTIVE DIRECTOR IS DELIBERATED AND

Name of the organization

CAPSTONE COMMUNITY ACTION, INC.

Employer identification number
03-0216254

APPROVED BY THE BOARD

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

EXPLANATION: GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, AND
FINANCIAL STATEMENTS ARE AVAILABLE TO THE PUBLIC UPON REQUEST.

STATE OF VERMONT
OFFICE OF SECRETARY OF STATE

Certificate of Amendment

I, James C. Condos, Vermont Secretary of State, do hereby certify that the attached is a true copy of the

ARTICLES OF AMENDMENT

For

CAPSTONE COMMUNITY ACTION, INC.

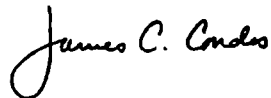
Formerly known as

CENTRAL VERMONT COMMUNITY ACTION COUNCIL, INC.

As filed in this department effective April 7, 2014

April 14, 2014

Given under my hand and the seal
of the State of Vermont, at
Montpelier, the State Capital



James C. Condos
Secretary of State

Articles of Amendment Form

Vermont domestic nonprofits and cooperatives (T.11B, 10.05)

Vermont Secretary of State, 128 State Street, Montpelier, VT 05633-1104 (802-828-2386)

CORPORATE NAME: Central Vermont Community Action Council, Inc.

2014 MAR 26 AM 11:35

RECEIVED
SECRETARY OF STATE
CORPORATIONS

TEXT & DATE OF AMENDMENT(S):

Change of name from Central Vermont Community Action Council, Inc. to Capstone Community Action, Inc.
March 20, 2014

APPROVAL BY DIRECTORS OR INCORPORATORS:

Approved and adopted by CVCAC Board of Directors on March 20, 2014

APPROVAL BY MEMBERS: Please (a) include the designation, number of memberships outstanding, number of votes entitled to be cast by each class entitled to vote separately on the amendment, and number of votes of each class indisputably voting. Then, (b) enter either the total number of votes cast for and against the amendment by each class entitled to vote separately or the total number of undisputed votes cast by each class and a statement that the number cast by each class was sufficient for approval by that class.

(a)

(b)

APPROVAL BY OTHER PERSON(S): If approval for amendment is needed by some person(s) other than the members, the board or the incorporators, state below that the approval was obtained.

INDICATE THE PURPOSE HERE: Choose one Non-profit Community Service Org.

Printed name

Lori Belding

Title President

Signature Lori A. Belding

Date 3-20-14

FEE: \$25.00

File in duplicate with a self-addressed envelope.

Email or phone contact:

2014 APR -7 PM 1:27

VERMONT
SECRETARY OF STATE
CORPORATIONS