



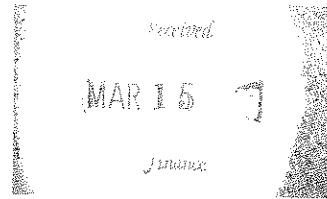
**129 West Fowlkes St., Suite 151  
Franklin, TN 37064**

**615-790-5815 phone  
615-790-5891 fax  
[www.thearcwc.org](http://www.thearcwc.org)**

*Achieve with us.*

February 20, 2019

Kristine Tallent  
Assistant City Administrator/CFO  
City of Franklin  
City Hall  
109 Third Avenue South  
Franklin, TN 37064



RE: Nonprofit Organization request for City of Franklin Funds

Dear Kristine,

Attached is The Arc Williamson County's budget request for 2019-2020 in the amount of \$4230, the same as last year. Also attached is a copy of our most recent audit, a copy of our 501(c)3 letter, a copy of our charitable solicitations approval letter and a copy of our state license. Thank you as always for your support of The Arc. If you need any further information, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink that reads "Sharon Bottorff".

Sharon Bottorff  
Executive Director

**NON-PROFIT ORGANIZATION  
REQUEST FOR CITY OF FRANKLIN FUNDS  
2019-20 FISCAL YEAR**

**Organization Name:** The Arc Williamson County      **Phone:** 615-790-5815, ext. 3  
**Contact Person & Title:** Sharon Bottorff, Executive Director  
**Mailing Address:** 129 West Fowlkes Street, Suite 151, Franklin, TN 37064  
**Federal Identification #** (if applicable): 62-601914700  
**E-mail address:** sbbarc@thearcwc.org

Number of Active Participants in Organization: see attached service statistics.

Does this organization charge fees to participants? Yes \_\_\_\_\_ No X\_\_\_\_\_

**If Yes**, please itemize the structure utilized (use a separate sheet if necessary): \_\_\_\_\_

---

**If No**, please explain: Eligibility is determined by disability and need

Please provide the approximate number of clients served by your program on a yearly basis: 1025-  
for detailed breakdown please see attached service statistics.

All funds provided by the Williamson County Commission must be used to provide assistance to Williamson County citizens only. Please provide documentation to show the expenses used for service to Williamson County citizens. For most of our programs, participants are required to show proof of residency and so we have on file in their records a form of proof of residency usually copy of current driver's license or a recent copy of a utility bill. These are available for review at any time in our office. 99% of those served are residents of Williamson County.

List ANY agency (or agencies) in Williamson County which you consider may directly, or indirectly, provide the same or similar services as those provided by your agency. If such an agency exists, please list the similarities: There are no other known agencies in the county that provide advocacy specifically to individuals with disabilities and their families.

Unless prohibited by law, please provide documentation that your organization made a good faith effort to collect donations from private sources. The Arc Williamson County receives contributions, sponsorships and grants from many private sources including the Sharing Change Program through Middle Tennessee Electric Membership Corporation, Rehab Resources, ChickFilA,etc, Community Foundation of Middle Tennessee, Predators Foundation and others. The Arc would be happy at any time to share our complete list of supporters, including individual supporters, to a city representative.

<b>The Arc Williamson County Service Statistics</b>			
	<b>2017-2018</b>	<b>2018-2019</b>	<b>2019-2020</b>
<b>Advocacy Program</b>			
Individual Advocacy	102	100	100
Information and Referral	321	285	280
System or Group Advocacy	1016	1025	1050
Student Advocacy	85	88	95
Next Chapter Book Club	54	56	60
Workshops	131	150	150
AbleVoices		25	30
Social Skills Training		20	30
<b>Family Support</b>			
Active	204	215	225
Waiting	10	20	25
<b>Independent Support Coordination</b>	<b>52</b>	<b>50</b>	<b>48</b>

<b>Non-Profit Organization Request for</b>			
<b>City of Franklin Funds - Page Two</b>			
<b>Organization: The Arc Williamson County</b>			
		<b>Projected</b>	
	<b>Actual</b>	<b>Expended</b>	<b>Requested</b>
<b>EXPENDITURES</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>
Personnel Expense	\$151,715.00	\$154,512.00	\$154,780.00
Travel	\$6,234.00	\$7,500.00	\$7,500.00
Printing	\$3,514.00	\$3,000.00	\$3,000.00
Professional & Contracted Services	\$27,200.00	\$39,416.00	\$41,790.00
Supplies	\$5,294.00	\$3,200.00	\$2,500.00
Rental on Office	\$8,860.00	\$8,860.00	\$8,860.00
Telephone	\$1,920.00	\$2,250.00	\$2,250.00
Information Technology	\$2,355.00	\$3,000.00	\$3,000.00
Insurance	\$2,071.00	\$1,882.00	\$1,900.00
Miscellaneous	\$8,239.00	\$1,260.00	\$520.00
Membership Dues	\$3,037.00	\$3,200.00	\$3,200.00
Grants & Subsidies	\$198,507.00	\$200,000.00	\$197,000.00
Conferences & Meetings	\$627.00	\$2,000.00	\$2,000.00
<b>TOTAL BUDGET</b>	<b>\$419,573.00</b>	<b>\$430,080.00</b>	<b>\$428,300.00</b>
		<b>Projected</b>	
	<b>Actual</b>	<b>Expended</b>	<b>Requested</b>
<b>REVENUES: (include any fund raising events)</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>
Williamson County Government	\$1,814.00	\$1,814.00	\$1,814.00
City of Franklin	\$4,230.00	\$4,230.00	\$4,230.00
Other United Way	\$1,407.00	\$2,000.00	\$2,000.00
United Way	\$21,800.00	\$23,000.00	\$25,000.00
Contributions	\$18,617.00	\$20,590.00	\$15,275.00
Family Support	\$204,987.00	\$204,987.00	\$204,987.00
Interest	\$3.00	\$25.00	\$25.00
Fund Raisers	\$19,349.00	\$15,000.00	\$16,000.00
Independent Support Coordination	\$136,346.00	\$138,434.00	\$138,969.00
Other Grants	\$20,000.00	\$20,000.00	\$20,000.00
<b>TOTAL REVENUES</b>	<b>\$428,553.00</b>	<b>\$430,080.00</b>	<b>\$428,300.00</b>



**Please answer completely the following question using additional pages if necessary:**

1. Specifically what services did your agency provide last year for which you are requesting funding this year? What were the objective and results? (Include description capacity, intensity and duration of services.) *The Arc Williamson County's Advocacy Program is involved in many activities that enable the program to reach its objectives. Information and Referral Services are provided on a daily basis by telephone and office walk-in and include providing individuals with any needed information and names of resources that they might need to resolve their problem. Individual advocacy is often required and involves such things as assessing the family situation to determine what the needs are; making telephone calls and writing letters on behalf of an individual; locating and securing needed resources; and providing counseling.*

*The Arc continues to host public meetings to help increase awareness in the community and to provide information. In the fall of 2018, The Arc partnered with Ventures, a collaboration among agencies addressing the needs of adolescents and young adults with disabilities in Williamson County, and held a DisABILITY Resource Fair. We have also partnered with Ventures and sponsored workshops in a Life After High School Series on What You Should Have Already Done!, When Support is Needed, and What About Employment? The Arc's Advocacy Program also continues to maintain four Next Chapter Book Clubs. Next Chapter Book Clubs are for young adults with intellectual disabilities and are led by trained, volunteer facilitators. In addition, in 2018, as a result of a workshop on photography held for young adults with disabilities, the AbleVoice Program was started and leads groups of young adults through a series of stages that help them use the power of photography as a catalyst for self-expression. Also, this past year, The Arc began offering social skills classes to students with deficiencies in appropriate communication and behavior with others.*

*The Arc is a community partner of United Way of Williamson County. The Arc is a member of the Williamson County Community Advisory Council, the Williamson County Geriatric Council, the Tennessee Respite Care Coalition, Special Olympics, Tennessee Disability Coalition, TASC (Tennessee Alliance of Support Coordinators), and D-SPAT (Direct Support Professionals Association of Tennessee). In addition, the Executive Director is a member of NASW (National Association of Social Workers); a member of TCSW (Tennessee Conference on Social Welfare); alumni of Leadership Franklin; a member of the Patricia Hart Society, the women's initiative of United Way of Williamson County; and a member of the American Association of Persons with Intellectual Disabilities.*

*The objectives of the Advocacy Program are as follows:*

*-- Provide information and referral for consumers and self-advocates to locate services and to access them.*

*--Keep parents and self-advocates informed and empower them to become better advocates on their own behalf through newsletters, Facebook, website and workshops.*

*--Identify, coordinate and /or secure resources to help as many families as possible.*

*Continue to participate in the Ventures Annual Resource Fair.*

*--Maintain communication between The Arc Williamson County and the county's two public school systems to further mutual understanding and to promote the best interests of children with disabilities served by the school systems.*

*--Utilize social media and outreach to increase public awareness of people with disabilities and their families.*

*--Promote principles of The Arc and encourage participation in The Arc from the community.*

*--Provide a setting for parents of children with disabilities to find mutual support and understanding.*

*--Continue to address issues identified as being important to individuals and families served by The Arc specifically public transportation, affordable housing options for individuals with disabilities, employment supports, after school care and respite care for families.*

*--Provide a student advocate for 95 students in special education and their families in Williamson County schools with the outcome of improving students' progress.*

*--Maintain existing book clubs for individuals with intellectual disabilities in Williamson County.*

*--Provide Social Skills Training to 30 individuals and their caregivers.*

*--Provide the AbleVoice Program to students in Transition 2 in two area high schools.*

2. Are there procedures in place for measuring the results achieved by your agency? If so, provide detailed data. *The Arc Williamson County began using a QI survey at the beginning of the 2007-2008 school year in the Student Advocacy Program. It is sent monthly to all families and school personnel involved in planning meetings with the Student Advocates and addresses such things as whether the student advocate/volunteer appeared knowledgeable regarding the law, whether services were provided in a timely manner and whether they would refer others to the program. Based on these surveys and progress reports on students, over 95% show increase in progress and an over 85% success rate in moving to the next level in their educational plan.*

***There are procedures in place by the State of Tennessee Department of Intellectual and Developmental Disabilities to measure outcomes in the Family Support Program through a yearly fiscal review and every three years with a review by the State of Tennessee's Quality Enhancement Team. The State of Tennessee's Quality Enhancement Team reviews the Independent Support Coordination Program yearly. In addition, the Independent Support Coordination Program is reviewed based on Personal Outcomes Measures both externally and internally. The Arc has received exceptional reviews in all of the areas from the State of Tennessee and currently has a Four Star rating based on Quality Enhancement Reviews.***

3. Does your agency receive any external quality review or accreditation? If so, provide a copy of certificate or license and please explain. ***Both the Family Support Program and the Independent Support Program receive quality reviews by the State of Tennessee Department of Intellectual and Developmental Disabilities. The Arc maintains a Four Star Rating with the State of Tennessee based on these reviews. Copies of these reviews are available as well as our annual State of Tennessee Fiscal Audit Review which has resulted in no findings over the last thirteen years. The Arc is now required to be licensed to provide our Independent Support Coordination Program and a copy of that is attached.***
4. What percent of your local agency budget is your allocation request for the City of Franklin?  
***1% of total budget.***
5. What other fundraising activities does your agency engage in during the year? ***The Arc Williamson County partnered with The Arc Davidson County for the Second Annual Festival of Trees in December of 2018 and plans to do that again in 2019. The Arc Williamson County will continue to be the beneficiary of a fundraiser by Rehab Resources done yearly in in May. The Arc has also had a yard sale in the spring for the past several years, participates in the Williamson County Parks and Rec Fall Craft Fair and participates in fundraising nights at local restaurants.***
6. Do you charge any fees for your services? ***There are no fees charged in the Advocacy Program.***



**City of Franklin**  
**APPLICATION ADDENDUM**  
**For the funding year July 1, 2019 through June 30, 2020**

Name of Agency: **The Arc Williamson County**

Date: **2/20/19**

**Please provide a detailed description of the proposed use of funds that the City of Franklin might provide for Fiscal Year 2019-2020:** The Arc Williamson County is requesting funding to assist with the Advocacy Program. Specifically, we will be providing social skills training to students who attend Williamson County and Franklin Special Schools, maintaining four book clubs for individuals with intellectual disabilities, continuing the annual DisABILITY Fair and Life After High School Workshops, and providing Information and Referral Services to individuals with disabilities and their families. The funds will be used towards salary and supplies.

**Please provide information on any interaction that your agency has with the operations of City of Franklin departments (e.g., response to calls from Police after domestic incidents, provision of meals or lodging to displaced persons, etc.):** The Arc frequently answers questions and gives information to City of Franklin employees when they interface with a person with a disability particularly an intellectual disability. This has ranged from giving administrative staff information on how a person who is disabled can obtain services to visiting individuals with disabilities at the request of the Police to assess situations and determine what services need to be in place.



Department of the Treasury  
Internal Revenue Service

Cincinnati Service Center  
CINCINNATI OH 45999-0038

In reply refer to: 0752261065  
Mar. 08, 2013 LTR 4168C 0  
62-6019147 000000 00

00019964

BODC: TE

ARC OF WILLIAMSON COUNTY  
129 W FOWLKES ST STE 151  
FRANKLIN TN 37064-3562



309451

Employer Identification Number: 62-6019147  
Person to Contact: Customer Service  
Toll Free Telephone Number: 1-877-829-5500

Dear Taxpayer:

This is in response to your Feb. 27, 2013, request for information regarding your tax-exempt status.

Our records indicate that you were recognized as exempt under section 501(c)(3) of the Internal Revenue Code in a determination letter issued in June, 1960.

Our records also indicate that you are not a private foundation within the meaning of section 509(a) of the Code because you are described in section(s) 509(a)(1) and 170(b)(1)(A)(vi).

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

Please refer to our website [www.irs.gov/eo](http://www.irs.gov/eo) for information regarding filing requirements. Specifically, section 6033(j) of the Code provides that failure to file an annual information return for three consecutive years results in revocation of tax-exempt status as of the filing due date of the third return for organizations required to file. We will publish a list of organizations whose tax-exempt status was revoked under section 6033(j) of the Code on our website beginning in early 2011.

0752261065  
Mar. 08, 2013 LTR 4168C 0  
62-6019147 000000 00  
00019965

ARC OF WILLIAMSON COUNTY  
129 W FOWLKES ST STE 151  
FRANKLIN TN 37064-3562

If you have any questions, please call us at the telephone number shown in the heading of this letter.

Sincerely yours,



Stephen E. Paxton  
Operations Manager, AM Operations 3

Tennessee Secretary of State  
Tre Hargett



Division of Charitable Solicitations, Fantasy Sports, and Gaming  
312 Rosa L. Parks Avenue, 6<sup>th</sup> Floor  
Nashville, Tennessee 37243-1102

Mona Hart  
Director

615-741-2555  
Mona.Hart@tn.gov

January 8, 2019

Sharon Bottorff  
ARC of Williamson County (The)  
129 West Fowlkes Street, Suite 151  
Franklin, TN 37064

RE: **APPROVAL** - Registration to Solicit Funds for Charitable Purposes  
ARC of Williamson County (The) - CO1355  
Registration Expiration Date: **December 31, 2019**

Dear Sharon Bottorff:

Pursuant to Tenn. Code Ann. § 48-101-501, *et seq.*, the Division of Charitable Solicitations and Gaming has reviewed your submitted application and is pleased to announce your organization's registration to solicit contributions has been **approved**.

With this approval, your organization has new responsibilities for maintaining statutory compliance, including submission of the proper documents and required fees on an annual basis. The required filings include:

- Completed *Application to Renew Registration* form
- Completed *Summary of Financial Activities* form
- IRS determination letter granting tax-exempt status, if not previously filed
- IRS *Form 990*, *Form 990EZ*, or *990N* for the most recently completed accounting year, if the organization qualifies as tax-exempt
- An audited financial statement if the organization grossed more than \$500,000 in revenue
- Any amendments to the organization's governing documents

The *Application to Renew Registration* and *Summary of Financial Activities* forms are available on our website at <http://sos.tn.gov/charitable>. Additionally, the "CO" number listed above will serve as your organization's identification number specific to this division and should be included on all correspondence.

Please also be advised that if the organization's application or other provided information includes false, misleading or deceptive statements, appropriate action will be taken. Pursuant to the Tennessee Charitable Solicitations Act, a civil penalty of up to five thousand dollars (\$5,000) may be assessed for any violation.

Thank you for registering your organization and please do not hesitate to contact us with any questions.

Sincerely,

Tre Hargett  
Secretary of State

ETL:CO1355

**STATE OF TENNESSEE**  
**DEPARTMENT OF INTELLECTUAL & DEVELOPMENTAL DISABILITIES**



**LICENSE**

THE DEPARTMENT OF INTELLECTUAL & DEVELOPMENTAL DISABILITIES GRANTS THIS FULL  
LICENSE IN ACCORDANCE WITH TENNESSEE CODE ANNOTATED TITLE 33, CHAPTER 2, PART 4 TO:

**THE ARC WILLIAMSON COUNTY**

(Name of Licensee)

TO OPERATE A FACILITY OR SERVICE IDENTIFIED AND LOCATED AS FOLLOWS FOR THE  
PROVISION OF THE DEPARTMENT OF INTELLECTUAL & DEVELOPMENTAL DISABILITIES OR  
PERSONAL SUPPORT SERVICES:

**The ARC Williamson County Office**

(Name of Facility or Service as Known to the Public)

**129 West Fowlkes Street Suite 151, Franklin, TN 37064**

(Street Address or Location, City or Town)

THE LICENSEE HAS DEMONSTRATED COMPLIANCE WITH T.C.A. TITLE 33, CHAPTER 2, PART 4 AND  
WITH RULES OF THE DEPARTMENT OF INTELLECTUAL & DEVELOPMENTAL DISABILITIES.

THIS LICENSE AUTHORIZES LIFE SAFETY OCCUPANCY CLASSIFICATIONS AND THE FOLLOWING  
DISTINCT CATEGORY OF FACILITY OR SERVICES TO BE PROVIDED:

Distinct Category	Accessible to mobile, non-ambulatory individuals	Approved for persons with:			Occupancy Classification
		Hearing Loss	Vision Impairment	Capacity	
Support Coordination Agency	Y	n/a	n/a	n/a	Business

November 01, 2018

Date License Granted

October 31, 2019

Date License Expires

L000000017896

License Number

A handwritten signature in black ink, appearing to read "Dana K. Payne".

Commissioner of Department Of Intellectual & Developmental Disabilities

THIS LICENSE IS NON-TRANSFERABLE AND NON-ASSIGNABLE.  
POST THIS LICENSE IN A CONSPICUOUS PLACE.

**17896**

**ARC OF WILLIAMSON COUNTY, INC.**

**FINANCIAL STATEMENTS**

**JUNE 30, 2018**

# ARC OF WILLIAMSON COUNTY, INC.

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# FINANCIAL SECTION



**JOHN R. POOLE, CPA**  
**CERTIFIED PUBLIC ACCOUNTANT**

---

134 NORTHLAKE DRIVE  
HENDERSONVILLE, TN 37075

(615) 822-4177

**Independent Auditor's Report**

To the Board of Directors of  
ARC of Williamson County, Inc.  
Franklin, Tennessee

**Report on the Financial Statements**

I have audited the accompanying financial statements of ARC of Williamson County, Inc. (a nonprofit organization) which comprise the statement of financial position as of June 30, 2018, and the related statements of activities, functional expenses and cash flows for the year then ended and the related notes to the financial statements.

**Management's Responsibility for the Financial Statements**

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

**Auditor's Responsibility**

My responsibility is to express opinions on these financial statements based on my audit. I conducted the audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

**Opinion**

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of ARC of Williamson County, Inc. as of June 30, 2018, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

*John R Poole, CPA*

September 15, 2018

# FINANCIAL STATEMENTS

# ARC of WILLIAMSON COUNTY, INC.

## Statement of Financial Position

June 30, 2018

### Assets

#### Current assets:

Cash	\$	46,976
Accounts receivable		29,464
Unconditional promises receivable		23,000
Total current assets		<u>99,440</u>

#### Property and equipment at cost:

Office equipment		7,517
Less: accumulated depreciation		(7,517)
Net property and equipment		<u>0</u>

Total assets	\$	<u>99,440</u>
--------------	----	---------------

### Liabilities and Net Assets

#### Current liabilities:

Accounts payable	\$	1,633
Funds held for others		4,415
Total current liabilities		<u>6,048</u>

#### Net assets:

Temporarily restricted		23,000
Unrestricted		70,392
Total net assets		<u>93,392</u>

Total liabilities and net assets	\$	<u>99,440</u>
----------------------------------	----	---------------

# ARC of WILLIAMSON COUNTY, INC.

## Statement of Activities

For the year ended June 30, 2018

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
Revenue and Other support:			
State Grant			
Family Support Program	\$ 204,987	-	204,987
ISC	136,346	-	136,346
Contributions	31,120	-	31,120
United Way	7,457	23,000	30,457
County and City appropriations	6,044	-	6,044
Special events, less expenses	19,192	-	19,192
Interest	3	-	3
Miscellaneous	404	-	404
Net assets released from restrictions:			
United Way funding for the year 2017-2018	21,800	(21,800)	0
Total public support and revenues	<u>427,353</u>	<u>1,200</u>	<u>428,553</u>
Expenses:			
Program services	\$ 411,903	-	411,903
Management and general	7,670	-	7,670
Total expenses	<u>419,573</u>	<u>-</u>	<u>419,573</u>
Increase (decrease) in net assets	<u>7,780</u>	<u>1,200</u>	<u>8,980</u>
Beginning of year net assets	62,612	21,800	84,412
End of year net assets	<u>\$ 70,392</u>	<u>23,000</u>	<u>93,392</u>

# ARC of WILLIAMSON COUNTY, INC.

## Statement of Functional Expenses

For the year ended June 30, 2018

		Supporting Services	
	Program Services	Management and General	Total Expenses
Salaries	\$ 135,211	0	135,211
Employee benefits	5,159	0	5,159
Payroll taxes	10,678	0	10,678
Grants and subsidies	200,820	0	200,820
Conferences	0	627	627
Dues	4,508	0	4,508
Telephone	3,822	425	4,247
Professional services	22,551	1,930	24,481
Office expense	4,576	509	5,085
Supplies	9,238	1,027	10,265
Training and travel	6,234	0	6,234
Rent	9,106	310	9,416
Interest	0	526	526
Insurance	0	2,074	2,074
Miscellaneous	0	242	242
Total Expenses	\$ 411,903	7,670	419,573

The accompanying notes are an integral part of these statements.

# ARC of WILLIAMSON COUNTY, INC.

## Statement of Cash Flows

For the year ended June 30, 2018

Cash flows from operating activities:	
Support and revenue received	\$ 429,334
Cash paid for:	
Salaries and related expenses	(151,048)
Program and support services	(265,150)
Net cash provided by operating activities	<u>13,136</u>
Net change in cash	13,136
Cash and cash equivalents at beginning of year	33,840
Cash and cash equivalents at end of year	\$ <u><u>46,976</u></u>
Reconciliation of Increase in Net Assets to Net Cash Provided by Operating Activities	
Increase (decrease) in net assets	\$ 8,980
Adjustments to reconcile decrease in net assets to net cash provided by operating activities:	
Changes in assets (increase) decrease:	
Accounts receivable and conditional promises	781
Changes in liabilities increase (decrease):	
Accounts payable	1,200
Funds held for others	2,175
Net cash provided by operating activities	\$ <u><u>13,136</u></u>

# NOTES TO THE FINANCIAL STATEMENTS

# ARC OF WILLIAMSON COUNTY, INC.

## Notes to the Financial Statements June 30, 2018

### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### Nature of Activities

ARC of Williamson County, Inc. is a non-profit organization in Williamson County, Tennessee. The Organization's mission is to enable persons with disabilities to achieve their highest level of functioning and progress toward their full potential. The organization provides social and recreational activities for adults with mental retardation and family support for parents of children with mental retardation.

#### Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles and recommendations of the American Institute of Certified Public Accountants in its industry audit and accounting guide, Not-for-Profit Organizations.

#### Basis of Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Standards (SAS) No. 117, *Financial Statements of Not -for-Profit Organizations*. Under SAS No. 117, the Organization is required to report information regarding its financial position and activities according to the three classes of net assets. In addition, the Organization is required to present a statement of cash flows. As permitted by the statement, the Organization has discontinued its use of fund accounting.

#### Contributions

In accordance with SAS 116, *Accounting for Contributions Received and Contributions Made*, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions.

#### Promises to Give

Contributions are recognized when the donor makes a promise to give to the Organization that is, in substance, unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year in which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.



## **ARC OF WILLIAMSON COUNTY, INC.**

### **Notes to the Financial Statements June 30, 2018**

#### **1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, continued**

##### **Donated Services**

ARC of Williamson County, Inc. receives many hours of donated time from various citizens. It is impractical to estimate a value for these services, as such no such value has been placed on these services in the Organization's financial statements.

##### **Donor -Imposed Restrictions**

All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are restricted for future periods or donor-restricted for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. When a donor- stipulated time restriction is accomplished, then the restricted net assets are reclassified to unrestricted net assets. If a restriction is fulfilled in the same time period in which the contribution is received, the contribution is reported as unrestricted.

##### **Depreciation**

Depreciation is provided for over the estimated useful lives of the assets. Assets are depreciated using the straight-line method of depreciation.

##### **Promises to Give/Pledges**

Unconditional promises to give that are expected to be collected within one year are recorded at their net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of estimated future cash flows. Conditional promises to give are not included as support until such time as the conditions are substantially met. At June 30, 2018 the organization has recorded \$21,800 of promises to give from the United Way of Williamson County.

##### **Functional Allocation of Expenses**

The costs of providing the ARC's various programs and supporting services have been summarized on a functional basis in the statement of activities. Accordingly, certain costs may have been allocated among the programs and supporting services benefited.

##### **Income Taxes**

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

## ARC OF WILLIAMSON COUNTY, INC.

### Notes to the Financial Statements June 30, 2018

#### 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

##### Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

##### Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

##### Economic Dependence

Approximately 80% of the organization's revenues for the year ended June 30, 2018, was from contracts from various State of Tennessee departments. The State of Tennessee may, at its discretion, request reimbursement of expenses or return of funds, or both as a result of non-compliance by the Organization with the terms of the programs.

#### 2. PROPERTY AND EQUIPMENT

A summary of property and equipment activity is noted below:

	Balance 6/30/17	Addition	Retirement	Balance 6/30/18
Furniture and equipment	7,517	-	-	7,517
Total	7,517			7,517
Less: Accumulated depreciation	(7,517)			(7,517)
Net property and equipment	-			-

**ARC OF WILLIAMSON COUNTY, INC.**

**Notes to the Financial Statements  
June 30, 2018**

**3. STATE CONTRACTS AND GRANTS:**

Amounts received from the State of Tennessee are subject to audit and adjustment by the State of Tennessee. Any disallowed claims including amounts already collected, could become a liability of the Organization.

**4. LINE OF CREDIT**

The Organization has a \$30,000 line of credit. There was no outstanding balance at yearend.