Form **990**

Department of the Treasury Internal Revenue Service

Return of Organization Exempt From Income Tax

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

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

OMB No 1545-0047

2002

Open to Public Inspection

A For the 2002 calendar year, or tax year beginning July 1, 2002, 2002, and ending 6-30, 20 03

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.

C Name of organization: Pathway Family Center

Number and street (or P O box if mail is not delivered to street address) / Room/suite: 23100 Providence Drive., Ste300

City or town, state or country, and ZIP + 4: Southfield, MI 48075

D Employer identification number: 38 - 3118719

E Telephone number: (248) 443-0105

F Accounting method ☐ Cash ☒ Accrual ☐ 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)

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? N/A ☐ 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

G Web site ▶

J Organization type (check only one) ▶ ☒ 501(c) (3) ◀ (insert no) ☐ 4947(a)(1) or ☐ 527

I Enter 4 digit GEN ▶

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

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

L Gross receipts Add lines 6b, 8b, 9b, and 10b to line 12 ▶

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See page 17 of the instructions)

Revenue	1	Contributions, gifts, grants, and similar amounts received				
	a	Direct public support	1a	438,351		
	b	Indirect public support	1b			
	c	Government contributions (grants)	1c			
	d	Total (add lines 1a through 1c) (cash $ ____ noncash $ ____)			1d	438,351
	2	Program service revenue including government fees and contracts (from Part VII, line 93)			2	1,191,103
	3	Membership dues and assessments			3	
	4	Interest on savings and temporary cash investments			4	2
	5	Dividends and interest from securities			5	
	6a	Gross rents	6a			
	b	Less rental expenses	6b			
	c	Net rental income or (loss) (subtract line 6b from line 6a)			6c	
	7	Other investment income (describe ▶)			7	
	8a	Gross amount from sales of assets other than inventory — (A) Securities: ; (B) Other:	8a			
	b	Less cost or other basis and sales expenses	8b			
	c	Gain or (loss) (attach schedule)	8c			
	d	Net gain or (loss) (combine line 8c, columns (A) and (B))			8d	
	9	Special events and activities (attach schedule) See Statement 1				
	a	Gross revenue (not including $ 14,425 of contributions reported on line 1a)	9a	16,360		
	b	Less direct expenses other than fundraising expenses	9b	13,892		
	c	Net income or (loss) from special events (subtract line 9b from line 9a)			9c	2,468
	10a	Gross sales of inventory, less returns and allowances	10a			
	b	Less cost of goods sold	10b			
	c	Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)			10c	
	11	Other revenue (from Part VII, line 103)			11	
	12	Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)			12	1,631,924
Expenses	13	Program services (from line 44, column (B))			13	1,170,682
	14	Management and general (from line 44, column (C))			14	252,510
	15	Fundraising (from line 44, column (D))			15	70,048
	16	Payments to affiliates (attach schedule)			16	
	17	Total expenses (add lines 16 and 44, column (A))			17	1,493,240
Net Assets	18	Excess or (deficit) for the year (subtract line 17 from line 12)			18	138,684
	19	Net assets or fund balances at beginning of year (from line 73, column (A))			19	(160,766)
	20	Other changes in net assets or fund balances (attach explanation)			20	
	21	Net assets or fund balances at end of year (combine lines 18, 19, and 20)			21	(22,082)

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Part II Statement of Functional Expenses All organizations must complete column (A) Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others (See page 21 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	157,075	73,645	54,333	29,097
26 Other salaries and wages	26	616,183	537,384	77,792	1,007
27 Pension plan contributions	27	7,170	7,170		
28 Other employee benefits	28	27,252	21,796	4,212	1,244
29 Payroll taxes	29	66,285	52,764	10,763	2,758
30 Professional fundraising fees	30				
31 Accounting fees	31	19,031	19,031		
32 Legal fees	32	674	495	179	
33 Supplies	33	16,329	8,660	6,782	887
34 Telephone	34	18,233	12,775	4,243	1,215
35 Postage and shipping	35	5,538	1,989	1,821	1,728
36 Occupancy	36	191,190	162,924	18,844	9,422
37 Equipment rental and maintenance	37	15,065	9,141	5,030	344
38 Printing and publications	38				
39 Travel	39	26,286	19,261	3,988	3,037
40 Conferences, conventions, and meetings	40				
41 Interest	41	13,694		13,694	
42 Depreciation, depletion, etc (attach schedule)	42	3,600	3,061	359	180
43 Other expenses not covered above (itemize) a	43a				
b	43b				
c	43c				
d	43d				
e See Statement 2	43e	309,635	240,586	50,420	18,629
44 **Total functional expenses** (add lines 22 through 43) *Organizations completing columns (B)-(D), carry these totals to lines 13—15*	44	1,493,240	1,170,682	252,510	70,048

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 24 of the instructions.)

What is the organization's primary exempt purpose? ▶ See Statement 3 All organizations must describe their exempt purpose achievements in a clear and concise manner State the number of clients served, publications issued, etc Discuss achievements that are not measurable (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others)	**Program Service Expenses** (Required for 501(c)(3) and (4) orgs, and 4947(a)(1) trusts, but optional for others)
a The Organization provides a drug dependency therapy to help youths aged 12-19 to overcome their addiction counseling and support for family members is also provided. (Grants and allocations $)	1,170,682
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) ▶	

Part IV Balance Sheets (See page 24 of the instructions)

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

				(A) Beginning of year		(B) End of year
Assets	45	Cash—non-interest-bearing		48,200	45	90,276
	46	Savings and temporary cash investments		657	46	659
	47a	Accounts receivable	47a 276,162			
	b	Less allowance for doubtful accounts	47b 92,196	187,308	47c	183,966
	48a	Pledges receivable	48a 50,000			
	b	Less allowance for doubtful accounts	48b	30,000	48c	50,000
	49	Grants receivable			49	
	50	Receivables from officers, directors, trustees, and key employees (attach schedule)			50	
	51a	Other notes and loans receivable (attach schedule)	51a			
	b	Less: allowance for doubtful accounts	51b		51c	
	52	Inventories for sale or use			52	
	53	Prepaid expenses and deferred charges		1,986	53	552
	54	Investments—securities (attach schedule) #4 ▶ ☐ Cost ☒ FMV		1,124	54	1,124
	55a	Investments—land, buildings, and equipment basis	55a 2,112			
	b	Less accumulated depreciation (attach schedule)	55b	42,677	55c	2,112
	56	Investments—other (attach schedule)			56	
	57a	Land, buildings, and equipment basis	57a 50,899			
	b	Less accumulated depreciation (attach schedule)	57b 13,856	33,869	57c	37,043
	58	Other assets (describe ▶ Security Deposits)		24,912	58	13,754
	59	**Total assets** (add lines 45 through 58) (must equal line 74)		370,733	59	379,486
Liabilities	60	Accounts payable and accrued expenses		199,484	60	166,497
	61	Grants payable			61	
	62	Deferred revenue		111,405	62	37,860
	63	Loans from officers, directors, trustees, and key employees (attach schedule) Statement 5		17,390	63	6,525
	64a	Tax-exempt bond liabilities (attach schedule)			64a	
	b	Mortgages and other notes payable (attach schedule)		203,220	64b	190,686
	65	Other liabilities (describe ▶ Statement 6)			65	
	66	**Total liabilities** (add lines 60 through 65)		531,499	66	401,568
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here ▶ ☒ and complete lines 67 through 69 and lines 73 and 74**				
	67	Unrestricted		(160,766)	67	(22,082)
	68	Temporarily restricted			68	
	69	Permanently restricted			69	
		Organizations that do not follow SFAS 117, check here ▶ ☐ and complete lines 70 through 74				
	70	Capital stock, trust principal, or current funds			70	
	71	Paid-in or capital surplus, or land, building, and equipment fund			71	
	72	Retained earnings, endowment, accumulated income, or other funds			72	
	73	**Total net assets or fund balances** (add lines 67 through 69 **or** lines 70 through 72; column (A) **must** equal line 19, column (B) **must** equal line 21)		(160,766)	73	(22,082)
	74	**Total liabilities and net assets / fund balances** (add lines 66 and 73)		370,733	74	379,486

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 IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return (See page 26 of the instructions.)

a	Total revenue, gains, and other support per audited financial statements ▶	a	
b	Amounts included on line a but not on line 12, Form 990		
	(1) Net unrealized gains on investments $ N/A		
	(2) Donated services and use of facilities $		
	(3) Recoveries of prior year grants $		
	(4) Other (specify): $		
	Add amounts on lines (1) through (4) ▶	b	
c	Line a minus line b ▶	c	
d	Amounts included on line 12, Form 990 but not on line a:		
	(1) Investment expenses not included on line 6b, Form 990 $		
	(2) Other (specify) $		
	Add amounts on lines (1) and (2) ▶	d	
e	Total revenue per line 12, Form 990 (line c plus line d) ▶	e	

Part IV-B Reconciliation of Expenses per Audited Financial Statements with Expenses per Return

a	Total expenses and losses per audited financial statements ▶	a	
b	Amounts included on line a but not on line 17, Form 990.		
	(1) Donated services and use of facilities $		
	(2) Prior year adjustments reported on line 20, Form 990 $		
	(3) Losses reported on line 20, Form 990 $		
	(4) Other (specify): $		
	Add amounts on lines (1) through (4) ▶	b	
c	Line a minus line b ▶	c	
d	Amounts included on line 17, Form 990 but not on line a:		
	(1) Investment expenses not included on line 6b, Form 990 $		
	(2) Other (specify): $		
	Add amounts on lines (1) and (2) ▶	d	
e	Total expenses per line 17, Form 990 (line c plus line d) ▶	e	

Part V List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated, see page 26 of the instructions.)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (If not paid, enter -0-.)	(D) Contributions to employee benefit plans & deferred compensation	(E) Expense account and other allowances
See Statement 7		157,075	0	25,791

75 Did any officer, director, trustee, or key employee receive aggregate compensation of more than $100,000 from your organization and all related organizations, of which more than $10,000 was provided by the related organizations? ▶ ☐ Yes ☒ No
If "Yes," attach schedule—see page 26 of the instructions

Part VI Other Information (See page 27 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? N/A	78b		
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 ☐ exempt or ☐ nonexempt			
81a	Enter direct or indirect political expenditures. See line 81 instructions. 81a			
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? N/A	84b		
85	*501(c)(4), (5), or (6) organizations.* a Were substantially all dues nondeductible by members? N/A	85a		
b	Did the organization make only in-house lobbying expenditures of $2,000 or less? N/A	85b		
	If "Yes" was answered to either 85a or 85b, **do not** complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.			
c	Dues, assessments, and similar amounts from members — 85c: N/A			
d	Section 162(e) lobbying and political expenditures — 85d: N/A			
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices — 85e: N/A			
f	Taxable amount of lobbying and political expenditures (line 85d less 85e) — 85f: N/A			
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f? N/A	85g		
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85h		
86	*501(c)(7) orgs.* Enter: a Initiation fees and capital contributions included on line 12 — 86a: N/A			
b	Gross receipts, included on line 12, for public use of club facilities — 86b: N/A			
87	*501(c)(12) orgs.* Enter: a Gross income from members or shareholders — 87a: N/A			
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.) — 87b: N/A			
88	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 ▶ ______, section 4912 ▶ ______, section 4955 ▶ ______			
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 ▶ None

d Enter: Amount of tax on line 89c, above, reimbursed by the organization ▶ None

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, 2002 (See instructions.) 90b: 27

91 The books are in care of ▶ Terri C. Nissley Telephone no. ▶ (248)443-0105
Located at ▶ 23100 Providence Dr., Ste. 300 ZIP + 4 ▶ 48075

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

Form **990** (2002)

Part VII Analysis of Income-Producing Activities (See page 31 of the instructions.)

Note: *Enter gross amounts unless otherwise indicated*	Unrelated business income (A) Business code	Unrelated business income (B) Amount	Excluded by section 512, 513, or 514 (C) Exclusion code	Excluded by section 512, 513, or 514 (D) Amount	(E) Related or exempt function income
93 Program service revenue					
a Fees For Service					1,173,084
b Misc. Receipts					18,019
c					
d					
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments			14	2	
96 Dividends and interest from securities					
97 Net rental income or (loss) from real estate					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events					2,468
102 Gross profit or (loss) from sales of inventory					
103 Other revenue. a					
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))				2	1,193,571

105 **Total** (add line 104, columns (B), (D), and (E)) ▶ 1,193,573

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 32 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)
93	Provided funds to enable the organization to provide drug
101	dependency therapy to youth aged 12-19 also their families.

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See page 32 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
N/A	%			
	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See page 33 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 Jerri C. Bessley 2/17/04 Date

[redacted] & CEO

Date | Check if self- | Preparer's SSN or PTIN (See Gen. Inst. W)

[redacted]

SCHEDULE A (Form 990 or 990-EZ)

Department of the Treasury Internal Revenue Service

Organization Exempt Under Section 501(c)(3)

(Except Private Foundation) and Section 501(e), 501(f), 501(k), 501(n), or Section 4947(a)(1) Nonexempt Charitable Trust

Supplementary Information—(See separate instructions.)

▶ MUST be completed by the above organizations and attached to their Form 990 or 990-EZ

OMB No 1545-0047

2002

Name of the organization: Pathway Family Center

Employer identification number: 38 3118719

Part I **Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees**
(See page 1 of the instructions. List each one. If there are none, enter "None.")

(a) Name and address of each employee paid more than $50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
None				
Total number of other employees paid over $50,000 ▶				

Part II **Compensation of the Five Highest Paid Independent Contractors for Professional Services**
(See page 2 of the instructions. List each one (whether individuals or firms). If there are none, enter "None.")

(a) Name and address of each independent contractor paid more than $50,000	(b) Type of service	(c) Compensation
None		
Total number of others receiving over $50,000 for professional services ▶		

Part III **Statements About Activities** (See page 2 of the instructions)

			Yes	No
1	During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ▶ $ ______ **(Must equal amounts on line 38, Part VI-A, or line i of Part VI-B)**	1		X
	Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A Other organizations checking "Yes," must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities			
2	During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? *(If the answer to any question is "Yes," attach a detailed statement explaining the transactions)*			
a	Sale, exchange, or leasing of property?	2a		X
b	Lending of money or other extension of credit? See statement 8	2b	X	
c	Furnishing of goods, services, or facilities?	2c		X
d	Payment of compensation (or payment or reimbursement of expenses if more than $1,000)?	2d	X	
e	Transfer of any part of its income or assets?	2e		X
3	Does the organization make grants for scholarships, fellowships, student loans, etc ? (See **Note** below)	3		X
4	Do you have a section 403(b) annuity plan for your employees?	4		X

Note: *Attach a statement to explain how the organization determines that individuals or organizations receiving grants or loans from it in furtherance of its charitable programs "qualify" to receive payments*

Part IV **Reason for Non-Private Foundation Status** (See pages 3 through 5 of the instructions)

The organization is not a private foundation because it is (Please check only **ONE** applicable box)

5 ☐ A church, convention of churches, or association of churches Section 170(b)(1)(A)(i)

6 ☐ A school Section 170(b)(1)(A)(ii) (Also complete Part V)

7 ☐ A hospital or a cooperative hospital service organization Section 170(b)(1)(A)(iii)

8 ☐ A Federal, state, or local government or governmental unit Section 170(b)(1)(A)(v)

9 ☐ A medical research organization operated in conjunction with a hospital Section 170(b)(1)(A)(iii) **Enter the hospital's name, city, and state** ▶ ....

10 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit Section 170(b)(1)(A)(iv) (Also complete the **Support Schedule** in Part IV-A)

11a ☐ An organization that normally receives a substantial part of its support from a governmental unit or from the general public Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV-A)

11b ☐ A community trust Section 170(b)(1)(A)(vi) (Also complete the **Support Schedule** in Part IV-A)

12 ☒ An organization that normally receives **(1) more than 33⅓%** of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc , functions—subject to certain exceptions, and **(2) no more than 33⅓%** 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) (Also complete the **Support Schedule** in Part IV-A)

13 ☐ An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in **(1)** lines 5 through 12 above, or **(2)** section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2) (See section 509(a)(3))

Provide the following information about the supported organizations (See page 5 of the instructions)

(a) Name(s) of supported organization(s)	**(b)** Line number from above

14 ☐ An organization organized and operated to test for public safety Section 509(a)(4) (See page 5 of the instructions.)

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

Calendar year (or fiscal year beginning in) ▶	(a) 2001	(b) 2000	(c) 1999	(d) 1998	(e) Total
15 Gifts, grants, and contributions received (Do not include unusual grants See line 28)	170,126	529,816	162,905	62,288	725,135
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose	1,261,233	935,697	541,677	642,137	3,380,744
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	12	507	99	104	722
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge Do not include the value of services or facilities generally furnished to the public without charge					
22 Other income Attach a schedule Do not include gain or (loss) from sale of capital assets					
23 Total of lines 15 through 22	1,431,371	1,266,020	704,681	704,529	4,106,601
24 Line 23 minus line 17	170,138	330,323	163,004	62,392	725,857
25 Enter 1% of line 23	14,314	12,660	7,047	7,045	

26 **Organizations described on lines 10 or 11:** a Enter 2% of amount in column (e), line 24 ▶ 26a N/A

b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 1998 through 2001 exceeded the amount shown in line 26a **Do not file this list with your return.** Enter the total of all these excess amounts ▶ 26b N/A

c Total support for section 509(a)(1) test Enter line 24, column (e) ▶ 26c N/A

d Add Amounts from column (e) for lines 18 ______ 19 ______ 22 ______ 26b ______ ▶ 26d N/A

e Public support (line 26c minus line 26d total) ▶ 26e N/A

f **Public support percentage (line 26e (numerator) divided by line 26c (denominator))** ▶ 26f N/A %

27 **Organizations described on line 12:** a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person" **Do not file this list with your return.** Enter the sum of such amounts for each year

(2001) 11,060 (2000) 3,015 (1999) 12,482 (1998) 1,075

b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) $5,000 (Include in the list organizations described in lines 5 through 11, as well as individuals) **Do not file this list with your return.** After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year

(2001) 0 (2000) 0 (1999) 0 (1998) 0

c Add Amounts from column (e) for lines 15 725,135 16 ______ 17 3,380,744 20 ______ 21 ______ ▶ 27c 4,105,879

d Add Line 27a total 27,632 and line 27b total ______ ▶ 27d 27,632

e Public support (line 27c total minus line 27d total) ▶ 27e 4,078,247

f Total support for section 509(a)(2) test Enter amount from line 23, column (e) ▶ 27f 4,106,601

g **Public support percentage (line 27e (numerator) divided by line 27f (denominator))** ▶ 27g 99.309 %

h **Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))** ▶ 27h .014 %

28 **Unusual Grants:** For an organization described in line 10, 11, or 12 that received any unusual grants during 1998 through 2001, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant **Do not file this list with your return.** Do not include these grants in line 15

Part V Private School Questionnaire (See page 7 of the instructions.)
(To be completed ONLY by schools that checked the box on line 6 in Part IV) N/A

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

Part VI-A **Lobbying Expenditures by Electing Public Charities** (See page 9 of the instructions.)
(To be completed **ONLY** by an eligible organization that filed Form 5768)

Check ▶ a ☐ if the organization belongs to an affiliated group Check ▶ b ☐ if you checked "a" and "limited control" provisions apply

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
36 Total lobbying expenditures to influence public opinion (grassroots lobbying)	36	N/A	
37 Total lobbying expenditures to influence a legislative body (direct lobbying)	37		
38 Total lobbying expenditures (add lines 36 and 37)	38		
39 Other exempt purpose expenditures	39		
40 Total exempt purpose expenditures (add lines 38 and 39)	40		
41 Lobbying nontaxable amount Enter the amount from the following table—			
If the amount on line 40 is— / **The lobbying nontaxable amount is—**			
Not over $500,000 / 20% of the amount on line 40			
Over $500,000 but not over $1,000,000 / $100,000 plus 15% of the excess over $500,000			
Over $1,000,000 but not over $1,500,000 / $175,000 plus 10% of the excess over $1,000,000	41		
Over $1,500,000 but not over $17,000,000 / $225,000 plus 5% of the excess over $1,500,000			
Over $17,000,000 / $1,000,000			
42 Grassroots nontaxable amount (enter 25% of line 41)	42		
43 Subtract line 42 from line 36 Enter -0- if line 42 is more than line 36	43		
44 Subtract line 41 from line 38 Enter -0- if line 41 is more than line 38	44		

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

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below See the instructions for lines 45 through 50 on page 11 of the instructions.)

	Lobbying Expenditures During 4-Year Averaging Period				
Calendar year (or fiscal year beginning in) ▶	(a) 2002	(b) 2001	(c) 2000	(d) 1999	(e) Total
45 Lobbying nontaxable amount					
46 Lobbying ceiling amount (150% of line 45(e))					
47 Total lobbying expenditures					
48 Grassroots nontaxable amount					
49 Grassroots ceiling amount (150% of line 48(e))					
50 Grassroots lobbying expenditures					

Part VI-B **Lobbying Activity by Nonelecting Public Charities** N/A
(For reporting only by organizations that did not complete Part VI-A) (See page 11 of the instructions.)

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of	Yes	No	Amount
a Volunteers			
b Paid staff or management (Include compensation in expenses reported on lines c through h.)			
c Media advertisements			
d Mailings to members, legislators, or the public			
e Publications, or published or broadcast statements			
f Grants to other organizations for lobbying purposes			
g Direct contact with legislators, their staffs, government officials, or a legislative body			
h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means			
i Total lobbying expenditures (Add lines c through h.)			

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

Part VII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations (See page 12 of the instructions)

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

		Yes	No
a Transfers from the reporting organization to a noncharitable exempt organization of			
(i) Cash	51a(i)		X
(ii) Other assets	a(ii)		X
b Other transactions			
(i) Sales or exchanges of assets with a noncharitable exempt organization	b(i)		X
(ii) Purchases of assets from a noncharitable exempt organization	b(ii)		X
(iii) Rental of facilities, equipment, or other assets	b(iii)		X
(iv) Reimbursement arrangements	b(iv)		X
(v) Loans or loan guarantees	b(v)		X
(vi) Performance of services or membership or fundraising solicitations	b(vi)		X
c Sharing of facilities, equipment, mailing lists, other assets, or paid employees	c		X

d If the answer to any of the above is "Yes," complete the following schedule Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting organization If the organization received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received

(a) Line no	(b) Amount involved	(c) Name of noncharitable exempt organization	(d) Description of transfers, transactions, and sharing arrangements

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

b If "Yes," complete the following schedule

(a) Name of organization	(b) Type of organization	(c) Description of relationship

Other Expenses

Statement 2

	Total	Progam	Mgt/General	Fundraising
Outside Services	-724	-827	93	10
Education	52535	52535		0
Collections Exp	3380		3380	0
Payroll Service	4582	0	4582	0
Promotion	33960	33960		0
Staff Training	3856	3192	482	182
Bad Debt	36087	0	36087	0
Fundraising	17595	0		17595
Bank Charges	1460	0	1460	0
Licenses	9817	9642	120	55
Dues and Subscriptions	1753	1492	174	87
Professional Fees	79944	77083	2286	575
Medical and Housing	44524	44524		
Insurance	11692	10460	1185	47
Miscellaneous	9174	8525	571	78
Total to 990, Part II, Line 43	309635	240586	50420	18629

FORM 990 STATEMENT OF ORGANIZATION'S PRIMARY EXEMPT PURPOSE STATEMENT 3
PART III

EXPLANATION

DRUG DEPENDANCY THERAPY PROGRAM TO HELP YOUTHS OVERCOME THEIR ADDICTION AND TO PROVIDE COUNSELING TO THEIR FAMILY MEMBERS.

FORM 990 NON-GOVERNMENT SECURITIES STATEMENT 4

SECURITY DESCRIPTION	CORPORATE STOCKS	CORPORATE BONDS	OTHER PUBLICLY TRADED SECURITIES	OTHER SECURITIES	TOTAL NON-GOV'T SECURITIES
MARKETABLE SECURITIES	1,124.				1,124.
TO 990, LN 54 COL B	1,124.				1,124.

Pathway Family Center - 383118719

Loans from Officers, Directors, Trustees, & Key Employees **Statement 5**

7/1/02 - 6/30/03

Name	Principal Pmts	Interest Pmts	Total Pmts	Balance Due
Lynn Naoum	$1,567 47	$368 61	$1,936 08	$3,065 46
Bill Linville	$2,517 63	$251 01	$2,768 64	$1,153 60
Terri Nissley	$2,517.63	$251 01	$2,768.64	$1,153 60
Tim Youngblood	$2,517 63	$251 01	$2,768 64	$1,153 60
Gary Kay	$2,144 00	$53 90	$2,197 90	$0 00
	$11,264 36	$1,175 54	$12,439 90	$6,526 26

FORM 990 OTHER NOTES AND LOANS PAYABLE STATEMENT 6

LENDER'S NAME	TERMS OF REPAYMENT
BANK ONE	INTEREST IS PAYABLE MONTHLY, PRINCIPAL IS PAYABLE ON DEMAND

DATE OF NOTE	MATURITY DATE	ORIGINAL LOAN AMOUNT	INTEREST RATE
07/01/97		50,500.	6.0%

SECURITY PROVIDED BY BORROWER	PURPOSE OF LOAN
ACCOUNTS RECEIVABLE	WORKING CAPITAL LINE OF CREDIT

RELATIONSHIP OF LENDER

N/A

DESCRIPTION OF CONSIDERATION	FMV OF CONSIDERATION	BALANCE DUE
N/A	0.	48,552.

LENDER'S NAME	TERMS OF REPAYMENT
FRANCES S. PROCOPIO TRUST U/A/S 7/22/91	MONTHLY PRINCIPAL AND INTEREST PAYMENTS OF $950

DATE OF NOTE	MATURITY DATE	ORIGINAL LOAN AMOUNT	INTEREST RATE
02/12/97	01/ /05	75,000.	9.00%

SECURITY PROVIDED BY BORROWER	PURPOSE OF LOAN
ACCOUNTS RECEIVABLE	TO PROVIDE OPERATING FUNDS

RELATIONSHIP OF LENDER

N/A

DESCRIPTION OF CONSIDERATION	FMV OF CONSIDERATION	BALANCE DUE
N/A	0.	35,493.

LENDER'S NAME	TERMS OF REPAYMENT
MICHIGAN LEAGUE	MONTHLY PRINCIPAL PAYMENTS OF $500 PLUS

DATE OF NOTE	MATURITY DATE	ORIGINAL LOAN AMOUNT	INTEREST RATE
02/01/95		27,250.	0.00%

SECURITY PROVIDED BY BORROWER	PURPOSE OF LOAN
THIRD PARTY GUARANTEE	TO PROVIDE OPERATING FUNDS

RELATIONSHIP OF LENDER

N/A

DESCRIPTION OF CONSIDERATION	FMV OF CONSIDERATION	BALANCE DUE
N/A	0.	6,741.

LENDER'S NAME	TERMS OF REPAYMENT
NATIONAL CITY BANK	INTEREST IS PAYABLE MONTHLY, PRINCIPAL IS PAYABLE ON DEMAND

DATE OF NOTE	MATURITY DATE	ORIGINAL LOAN AMOUNT	INTEREST RATE
05/04/00		49,900.	5.105%

SECURITY PROVIDED BY BORROWER	PURPOSE OF LOAN
ACCOUNTS RECEIVABLE AND CASH	TO PROVIDE START UP FUNDS FOR NEW LOCATION

RELATIONSHIP OF LENDER

N/A

DESCRIPTION OF CONSIDERATION	FMV OF CONSIDERATION	BALANCE DUE
N/A	0.	99,900.

TOTAL INCLUDED ON FORM 990, PART IV, LINE 64, COLUMN B 190,686.

FORM 990 PART V - LIST OF OFFICERS, DIRECTORS, TRUSTEES AND KEY EMPLOYEES STATEMENT 7

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN-SATION	EMPLOYEE BEN PLAN CONTRIB	EXPENSE ACCOUNT
LYNN STEVENS-NAOUM 32100 TELEGRAPH, SUITE 200 BINGHAM FARMS, MI 48025-2454	DIRECTOR 5	0.	0.	0.
TERRI NISSLEY 12063 OLD STONE DR INDIANAPOLIS, IN 46236	PRESIDENT & CEO 40	84,975.	0.	16,751.
SCOTT ADLER 43421 GARFIELD, SUITE 203 CLINTON TOWNSHIP, MI 48038	CHAIRMAN 5	0.	0.	0.
KATHY MECHIGAN 32724 BINGHAM LANE BINGHAM FRAMS, MI 48025-2454	DIRECTOR 5	0.	0.	0.
TIM YOUNGBLOOD 7819 SCARBOROUGH BLVD INDIANAPOLIS, IN 46256	CHIEF OPERATING OFFICER 40	72,100.	0.	7,885.
GARY KAY 2561 BLACK PINE TRAIL TROY, MI 48098	DIRECTOR 5	0.	0.	0.
MARK WILCOX 27087 GRATIOT ROSEVILLE, MI 48066	DIRECTOR 5	0.	0.	0.
JOHN DELANEY 6402 CORPORATE DR INDIANAPOLIS, IN 46278	DIRECTOR 5	0.	0.	0.
STEVE HUMKE BOX 82001 INDIANAPOLIS, IN 46282-0002	DIRECTOR 5	0.	0.	0.
BILL LINVILLE 600 E 96TH ST, SUITE 100 INDIANAPOLIS, IN 46240	DIRECTOR 5	0.	0.	0.
CHRIS SUELZER, MD 6401 RIVERVIEW DR INDIANAPOLIS, IN 46220	DIRECTOR 5	0.	0.	0.
SUE SHERBOW 26399 YORK HUNTINGTON WOODS, MI 48070		52,100.		10,686.

SCHEDULE A

STATEMENT 8

STATEMENT REGARDING ACTIVITIES WITH SUBSTANTIAL CONTRIBUTORS, TRUSTEES, DIRECTORS, CREATORS, KEY EMPLOYEES, ETC. PART III, LINE 2

REPAY LOAN TO DIRECTOR LYNN NAOUM-$1567 PRINCIPAL AND $368 INTEREST
REPAY LOAN TO CEO TERRI NISSLEY-$2518 PRINCIPAL AND $251 INTEREST
REPAY LOAN TO COO TIM YOUNGBLOOD-$2518 PRINCIPAL AND $251 INTEREST
REPAY LOAN TO DIRECTOR GARY KAY-$2144 PRINCIPAL AND $54 INTEREST
REPAY LOAN TO DIRECTOR BILL LINVILLE-$2518 PRINCIPAL AND $251 INTEREST