



Board Meeting Agenda  
ZOOM Meeting  
December 14, 2020 – 6:00 p.m.

- I. Call to Order & Determination of a Quorum
- II. Public Comment
- III. **Consent Agenda**  
Approve Board Meeting Minutes – September 28, 2020
- IV. Assignment of Items Removed from Consent Agenda to Agenda
- V. CEO Report  
Sept, Oct, Nov, 2020 - Program Highlights
- VI. Committee Reports:
  - A. Executive Committee – L. Lobue  
Meeting Minutes – December 9, 2020
  - B. Internal Committee Report – P. Bullard
    - 1. Budget and Finance Committee: S. Lee  
Budget & Finance Committee Meeting Minutes
      - a) **November 2020 YTD Financials**
      - b) **1<sup>st</sup> Qtr. 2021 Operating Budget**
      - c) **P & I Payments to the Foundation**
      - d) **Ratify Acceptance of 2019 Joint Financial Review & Form 990**
      - e) **Engage Randy Walker & Co. to complete the 2020 Joint Financial Review and Forms 990.**
    - 2. Real Estate Committee (**closed session**): T. Zafar
      - a) **October 7, 2020 Minutes – Lease Renewals**
      - b) **December 2, 2020 Minutes – Lease Renewals**
  - C. Governance Committee Report – A. Johnston  
**CEO Evaluation 2020**
- VII. New Business – L. Lobue
  - A. Virtual Best in the West Update
  - B. Wings for All 2021
  - C. 2021 Board Calendar
- VIII. Adjourn

**Next Board Meeting: January 25, 2021**



Board of Directors Meeting  
Via ZOOM September 28, 2020  
Meeting Minutes

Call to Order and Determination of Quorum: Larry Lobue, Chairman, established a quorum was present and began the meeting at 6:03p.m.

Present	Absent	Guests	Staff Present
Dale Buckles	Pat Bullard		Laura LaVigne
Becky Geary	Allan Harris		Cheryl Olivier
Avis Goldy			
Charlie Huber			
Ann Johnston			
Sharon Lee			
Larry Lobue			
Hal Marshall			
Tariq Zafar			

- I. Welcome Guests: Larry thanked everyone for attending via ZOOM. No guests were present.
- II. Public Comment: None.
- III. Consent Agenda: Motion was made by Ann Johnston to accept the Consent Agenda. Seconded by Hal Marshall.  
**Motion approved.**
- IV. Assignment of items removed from Consent Agenda to Agenda: No items removed.
- V. CEO Report: Laura reviewed the highlights of The Arc's programs and services for July and August. Karri continues with online instruction and outreach to parents. She spent 97.2 hours on the phone answering questions and advising. Karri offered "3 Tips for Communicating with your Child's Teacher" as her Facebook video for July. Her October Parent Education and Support Group topic is "ABLE Accounts", led by Megan Geary.  
A parent of a teen contacted Karri requesting more social media interactions for his son. Karri developed a pilot program, "Teen Pals Network", which matches a teen member of The Arc with a peer volunteer to interact via Zoom or phone calls. The program is designed to offer contact a minimum of 30 minutes each week, for seven weeks. Karri reached out to the Unite & Inspire organization and they agreed to provide the high school volunteers for this new program. The pilot program launched August 21. Laura shared the email Karri received from the father after the seven weeks – praising the effects the social contact had on his son. Karri will continue to expand the program. M.O.K.A. support group met virtually and had their largest attendance of 15 moms. Laura shared the email received from Ashley Bennett, the founder of M.O.K.A., thanking The Arc for supporting this new group. Brazos Bend State Park offered three programs in their Virtual Nature Series with over 40 attendees registered. Pam finalized and submitted the FBJSL Expenditure report for 2019. Pam and Laura are scheduled to review the requested, 2020 FBJSL Grant for \$10,000 on October 5.
- VI. Committee Reports:
  - A. Internal Committee: P. Bullard (Absent)
    1. Budget & Finance – Sharon Lee

- a) Sharon reviewed the August 2020 YTD Financials. Motion made by Hal to accept the August 2020 YTD Financial. Seconded by Becky. **Motion Approved.**
- b) Sharon reviewed the 2020 Operating Budget COVID Amendment #3 – through September 30, 2020. Motion made by Hal to accept the 2020 Operating Budget COVID Amendment #3 – through September 30, 2020. Seconded by Tariq. **Motion Approved.**

2. Real Estate Committee: T. Zafar

Since this meeting was via Zoom, and there were no guests in attendance, the board did not convene in closed session.

- a) Tariq Zafar discussed the September 2, 2020 Real Estate Committee Meeting minutes.
- b) The board discussed the suspension of all P&I payments to the Foundation. Motion made by committee to suspend all P&I payments to the Foundation for October, November and December 2020. After discussion, the following friendly amendment to the motion was made: To suspend all Principal payments & forgive all Interest payments to the Foundation for October, November and December 2020. **Motion approved.**
- c) Tariq discussed the property insurance premiums of approximately \$57,000 due in November. An ad-hoc subcommittee was formed to review all of the policies and discuss the cost of premiums with our insurance broker, Stella Cuellar, C&C Insurance. The committee asked about raising deductibles, any possible discounts and credits available to The Arc in order to reduce the cost of premiums. Hal Marshall indicated that so far, savings are possibly \$20,000. Hal further thanked Laura LaVigne for recommending the review of the insurance policies.

B. Governance Committee: A. Johnston

Ann stated that all Conflict of Interest and Code of Ethics Policies have been signed and received.

VII. New Business:

- A. Larry indicated that he and Laura spoke and decided that it was best that The Arc's offices remain closed through October 31, 2020. The COVID-19 situation will be re-evaluated at that time.
- B. Laura gave an update on the Best in the West fundraiser. The committee decided to distribute a survey to approximately 250 supporters with questions about their attendance at an in-person event or online event. Laura stated that she will keep the board updated. James Patterson was able to get a BBQ pit with trailer donated for a raffle. Raffle tickets can be purchased online or at our office for \$20/ea or 6 for \$100.
- C. Laura shared information with the board on the four, 2020 grants that The Arc has applied for:
  1. Community Block Development Grant: This reimbursement grant is designated to fund approximately ½ of the Social Recreation program. A portion of the grant funds were used for events held in January, February and March 2020. However, no more events are scheduled, as programs are suspended. Nancy has been in contact with the Fort Bend County representative who handles the CDBG grant and confirmed that any CDBG funds not used by The Arc in 2020 due to the COVID-19 pandemic, can be reallocated by Fort Bend County to another organization in need. She further confirmed that the \$40,000 grant for 2021 is secured. Nancy is considering billing for our bowling program with the 2021 CDBG grant.
  2. Halliburton Grant: \$25,000 was received in January designated to support the Special Olympics Program – but with no restrictions. A portion was used for Special Olympics administrative costs associated with the Casey Connection and the remainder will be used for payroll expenses of Special Olympics.
  3. Skeeters Grant: \$5000 was received in August. This grant was designated for our Special Olympics “direct program expenses”. The Arc spent approximately \$6000 on direct program expenses for Winter games in February 2020. The Skeeters grant was applied to those expenses.
  4. Fort Bend Junior Service League Grant Request: \$10,000 may be awarded in December 2020. This grant is also restricted to direct program costs of our Special Olympics program and would be used as a reimbursement of 2020 direct expenses. However, the Skeeters grant has covered most of those costs – and no further direct expenses are projected for 2020 due to the program's closure. Before withdrawing the 2020 Grant Request, Laura reviewed the areas FBJSJL grants supports and found, “We support the

development and funding of quality programs, services and living arrangements for dependent adults and their caregivers”. Laura notified FBJSL about the closure of our Special Olympics program and her intention of asking to amend the grant to fund The Arc’s repair and maintenance costs of our group homes. She will present her request to amend the grant at the October 5, FBJSL Beneficiary Review Committee (BRC) meeting.

- D. Laura reminded Ann, chair of Governance Committee, that the CEO Evaluation should be distributed soon. Laura will forward the Survey Monkey evaluation to Ann to distribute.
- E. Laura shared that she and Jenny are working on the first draft of the 2021 Operating budget and will forward to Sharon and the Budget and Finance Committee.

VIII. Adjourn: Meeting adjourned at 7:11 p.m.

Submitted By:  
Cheryl Olivier  
Administrative Assistant

Attested to:  
Ann Johnston,  
Secretary, Board of Directors

**The next board meeting is December 14, 2020**



Executive Committee Meeting Minutes  
Via ZOOM  
4:56 p.m. December 9, 2020

*Attendees: L. Lobue, Chairman; H. Marshall, Vice Chairman; S. Lee, Treasurer; A. Johnston, Secretary; C. Huber, Past Chairman; P. Bullard, Chair, Internal Committee; T. Zafar, Chair, Real Estate Committee; L. LaVigne, CEO; C. Olivier, Admin. Assistant*

**1. Internal Committee Report: P. Bullard**

a. Budget & Finance Committee: S. Lee

- i. **November 2020 YTD Financials** – reviewed and discussed. Executive Committee agreed to accept and present to the Board for approval. November financials will also serve as a correct “snapshot” of the 4<sup>th</sup> Qtr. Operating Budget, in lieu of amending the Operating Budget in December.
- ii. **1<sup>st</sup> Quarter 2021 Draft Budget** – reviewed and discussed. Executive Committee agreed to accept Finance Committee recommendation and present to the Board for approval.
- iii. **Grant from Foundation for \$55,000** – reviewed and discussed Foundation grant to be applied towards reimbursement of the \$55,000 insurance premiums. Executive Committee agreed to accept and present to the Board for approval.
- iv. **Recommendation to Suspend P&I Payments to Foundation** – reviewed and discussed the suspension/forgiveness of P&I payments to the Foundation through 2<sup>nd</sup> Quarter 2021.
- v. **Best in the West** – reviewed and discussed Income/Expenses of the virtual event.
- vi. **2019 Joint Financial Review and Form 990** – Committee discussed, reviewed and agreed to present to Board for approval.
- vii. **2020 Joint Financial Review and Form 990** – Committee discussed and reviewed the recommendations to engage Randy Walker, CPA firm to complete the required documents. Committee recommends approval to the Board.

**Action Items:**

1. Committee recommends the Board approve the November 2020 YTD Financials.
2. Committee recommends the Board approve the Q1 2021 operating budget.
3. Committee recommends the Board accept the Grant from the Foundation for \$55,000 and to apply it toward reimbursement of 2020-21 insurance premiums.
4. Committee recommends the Board to suspend/forgive P&I payments to the Foundation through the end of 2<sup>nd</sup> Quarter 2021.
5. Committee recommends the Board approve the 2019 Joint Financial Review and Form 990.
6. Committee recommends the Board engage Randy Walker, CPA firm to complete the 2020 Joint Financial Review and the 2020 Form 990.

b. Real Estate Committee Meeting: T. Zafar

- a) Discussed and reviewed the October Real Estate Sub-Committee report. **The Executive Committee agreed to recommend to the Board the renewal of leases for Chapman Falls, Cotter Lane, Thomas Jefferson and Wagon Wheel at the same lease rates for one year each.**
- b) Discussed and reviewed the December Real Estate Sub-Committee report. **The Executive Committee agreed to recommend to the Board the following for the Real Estate Sub-Committee:**

- i. Cypress Point Home: after review of the CMA, committee recommends increasing the lease from \$1375 to \$1500 for a 2-year term.
- ii. Worley Drive: after a review of the CMA, committee recommends offering a lease under the same terms and conditions as the expiring lease (\$1650 per month for 2 years).
- c) Discussed the committee findings and cost savings to The Arc's insurance premiums.
- d) Discussed the denial of the Fort Bend Junior Service League grant for repairs and maintenance of group homes.
- e) Discussed and reviewed that Parkview Lane does not require a sprinkler system.
- f) Discussed and reviewed properties security deposits.

**Action Items:**

- i. The Executive Committee agreed to recommend to the Board the renewal of leases for Chapman Fall, Cotter Lane, Thomas Jefferson and Wagon Wheel at the same lease rates for one year each.
- ii. The Executive Committee agreed to recommend to the Board the following for the Real Estate Sub-Committee:
  - a. Cypress Point Home: after review of the CMA, committee recommends increasing the lease from \$1375 to \$1500 for a 2-year term.
  - b. Worley Drive: after a review of the CMA, committee recommends offering a lease under the same terms and conditions as the expiring lease (\$1650 per month for 2 years).

**2. Governance Committee:** A. Johnston

Ann reported the CEO Evaluation results. Ann and Executive Committee complemented Laura on her continued excellent dedication and service to The Arc.

**3. CEO Report:** L. LaVigne

- a. Laura reported everyone has been busy the past two months on the virtual Best in the West fund raiser taking photos, measurements and writing descriptions for all of the auction items. The event was a success and Laura is pleased with the results. Laura thanked everyone for their efforts in to shifting to a virtual event.
- b. Laura reported all programs continue virtually including Youth, Teens, SOTX and TwentySomethings participating in activities, bingos and arts and crafts.
- c. Laura reported The Arc of Fort Bend will participate with The Arc of Greater Houston in collaboration with the Houston Airport System in a virtual Wings for All, scheduled for April 2021.

**4. 2021 Calendar of Events:** L. LaVigne

Laura reviewed days/dates for the 2021 Board calendar.

**5. December 14, 2020 - Board Meeting Agenda:** L. Lobue

Agenda reviewed and approved.

**Next Meeting: Wednesday, January 13, 2021, 4:45 pm**

Budget & Finance Committee Meeting  
Zoom Meeting Minutes  
12.07/2020, 3:30 pm

Present: S. Lee, P. Bullard, M. Geary, J. Gortney, H. Marshall, L. LaVigne, C. Olivier, J. Schulte  
Absent: A. Harris

1. November YTD Financials: Committee discussed the November financials and the impact of reduced revenue from fundraising, grants, membership and donations. The cash balances at Prosperity showed an actual increase in funds, if the “Contra Account” designated for Facilities R&M was added back in.
2. Best in the West Income/Expenses (to date): As part of above discussion, Pat asked how the net income that was projected from the last approved budget amendment compared with the actual net income. Net income was budgeted at \$231,000 with actual YTD net at \$174,248.  
Discussed below in item #3, The Arc will receive a \$55,000 grant from the Foundation to apply to the costs paid for insurance in November – which will positively impact the cash reserves.
3. Grant request to Foundation to cover all insurance premiums –approved by Foundation  
The total premium includes the Package (which includes: General Liability, Employee Benefits Liability, Abuse & Molestation, Property, Crime, Employee Theft, Forgery/Alteration); Auto and Umbrella (an underlying insurance covering GL, EBL, PL, Auto Liability, Abuse & Molestation), Workers Comp, Directors & Officers, and Cyber Liability.

After a discussion about providing a 4<sup>th</sup> Qtr. Operating Budget amendment, the committee decided:

**Action Item: Accept the November 2020 YTD financials as a corrected snapshot of the reality of Income and Expenses for the remainder of 2020, in lieu of amending the Operating Budget in December.**

4. Draft of 1<sup>st</sup> Qtr. 2021 Operating Budget: Committee agreed to consider the 2021 Operating Budget on a quarterly basis, as it is too difficult to project further income & expenses due to continued impact of mandated “social distancing” due to COVID-19. The draft of the 1<sup>st</sup> Qtr. 2021 Operating Budget shows a deficit of \$24,865. However, our cash reserves will sustain the expenses.  
J. Schulte also projected a 2<sup>nd</sup> Qtr. 2021 Operating Budget which at first, reflected a larger deficit due to adding in some program expenses, but did not include income from the Golf Classic, and should. She will adjust and submit to the committee.  
**Action Item: Committee recommends the Board approve the 1<sup>st</sup> Qtr 2021 Operating Budget.**
5. Continue to Suspend/Forgive P&I payments to the Foundation 1<sup>st</sup> Qtr. 2021: L. LaVigne pointed out that the 1<sup>st</sup> Qtr. 2021 Budget did not include P&I payments to the Foundation. If P&I payments resumed, the expenses would increase by approximately

\$30,000 for the quarter. Committee discussed when we would be financially able to resume payments. P. Bullard suggested continuing the suspension/forgiveness of P&I through the end of 2<sup>nd</sup> Qtr. 2021. He shared that even if we were able to “make” the payments, we needed to build our cash reserves for Operating Expenses.

**Action Item: Committee recommends the Board continue the suspension and forgiveness of P&I payments to the Foundation through the end of 2<sup>nd</sup> Qtr. 2021.**

6. 2019 Form 990 & Joint Financial Review: S. Lee asked if anyone had questions about the two reports. H. Marshall had a question about the large variance in the Foundation’s investment income between 2018 and 2019. J. Schulte will arrange a conference call for Hal and Sharon with the CPA who prepared the Review. H. Marshall proposed that the Review and 990 be approved so that the Management Rep Letter can be ratified at the Board meeting on December 14.

**Action Item: Committee recommends the Board approve the 2019 Joint Financial Review and Form 990.**

7. Other: J. Schulte asked if the committee would approve engaging Randy Walker, CPA firm to complete the 2020 Joint Financial Review and the 2020 Forms 990. Committee agreed.

**Action Item: Committee recommends the Board engage Randy Walker, CPA firm to complete the 2020 Joint Financial Review and the 2020 Forms 990.**

Next Meeting: TBD in January 2021



# The Arc of Ft. Bend County Balance Sheet

As of November 30, 2020

Nov 30, 20

## ASSETS

### Current Assets

#### Checking/Savings

##### Cash

Credit Card Account	4,487.55
Fundraising (WD)	40,963.73
Money Market	93,045.58
Operating Account	83,188.52
Facilities Reserve contra	-82,000.00

Total Cash 139,685.38

Total Checking/Savings 139,685.38

#### Other Current Assets

##### Prepaid Insurance

Crime	112.75
Cyber Liability	1,100.00
Auto	4,818.08
D&O	3,124.00
Umbrella	1,644.50
Professional Liability	6,234.25
Property	32,880.91
Worker's Comp	1,542.70

Total Prepaid Insurance 51,457.19

Total Other Current Assets 51,457.19

Total Current Assets 191,142.57

### Fixed Assets

Building-Commercial Property	1,195,871.59
Improvements-Commercial Propert	912,294.20
Building - Homes	2,326,047.15
Improvements-Homes	336,088.10
Land	810,768.00
Leasehold Improvemnt.123 Brooks	9,062.00
Office Equipment	5,324.02
Furniture and Fixtures	6,720.00
Computer Equipment	15,757.00
Automotive	76,832.44
Accumulated Depreciation	-2,043,968.66

Total Fixed Assets 3,650,795.84

### Other Assets

Trans to Foundation to invest	74,448.00
Facilities Reserve for Repairs	82,000.00
Escrow - Rychlik Job Services	2,500.00
Earnest Money	1,000.00

Total Other Assets 159,948.00

TOTAL ASSETS 4,001,886.41

## LIABILITIES & EQUITY

# The Arc of Ft. Bend County Balance Sheet

As of November 30, 2020

Nov 30, 20

<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Accounts Payable</b>	
Accounts Payable-ARC	-79.11
<b>Total Accounts Payable</b>	-79.11
<b>Other Current Liabilities</b>	
Small Business PPP Loan	69,500.00
Retirement Plan Payable	725.00
Taxes Payable-SUTA	18.02
<b>Total Other Current Liabilities</b>	70,243.02
<b>Total Current Liabilities</b>	70,163.91
<b>Long Term Liabilities</b>	
N/P-ARC Fdn (Worley Dr)	220,660.88
Security Deposits Payable	22,525.00
N/P-ARC Fdn (6419 Brazos Glen)	89,634.93
N/P-ARC Fdn (Chapman Falls)	61,113.77
N/P-ARC Fdn (5141 Cotter Ln)	86,114.63
N/P-ARC Fdn (2715 Cypress Impr)	226,320.13
N/P-ARC Fdn (Manorfield)	126,842.48
N/P-ARC Fdn (Rustic Trail)	134,158.88
N/P-ARC Fdn (5618 Wagon Wheel)	109,838.07
N/P-ARC Fdn (Whispering Creek)	237,546.61
N/P-ARC Fdn(2607 WillowSprings)	123,499.30
<b>Total Long Term Liabilities</b>	1,438,254.68
<b>Total Liabilities</b>	1,508,418.59
<b>Equity</b>	
Unrestricted Net Assets	2,533,022.53
Net Income	-39,554.71
<b>Total Equity</b>	2,493,467.82
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>4,001,886.41</b>

# The Arc of Ft. Bend County

## Profit & Loss Budget Performance

### November 2020

	Nov 20	Jan - Nov 20	YTD Budget	\$ Over Budget	% of Budget	Annual Budget
<b>Ordinary Income/Expense</b>						
<b>Income</b>						
Ride fee	0.00	885.24	566.00	319.24	156.4%	566.00
Youth Social	0.00	360.00	360.00	0.00	100.0%	360.00
Riveredge Mortgage Payment	0.00	1,036.04	1,036.00	0.04	100.0%	1,036.00
Bowling - Lane Fee Income	0.00	2,173.16	2,200.00	-26.84	98.78%	2,200.00
Donations & Contributions	596.32	14,369.69	12,400.00	1,969.69	115.89%	12,900.00
Donations - Designated	400.00	2,845.00	235.00	2,610.00	1,210.64%	1,400.00
Fundraising Event	96,352.52	197,799.66	158,900.00	38,899.66	124.48%	188,900.00
Grant - CDBG Fort Bend	5,981.33	16,173.42	16,665.00	-491.58	97.05%	22,000.00
Grant - FBJSJL	0.00	0.00	0.00	0.00	0.0%	0.00
Grants - Other	0.00	33,000.00	25,000.00	8,000.00	132.0%	38,500.00
Membership Revenue	0.00	7,104.59	6,773.00	331.59	104.9%	7,000.00
Rental Income	23,925.00	408,996.69	413,733.00	-4,736.31	98.86%	447,947.00
Social Rec Fees	0.00	4,287.19	3,195.00	1,092.19	134.18%	3,195.00
<b>Total Income</b>	<b>127,255.17</b>	<b>689,030.68</b>	<b>641,063.00</b>	<b>47,967.68</b>	<b>107.48%</b>	<b>726,004.00</b>
<b>Gross Profit</b>	<b>127,255.17</b>	<b>689,030.68</b>	<b>641,063.00</b>	<b>47,967.68</b>	<b>107.48%</b>	<b>726,004.00</b>
<b>Expense</b>						
Auto / Vans - Repairs & Maint.	1,445.08	3,451.00	1,500.00	1,951.00	230.07%	1,500.00
<b>Advocacy in Action</b>						
Casey Connection	0.00	14,137.50	5,000.00	9,137.50	282.75%	5,000.00
Information / Referral	0.00	100.00	100.00	0.00	100.0%	100.00
Educational Advocacy	0.00	2,035.00	2,035.00	0.00	100.0%	2,245.00
Advocacy in Action - Other	0.00	0.00	0.00	0.00	0.0%	2,700.00
<b>Total Advocacy in Action</b>	<b>0.00</b>	<b>16,272.50</b>	<b>7,135.00</b>	<b>9,137.50</b>	<b>228.07%</b>	<b>10,045.00</b>
Accounting, Audit, Payroll	3,585.56	10,388.19	10,375.00	13.19	100.13%	15,470.00
Advertising & Marketing	53.30	586.30	770.00	-183.70	76.14%	840.00
Affiliation/Asso/Mbrship/Certs	0.00	4,835.22	4,601.00	234.22	105.09%	5,151.00
Bank & CC Charges	150.35	1,785.86	2,050.00	-264.14	87.12%	3,800.00
Board Expenses	0.00	456.87	450.00	6.87	101.53%	450.00
Community Outreach	127.02	325.50	250.00	75.50	130.2%	400.00
Conferences	0.00	198.87	325.00	-126.13	61.19%	325.00

**The Arc of Ft. Bend County**  
**Profit & Loss Budget Performance**  
**November 2020**

	<b>Nov 20</b>	<b>Jan - Nov 20</b>	<b>YTD Budget</b>	<b>\$ Over Budget</b>	<b>% of Budget</b>	<b>Annual Budget</b>
Continuing Education/Staff Dev	0.00	180.00	75.00	105.00	240.0%	200.00
<b>Employee Expenses</b>						
Employee Salaries	30,293.32	327,841.81	326,957.00	884.81	100.27%	356,680.00
Employee-FICA	1,878.19	20,320.83	25,013.00	-4,692.17	81.24%	27,286.00
Employee-Health/Dental	4,603.38	51,350.47	59,278.10	-7,927.63	86.63%	64,667.00
Employee-Medicare	439.25	4,752.53				
Employee-Retirement Plan	0.00	0.00	0.00	0.00	0.0%	0.00
Employee-SUTA	0.00	182.60	4,257.00	-4,074.40	4.29%	4,644.00
Mileage Reimbursement	0.00	109.54	150.00	-40.46	73.03%	1,050.00
<b>Total Employee Expenses</b>	<b>37,214.14</b>	<b>404,557.78</b>	<b>415,655.10</b>	<b>-11,097.32</b>	<b>97.33%</b>	<b>454,327.00</b>
<b>Event Expenses</b>	<b>6,990.00</b>	<b>7,490.00</b>	<b>8,000.00</b>	<b>-510.00</b>	<b>93.63%</b>	<b>10,000.00</b>
<b>Facilities HOA Fees</b>	<b>0.00</b>	<b>10,265.90</b>	<b>13,000.00</b>	<b>-2,734.10</b>	<b>78.97%</b>	<b>13,000.00</b>
<b>Facilities Landscaping</b>	<b>1,500.00</b>	<b>3,810.00</b>				
<b>Facilities Prop Mgmt Fees</b>	<b>1,300.00</b>	<b>14,300.00</b>	<b>14,300.00</b>	<b>0.00</b>	<b>100.0%</b>	<b>15,600.00</b>
<b>Facilities R&amp;M / Improvements</b>	<b>14,190.21</b>	<b>74,621.92</b>	<b>31,424.00</b>	<b>43,197.92</b>	<b>237.47%</b>	<b>34,280.00</b>
<b>Facilities Utilities</b>	<b>0.00</b>	<b>790.05</b>	<b>897.75</b>	<b>-107.70</b>	<b>88.0%</b>	<b>1,623.00</b>
<b>Insurance</b>						
General Liability	7,828.00	7,828.00				
Crime	300.00	300.00	0.00	300.00	100.0%	123.00
Workers Comp	1,004.00	398.76	0.00	398.76	100.0%	1,064.00
Property	29,691.00	29,691.00	0.00	29,691.00	100.0%	42,016.00
Cyber Liability	1,200.00	1,200.00	0.00	1,200.00	100.0%	1,200.00
Auto	7,864.00	7,864.00	0.00	7,864.00	100.0%	5,674.00
Professional Liability	1,490.00	1,490.00	0.00	1,490.00	100.0%	2,226.00
D&O	2,061.00	2,061.00	0.00	2,061.00	100.0%	3,408.00
Umbrella	3,080.00	3,080.00	0.00	3,080.00	100.0%	2,063.00
<b>Total Insurance</b>	<b>54,518.00</b>	<b>53,912.76</b>	<b>0.00</b>	<b>53,912.76</b>	<b>100.0%</b>	<b>57,774.00</b>
<b>Interest Expense</b>	<b>0.00</b>	<b>55,207.85</b>	<b>55,225.31</b>	<b>-17.46</b>	<b>99.97%</b>	<b>55,225.31</b>
<b>Meals &amp; Supplies / Meetings</b>	<b>0.00</b>	<b>210.36</b>	<b>100.00</b>	<b>110.36</b>	<b>210.36%</b>	<b>400.00</b>
<b>Office</b>						
Lease 119 & 123	0.00	232.80	240.00	-7.20	97.0%	240.00
Website	0.00	400.00	2,500.00	-2,100.00	16.0%	2,500.00

# The Arc of Ft. Bend County

## Profit & Loss Budget Performance

### November 2020

	Nov 20	Jan - Nov 20	YTD Budget	\$ Over Budget	% of Budget	Annual Budget
Cell Phone	0.00	1,020.36	1,725.50	-705.14	59.13%	1,725.50
Computer / Software	0.00	3,433.20	0.00	3,433.20	100.0%	2,000.00
Copier Lease	426.19	4,481.68	3,987.50	494.18	112.39%	4,350.00
Repairs & Maintenance	1,022.64	18,556.83	10,310.00	8,246.83	179.99%	11,130.00
Supplies	140.13	2,013.67	2,750.00	-736.33	73.22%	3,200.00
Telephone / Internet	357.68	4,254.65	3,970.10	284.55	107.17%	4,331.00
Utilities	539.40	3,752.26	4,180.00	-427.74	89.77%	4,560.00
<b>Total Office</b>	<b>2,486.04</b>	<b>38,145.45</b>	<b>29,663.10</b>	<b>8,482.35</b>	<b>128.6%</b>	<b>34,036.50</b>
<b>PROGRAMS</b>						
PR Activity/Mtg-Food & Supplies	78.52	3,776.85	3,820.00	-43.15	98.87%	3,820.00
PR Athletic Banquet	0.00	0.00	0.00	0.00	0.0%	0.00
PR Bowling Lane Fees	0.00	3,465.00	2,840.00	625.00	122.01%	2,840.00
PR DJ	0.00	0.00	0.00	0.00	0.0%	500.00
PR Equipment, Shirts, Uniforms	0.00	39.90	50.00	-10.10	79.8%	50.00
PR Fuel	27.67	601.20	760.00	-158.80	79.11%	1,270.00
PR Game / Registration Fees	0.00	-125.00	0.00	-125.00	100.0%	2,750.00
PR Hotel	0.00	2,995.72	3,000.00	-4.28	99.86%	3,000.00
PR Other Expenses / Gifts	0.00	558.90	100.00	458.90	558.9%	950.00
PR Parking & Tolls	0.00	108.88	330.00	-221.12	32.99%	380.00
PR Practice Facil. / Lifeguards	0.00	442.90	450.00	-7.10	98.42%	450.00
PR Scholarships	0.00	0.00	0.00	0.00	0.0%	0.00
PR Tickets / Venue Fees	0.00	6,855.00	9,700.00	-2,845.00	70.67%	9,700.00
PR Training & Background checks	0.00	243.73	300.00	-56.27	81.24%	535.00
PR Transportation	0.00	1,594.61	1,650.00	-55.39	96.64%	1,650.00
PR - Twenty Somethings	0.00	0.00	0.00	0.00	0.0%	1,700.00
<b>Total PROGRAMS</b>	<b>106.19</b>	<b>20,557.69</b>	<b>23,000.00</b>	<b>-2,442.31</b>	<b>89.38%</b>	<b>29,595.00</b>
PR Contract Workers	0.00	3,616.76	6,042.00	-2,425.24	59.86%	6,742.00
Postage and Delivery	910.58	2,675.65	2,950.00	-274.35	90.7%	3,200.00
Printing and Reproduction	0.00	0.00	0.00	0.00	0.0%	1,200.00
Professional Fees - Legal	0.00	0.00	0.00	0.00	0.0%	50.00
Professional Fees - Other	0.00	0.00	0.00	0.00	0.0%	500.00
<b>Total Expense</b>	<b>124,576.47</b>	<b>728,642.48</b>	<b>627,788.26</b>	<b>100,854.22</b>	<b>116.07%</b>	<b>755,733.81</b>

**The Arc of Ft. Bend County**  
**Profit & Loss Budget Performance**  
November 2020

	<b>Nov 20</b>	<b>Jan - Nov 20</b>	<b>YTD Budget</b>	<b>\$ Over Budget</b>	<b>% of Budget</b>	<b>Annual Budget</b>
<b>Net Ordinary Income</b>	2,678.70	-39,611.80	13,274.74	-52,886.54	-298.4%	-29,729.81
<b>Other Income/Expense</b>						
<b>Other Income</b>						
Investment Income	2.98	57.09				
<b>Total Other Income</b>	2.98	57.09				
<b>Net Other Income</b>	2.98	57.09				
<b>Net Income</b>	<b>2,681.68</b>	<b>-39,554.71</b>	<b>13,274.74</b>	<b>-52,829.45</b>	<b>-297.97%</b>	<b>-29,729.81</b>

1st Quarter 2021 BUDGET - WORKING DRAFT

			General & Admin	Advocacy	Bowling	Social Recreation	Youth	Special Olympics	Real Estate	Golf Classic	Western Dance	TOTAL
<b>Ordinary Income / Expense</b>												
	<b>INCOME</b>											
		Bowling - Lane Fees										-
		Donations & Contributions		600								600
		Donations - Designated										-
		Kathy Moody Memorial Scholarship										-
		Fundraising Events										-
		Grants										-
		Grant - CDBG Fort Bend				5,000						5,000
		Grant - FBJSL										-
		Membership Revenue	250									250
		Rental - Brazos Glen							3,300			3,300
		Rental - Chapman Falls							4,050			4,050
		Rental - Cotter Lane							3,300			3,300
		Rental - Cypress Point Bldg.							24,000			24,000
		Rental - Cypress Point Home							4,125			4,125
		Rental - Gilmar 3003							1,200			1,200
		Rental - Grant Dr.							5,100			5,100
		Rental - Industrial							24,375			24,375
		Rental - Manorfield							3,900			3,900
		Rental - Parkview							4,650			4,650
		Rental - River Road							3,600			3,600
		Rental - Russeff Field							4,050			4,050
		Rental - Rustic Trail							5,250			5,250
		Rental - Summerdale							3,450			3,450
		Rental - Thomas Jefferson							3,600			3,600
		Rental - Wagon Wheel							3,600			3,600
		Rental - Whispering Creek							5,850			5,850
		Rental - Willow Springs							3,900			3,900
		Rental - Worley Drive							4,950			4,950
		Riveredge Annual Mortgage Payment										-
		Ride Fees										-
		Social Rec Fees										-
		Youth Respite										-
	<b>TOTAL INCOME</b>		250	600	-	5,000	-	-	116,250	-	-	122,100
	<b>EXPENSE</b>											
		Accounting, Payroll Processing	681									681
		Advertising & Marketing		160								160
		Advocacy in Action										-
		AA Educational Advocacy										-
		AA Information / Referral										-
		Affiliation/ Association/ Membership		3,500								3,500

1st Quarter 2021 BUDGET - WORKING DRAFT

			General & Admin	Advocacy	Bowling	Social Recreation	Youth	Special Olympics	Real Estate	Golf Classic	Western Dance	TOTAL
		Auto / Vans - Repairs & Maintenance	200									200
		Bank & CC Charges	300									300
		Board Expenses										-
		Casey Connection		300								300
		Community Outreach		100								100
		Conferences										-
		Continuing Education / Staff Develop.										-
		Employee - Salaries	85,328									85,328
		Employee - SS / FICA & Medicare	6,528									6,528
		Employee - SUTA	4,644									4,644
		Employee - Health & Dental	16,096									16,096
		Employee - Mileage Reimbursement	50									50
		Employee - Retirement Plan										-
		Employee - Workers Compensation										-
		Event Expenses										-
		Facilities - HOA							10,500			10,500
		Facilities - Insurance / Property & Fire										-
		Facilities - Property Management Fees							3,900			3,900
		Facilities - R&M / Improvements							10,000			10,000
		Facilities - R&M / Landscaping										-
		Facilities - Real Estate Taxes										-
		Facilities - Utilities										-
		Grants										-
		Insurance - Auto										-
		Crime										-
		Insurance - Cyber Liability										-
		Insurance - D&O / Fiduciary										-
		Insurance - Liability / General & Professional										-
		Insurance - Umbrella										-
		Meetings / Meals & Supplies	50									50
		Notes Payable - Brazos Glen										-
		Notes Payable - Chapman Falls										-
		Notes Payable - Cotter Lane										-
		Notes Payable - Cypress Point Bldg.										-
		Notes Payable - Manorfield										-
		Notes Payable - Rustic Trail										-
		Notes Payable - Wagon Wheel										-
		Notes Payable - Whispering Creek										-
		Notes Payable - Willow Springs										-
		Office - Computer / Software										-
		Office - Copier Lease	1,279									1,279
		Office - Lease	240									240
		Office - Postage & Delivery	500									500



1st Quarter 2021 BUDGET - WORKING DRAFT

			General & Admin	Advocacy	Bowling	Social Recreation	Youth	Special Olympics	Real Estate	Golf Classic	Western Dance	TOTAL
		Office - Printing & Reproduction										-
		Office - Repairs & Maintenance	1,605									1,605
		Office - Supplies	450									450
		Office - Telephone / Internet	1,072									1,072
		Office - Utilities / Water & Electric	1,215									1,215
		Office - Website										-
		PR Activites/Meetings - Meals, Food & Supplies										-
		PR Athletic Banquet										-
		PR Bowling Lane Fees										-
		PR Contract Workers										-
		PR DJ										-
		PR Equipment, Shirts & Uniforms										-
		PR Fuel										-
		PR Game / Registration Fees										-
		PR Hotel										-
		PR Other Expenses & Gifts										-
		PR Parking & Tolls										-
		PR Practice Facilities / Lifeguards										-
		PR Scholarships & Sponsorships										-
		PR Tickets / Venues / Events										-
		PR Volunteer/Parent Training Expenses & Background checks										-
		PR Transportation										-
		PR Twenty Somethings										-
		PR Youth Respite										-
		Professional Fees - Legal										-
		Professional Fees - Other										-
		TOTAL EXPENSE	120,237	4,060	-	-	-	-	24,400	-	-	148,697
			(119,987)	(3,460)	-	5,000	-	-	91,850	-	-	(26,597)
		11/23/2020										

**THE ARC OF FORT BEND COUNTY  
AND ARC OF FORT BEND  
COUNTY FOUNDATION**

**FINANCIAL STATEMENTS**

**December 31, 2019 and 2018**

**along with**

**Accountant's Review Report**

***Randy Walker & Co., Certified Public Accountants***

**THE ARC OF FORT BEND COUNTY AND  
ARC OF FORT BEND COUNTY FOUNDATION  
COMBINED FINANCIAL STATEMENTS  
December 31, 2019 and 2018**

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## **INDEPENDENT ACCOUNTANT'S REVIEW REPORT**

To the Board of Directors  
The Arc of Fort Bend County and  
Arc of Fort Bend County Foundation  
Sugar Land, Texas

We have reviewed the accompanying combined financial statements of The Arc of Fort Bend County and Arc of Fort Bend County Foundation (collectively, the Organization), which comprise the combined statements of financial position as of December 31, 2019 and 2018, and the related combined statements of activities (with comparative totals for 2018), functional expenses (with comparative totals for 2018), and cash flows for the years then ended, and the related notes to the combined financial statements. A review includes primarily applying analytical procedures to management's financial data and making inquiries of management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the combined financial statements as a whole. Accordingly, we do not express such an opinion.

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

Management is responsible for the preparation and fair presentation of these combined 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.

### **Accountant's Responsibility**

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the combined financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

### **Accountant's Conclusion**

Based on our review, we are not aware of any material modifications that should be made to the accompanying combined financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

### **Report on Supplementary Information**

The combining statements of financial position and activities on pages 16 and 17 are presented for purposes of additional analysis and are not a required part of the combined financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combined financial statements. The information has been subjected to the review procedures applied in our review of the combined financial statements. We are not aware of any material modifications that should be made to the supplementary information. We have not audited the supplementary information and do not express an opinion on such information.

*Randy Walker & Co.*

San Antonio, Texas  
November 22, 2020

DRAFT

## **Financial Statements**

**THE ARC OF FORT BEND COUNTY AND  
ARC OF FORT BEND COUNTY FOUNDATION  
COMBINED STATEMENTS OF FINANCIAL POSITION  
December 31, 2019 and 2018**

	<u>2019</u>	<u>2018</u>
<b><u>ASSETS</u></b>		
<b><u>CURRENT ASSETS</u></b>		
Cash and Cash Equivalents	\$ 1,577,885	\$ 1,612,991
Notes Receivable - Current	3,438	-
Prepaid Expenses	52,491	50,394
Deposits	3,500	3,500
Total Current Assets	<u>1,637,314</u>	<u>1,666,885</u>
<b><u>LONG-TERM ASSETS</u></b>		
Investments	1,789,176	1,604,527
Notes Receivable - Long-Term	71,417	3,005
Property and Equipment, net	3,762,708	3,656,603
Total Long-Term Assets	<u>5,623,301</u>	<u>5,264,135</u>
<b>TOTAL ASSETS</b>	<b>\$ <u>7,260,615</u></b>	<b>\$ <u>6,931,020</u></b>
<b><u>LIABILITIES AND NET ASSETS</u></b>		
<b><u>CURRENT LIABILITIES</u></b>		
Accounts Payable	\$ -	\$ 1,806
Deposits Payable	20,375	18,725
<b>TOTAL LIABILITIES</b>	<b><u>20,375</u></b>	<b><u>20,531</u></b>
<b><u>NET ASSETS</u></b>		
Without Donor Restrictions:		
Undesignated	7,168,240	6,850,489
Board-Designated	72,000	60,000
<b>TOTAL NET ASSETS</b>	<b><u>7,240,240</u></b>	<b><u>6,910,489</u></b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ <u>7,260,615</u></b>	<b>\$ <u>6,931,020</u></b>

See accompanying notes and independent accountant's review report.

**THE ARC OF FORT BEND COUNTY AND  
ARC OF FORT BEND COUNTY FOUNDATION  
COMBINED STATEMENT OF ACTIVITIES  
For the Year Ended December 31, 2019  
(with comparative totals for 2018)**

	2019			2018
	Without Donor Restrictions	With Donor Restrictions	Total	Total
<b><u>OPERATING REVENUE AND SUPPORT</u></b>				
Rental Income	\$ 451,480	\$ -	\$ 451,480	\$ 432,825
Special Events, net of direct expenses of \$28,552 and \$30,538, respectively	348,542	-	348,542	441,080
Contributions and Grants	86,974	14,551	101,525	81,098
Program Service Fees	30,314	-	30,314	31,377
In-Kind Rent	23,767	-	23,767	28,800
Interest Income	11,084	-	11,084	12,104
Other Income	6,530	-	6,530	1,041
Net Assets Released from Restrictions	14,551	(14,551)	-	-
<b>TOTAL OPERATING REVENUE AND SUPPORT</b>	<b>973,242</b>	<b>-</b>	<b>973,242</b>	<b>1,028,325</b>
<b><u>OPERATING EXPENSES</u></b>				
Program	672,826	-	672,826	687,295
General and Administrative	252,914	-	252,914	209,845
Fundraising	54,836	-	54,836	47,994
<b>TOTAL OPERATING EXPENSES</b>	<b>980,576</b>	<b>-</b>	<b>980,576</b>	<b>945,134</b>
<b>CHANGE IN NET ASSETS BEFORE NON- OPERATING ACTIVITIES</b>	<b>(7,334)</b>	<b>-</b>	<b>(7,334)</b>	<b>83,191</b>
<b><u>NON-OPERATING ACTIVITIES</u></b>				
Gain on Sale of Property	52,436	-	52,436	-
Investment Income (Loss), net	284,649	-	284,649	(125,746)
<b>TOTAL NON-OPERATING ACTIVITIES</b>	<b>337,085</b>	<b>-</b>	<b>337,085</b>	<b>(125,746)</b>
<b>CHANGE IN NET ASSETS AFTER NON- OPERATING ACTIVITIES</b>	<b>329,751</b>	<b>-</b>	<b>329,751</b>	<b>(42,555)</b>
<b>NET ASSETS, Beginning of Year</b>	<b>6,910,489</b>	<b>-</b>	<b>6,910,489</b>	<b>6,953,044</b>
<b>NET ASSETS, End of Year</b>	<b>\$ 7,240,240</b>	<b>\$ -</b>	<b>\$ 7,240,240</b>	<b>\$ 6,910,489</b>

See accompanying notes and independent accountant's review report.



**THE ARC OF FORT BEND COUNTY AND  
ARC OF FORT BEND COUNTY FOUNDATION  
COMBINED STATEMENT OF FUNCTIONAL EXPENSES  
For the Year Ended December 31, 2019  
(with comparative totals for 2018)**

	Program									General and Administrative	Fundraising			2019 Total	2018 Total
	Advocacy	Bowling	Employment	Self-Advocates	Social and Recreation	Special Olympics	Youth	Real Estate	Total Program		Golf	Western Dance	Total Fundraising		
<b>OPERATING EXPENSES</b>															
Employee Expenses	\$ 94,092	\$ 1,760	\$ 6,908	\$ 2,243	\$ 62,447	\$ 47,161	\$ 22,254	\$ 22,448	\$ 259,313	\$ 158,610	\$ 15,107	\$ 22,119	\$ 37,226	\$ 455,149	\$ 446,919
Depreciation	-	-	-	-	-	-	-	173,117	173,117	-	-	-	-	173,117	157,001
Activity Expenses	1,254	12,786	-	-	45,922	32,209	5,121	-	97,292	-	-	-	-	97,292	92,274
Facility Expenses	-	-	-	-	-	-	-	61,763	61,763	-	-	-	-	61,763	56,546
Insurance	-	-	-	-	-	-	-	-	-	55,776	-	-	-	55,776	49,019
Office Expenses	11,845	102	-	-	1,616	3,055	721	405	17,744	6,155	466	1,827	2,293	26,192	41,258
Rent Expense	10,800	-	-	-	2,400	2,400	2,400	-	18,000	6,000	-	-	-	24,000	28,800
Advocacy in Action	19,361	-	-	-	-	-	-	-	19,361	-	-	-	-	19,361	3,282
Professional Fees	-	-	-	-	-	-	-	-	-	14,848	-	-	-	14,848	12,923
Event Expenses	2,404	-	-	-	-	-	-	-	2,404	49	3,001	8,645	11,646	14,099	8,937
PR Contract Drivers	-	-	-	-	13,699	-	-	-	13,699	-	-	-	-	13,699	14,161
Bank and Credit Card Charges	-	-	-	-	-	-	-	-	-	3,336	1,075	2,075	3,150	6,486	6,752
Affiliation, Membership and Certificates	2,053	-	-	-	-	-	-	-	2,053	3,541	-	-	-	5,594	5,151
Community Outreach	3,350	-	-	-	-	-	-	-	3,350	-	-	-	-	3,350	3,296
Repairs and Maintenance - Auto	2,163	-	-	-	-	-	-	-	2,163	-	-	-	-	2,163	1,906
Postage and Delivery	540	33	-	-	663	100	40	20	1,396	120	88	433	521	2,037	2,926
Advertising and Marketing	-	-	-	-	-	-	-	-	-	1,517	-	-	-	1,517	1,480
Board Expenses	-	-	-	-	-	-	-	-	-	1,515	-	-	-	1,515	1,570
Other Expenses	-	-	-	-	-	-	-	-	-	1,101	-	-	-	1,101	875
Printing and Reproduction	437	-	-	-	-	73	37	-	547	93	-	-	-	640	1,892
Conferences	539	-	-	-	-	-	-	-	539	-	-	-	-	539	2,752
Meeting Meals and Supplies	-	-	-	-	-	-	-	-	-	253	-	-	-	253	297
Continuing Education	85	-	-	-	-	-	-	-	85	-	-	-	-	85	117
BBGS Agreement	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,000
<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 148,923</b>	<b>\$ 14,681</b>	<b>\$ 6,908</b>	<b>\$ 2,243</b>	<b>\$ 126,747</b>	<b>\$ 84,998</b>	<b>\$ 30,573</b>	<b>\$ 257,753</b>	<b>\$ 672,826</b>	<b>\$ 252,914</b>	<b>\$ 19,737</b>	<b>\$ 35,099</b>	<b>\$ 54,836</b>	<b>\$ 980,576</b>	<b>\$ 945,134</b>

See accompanying notes and independent accountant's review report.

**THE ARC OF FORT BEND COUNTY AND  
ARC OF FORT BEND COUNTY FOUNDATION  
COMBINED STATEMENTS OF CASH FLOWS  
For the Years Ended December 31, 2019 and 2018**

	<u>2019</u>	<u>2018</u>
<b><u>CASH FLOWS FROM OPERATING ACTIVITIES</u></b>		
Change in Net Assets from Operations	\$ 329,751	\$ (42,555)
Adjustments to Reconcile Net Change to Net Cash		
Provided by Operations:		
Gain on Property Sale	(52,436)	-
Depreciation	173,117	157,001
Net Unrealized/Realized (Gain) Loss on Investments	(262,590)	144,786
Increase in Assets:		
Notes Receivable	(71,850)	-
Prepaid Expenses	(2,097)	(6,979)
Deposits	-	(1,000)
(Decrease) Increase in Liabilities:		
Accounts Payable	(1,806)	1,806
Deposits Payable	1,650	3,500
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<u>113,739</u>	<u>256,559</u>
<b><u>CASH FLOWS FROM INVESTING ACTIVITIES</u></b>		
Cash Purchases of Property and Equipment	(309,506)	(53,674)
Proceeds from Sale of Property and Equipment	82,720	-
Sale (Purchase) of Investments	77,941	(119,042)
<b>NET CASH USED BY INVESTING ACTIVITIES</b>	<u>(148,845)</u>	<u>(172,716)</u>
<b>NET (DECREASE) INCREASE IN CASH FLOWS</b>	(35,106)	83,843
<b>CASH AND CASH EQUIVALENTS, Beginning of Year</b>	<u>1,612,991</u>	<u>1,529,148</u>
<b>CASH AND CASH EQUIVALENTS, End of Year</b>	<u>\$ 1,577,885</u>	<u>\$ 1,612,991</u>

See accompanying notes and independent accountant's review report.

**THE ARC OF FORT BEND COUNTY AND  
ARC OF FORT BEND COUNTY FOUNDATION  
NOTES TO COMBINED FINANCIAL STATEMENTS  
December 31, 2019 and 2018**

**NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES**

*Basis of Accounting*

The combined financial statements of The Arc of Fort Bend County (The Arc) and Arc of Fort Bend County Foundation (the Foundation) (collectively, the Organization) have been prepared on the accrual basis of accounting. The significant accounting policies followed are described below to enhance the usefulness of the financial statements to the reader.

*Organization and Nature of Activities*

The Arc is a 501(c)(3) not-for-profit enterprise incorporated on August 12, 1968 and organized for the purpose of ensuring opportunities for people with intellectual and developmental disabilities to maximize their quality of life within the community. It is an affiliate of The Arc of Texas (a State organization) and The Arc of the U.S. (a National organization). The Arc is supported primarily through donor contributions, grants, fundraising and program service income generated from leases.

Currently Vocational/Residential, Recreation, Advocacy, and Special Olympics are the major program areas offered by The Arc to residents of Fort Bend County. The Vocational/Residential program provides space to service providers for use in vocational training and rehabilitation at below market rates. This program also provides residences for individuals with intellectual and developmental disabilities. The Recreation and Special Olympics programs provide social and recreation activities. The Advocacy programs provide support for education and legislative activities that benefit people with intellectual and developmental disabilities and provide them with an opportunity to learn about self-representation.

The Foundation, a 501(c)(3), was incorporated on July 1, 2002 and was organized, and operates exclusively, for charitable and educational purposes.

*Basis of Presentation*

The Organization is required to report information regarding its financial position and activities according to two classes of net assets:

- Net Assets Without Donor Restrictions – Net assets available for use in the general operations and not subject to donor restrictions. Assets restricted solely through the actions of the Board of Directors (the Board) are reported as net assets without donor restrictions, board-designated.
- Net Assets With Donor Restrictions – Net assets subject to donor-imposed restrictions that are more restrictive than the Organization's mission and purpose. Some donor-imposed restrictions are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

*Cash and Cash Equivalents*

For purposes of the combined statements of cash flows, the Organization considers all highly liquid savings and securities with a maturity of three months or less to be cash equivalents.

**THE ARC OF FORT BEND COUNTY AND  
ARC OF FORT BEND COUNTY FOUNDATION  
NOTES TO COMBINED FINANCIAL STATEMENTS  
December 31, 2019 and 2018**

**NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Property and Equipment**

Purchased property and equipment are stated at cost. Major additions are charged to the asset accounts while replacements, maintenance, and repairs, which do not improve or extend the life of the respective assets, are expensed currently. Donated assets are recorded at estimated market value at the date of donation. The Arc capitalizes property and equipment with a cost of over \$2,500. Depreciation is computed using the straight-line method over the estimated useful lives of five to thirty years.

**Income Taxes**

The Organization is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code, and as such qualifies for the maximum charitable contribution deduction by donors. As of December 31, 2019, the tax years that remain subject to examination by taxing authorities begin with 2016. In addition, The Arc and the Foundation have been determined by the Internal Revenue Service not to be “private foundations” within the meaning of Section 509(a) of the Internal Revenue Code. There was no unrelated business income in 2019 and 2018.

**Use of 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.

**Contributed Services**

The Organization receives a substantial amount of services donated by volunteers in carrying out the Organization’s purpose. The value of this contributed time is not reflected in the accompanying combined financial statements since it is not susceptible to objective measurement or valuation.

**Investments**

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the combined statements of financial position. Unrealized gains and losses are included in the combined statement of activities.

**New Accounting Pronouncements**

In May 2014, the Financial Accounting Standards Board (FASB) issued a new accounting pronouncement regarding revenue recognition effective for reporting periods beginning after December 15, 2019. Management is currently evaluating the effect this new standard will have on its financial position, results of operations, and related disclosures.

In February 2016, the FASB issued a new accounting pronouncement regarding lease accounting for reporting periods beginning after December 15, 2021. A lessee will be required to recognize on the statement of financial position the assets and liabilities for leases with lease terms of more than twelve months. Management is currently evaluating the effect this pronouncement will have on the combined financial statements and related disclosures.

**THE ARC OF FORT BEND COUNTY AND  
ARC OF FORT BEND COUNTY FOUNDATION  
NOTES TO COMBINED FINANCIAL STATEMENTS  
December 31, 2019 and 2018**

**NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Recently Adopted Accounting Pronouncements**

In August 2016, the FASB issued Accounting Standards Update (ASU) 2016-14, regarding the reporting and disclosure requirement for not-for-profit organizations, effective for periods beginning after December 15, 2017 with early adoption encouraged. The pronouncement replaces the three classes of net assets with two new classes, requires reporting of expense by function and natural classification, enhances disclosures on liquidity and availability of resources, and includes several other less significant reporting enhancements. The Organization has adopted this new pronouncement effective January 1, 2018.

In 2016, the FASB issued ASU 2016-01, *Financial Instruments—Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities*. This update was followed up in 2018 by ASU 2018-03, *Technical Corrections and Improvements to Financial Instruments—Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities* and ASU 2018-09, *Codification Improvements*. These pronouncements provide guidance regarding the reporting and disclosure requirements of investments, effective for periods beginning after December 15, 2018. The Organization adopted these new pronouncements effective January 1, 2019, and there is no cumulative effect on beginning net assets as of this date.

In 2018, the FASB issued ASU 2018-08, *Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made*, effective for periods beginning after December 15, 2018. This pronouncement clarifies and improves the scope and the accounting guidance for contributions received and contributions made in order to assist entities in (1) evaluating whether transactions should be accounted for as contributions (nonreciprocal transactions) subject to other guidance and (2) determining whether a contribution is conditional. The Organization adopted this new pronouncement effective January 1, 2019. The change was applied retrospectively, but there is no cumulative effect on beginning net assets as of this date.

**Contributions and Grants**

The Organization reports contributions and grants as restricted support if they are received with donor stipulations that limit the use of the donated assets or funds. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is fulfilled, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the combined statement of activities as net assets released from restrictions.

Annual fundraising contributions are generally available for unrestricted use in the related fundraising year unless specifically restricted by the donor.

Contributions of noncash assets are recorded at their fair values in the period received. Contributions of donated services that create or enhance nonfinancial assets or that require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation, are recorded at their fair value.

**Advertising Costs**

Advertising costs are expensed as incurred. Advertising expense for the years ended December 31, 2019 and 2018 was \$1,517 and \$1,480, respectively.

**THE ARC OF FORT BEND COUNTY AND  
ARC OF FORT BEND COUNTY FOUNDATION  
NOTES TO COMBINED FINANCIAL STATEMENTS  
December 31, 2019 and 2018**

**NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES (continued)**

*Functional Allocation of Expenses*

The costs of providing the various program and general and administrative expenses have been summarized on a functional basis in the combined statement of activities. Accordingly, certain costs have been allocated among the program and supporting services benefited. These expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include employee expenses, which are allocated on the basis of estimates of time and effort, as well as office expenses and other operating expenses, which are allocated on the basis of square footage or some other reasonable basis.

**NOTE 2 - PROPERTY AND EQUIPMENT**

Property and equipment consisted of the following at December 31:

	<u>2019</u>	<u>2018</u>
Land	\$ <b>806,768</b>	\$ 806,768
Buildings and Improvements	<b>4,813,432</b>	4,628,092
Office Furniture and Equipment	<b>27,801</b>	27,801
Automobiles	<b>76,832</b>	76,832
	<u><b>5,724,833</b></u>	<u>5,543,493</u>
Less Accumulated Depreciation	<u><b>(1,962,125)</b></u>	<u>(1,886,890)</u>
Total Property and Equipment, net	<u><b>\$ 3,762,708</b></u>	<u>\$ 3,656,603</u>

Depreciation expense for the years ended December 31, 2019 and 2018 was \$173,117 and \$157,001, respectively.

**NOTE 3 - INVESTMENTS**

The fair value of investments was as follows at December 31:

	<u>2019</u>	<u>2018</u>
Cash and Money Market Funds	\$ <b>114,307</b>	\$ 90,216
Fixed Income	<b>1,088,712</b>	880,418
Equities	<b>586,157</b>	633,893
Total	<u><b>\$ 1,789,176</b></u>	<u>\$ 1,604,527</u>

Investment income (loss) totaled \$284,649 and \$(125,746) for the years ended December 31, 2019 and 2018, respectively. Investment income (loss) is reported net of fees of \$10,824 and \$11,177 for the years ended December 31, 2019 and 2018, respectively.

**THE ARC OF FORT BEND COUNTY AND  
ARC OF FORT BEND COUNTY FOUNDATION  
NOTES TO COMBINED FINANCIAL STATEMENTS  
December 31, 2019 and 2018**

**NOTE 4 - LIQUIDITY AND AVAILABILITY OF FINANCIAL RESOURCES**

The following reflects the Organization's financial assets as of the combined statement of financial position date, reduced by amounts not available for general use because of internal designations that are amounts set aside for operating and other reserves that could be drawn upon if the Board approves that action.

	<b>2019</b>	<b>2018</b>
Cash and Cash Equivalents	\$ <b>1,577,885</b>	\$ 1,612,991
Investments	<b>1,789,176</b>	1,604,527
Notes Receivable - Current	<b>3,438</b>	-
Total Financial Assets	<b>3,370,499</b>	3,217,518
Board Designations	<b>(72,000)</b>	(60,000)
Financial Assets Available to Meet Cash Needs for Expenditures Within One Year	<b>\$ 3,298,499</b>	<b>\$ 3,157,518</b>

The Organization's primary sources of cash flows during the year are rental income, contributions, and fundraising income. These revenue sources provide a consistent inflow of cash throughout the year to cover normal operating expenses.

**NOTE 5 - CONCENTRATION OF CREDIT RISK**

The Organization maintains cash and investment balances at various financial institutions and investment companies. The Federal Deposit Insurance Corporation insures the balances in the cash accounts up to \$250,000 per bank, while the Securities Investor Protection Corporation insures the balances in investment accounts up to \$500,000. Without consideration of reconciling items, at December 31, 2019 and 2018, the uninsured balances in the Organization's cash and investment accounts totaled \$381,464 and \$306,880, respectively.

**NOTE 6 - MANAGEMENT AGREEMENT**

The Organization has a management agreement with a contractor for \$1,300 a month under which the contractor provides on-site management and repair and maintenance services for the Organization's rental properties. Contractor fees paid in 2019 and 2018 totaled \$15,600. The agreement renews automatically every year unless cancelled with a 60-day notice by either party.

**NOTE 7 - REVENUE CONCENTRATIONS**

The Organization held two fundraising events in Fort Bend County, Texas, which provided approximately 36% and 43% of its total operating revenue for the years ended December 31, 2019 and 2018, respectively.

Rental income represents 46% and 42% of total operating revenue for the years ended December 31, 2019 and 2018, respectively.



**THE ARC OF FORT BEND COUNTY AND  
ARC OF FORT BEND COUNTY FOUNDATION  
NOTES TO COMBINED FINANCIAL STATEMENTS  
December 31, 2019 and 2018**

**NOTE 8 - RETIREMENT PLAN**

The Organization has a 403(b)(7) tax-deferred retirement plan, which permits its employees to defer current compensation subject to certain annual limits established by the Internal Revenue Service. The Arc provides a discretionary contribution each calendar year to the plan. Total contributions were \$6,381 and \$5,874 for the years ended December 31, 2019 and 2018, respectively.

**NOTE 9 - FAIR VALUE OF FINANCIAL INSTRUMENTS**

The Organization adopted the provisions of ASC 820, "*Fair Value Measurements and Disclosures*" (formerly SFAS 157). ASC 820 defines fair value as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market, and establishes a framework for measuring fair value in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants at the measurement date. The adoption of ASC 820 did not affect the Organization's financial position or results of operations.

The valuation techniques required by ASC 820 are based upon observable and unobservable inputs, and ASC 820 establishes a three-level fair value hierarchy that prioritizes the inputs used to measure fair value. The three levels of inputs used to measure fair value are as follows:

- Level 1 inputs consist of unadjusted quoted prices in active markets for identical assets or liabilities and have the highest priority.
- Level 2 valuations are based on quoted prices in markets that are not active.
- Level 3 valuations are based on inputs that are unobservable and supported by little or no market activity.

The Organization's current assets and liabilities as presented in the combined statements of financial position are Level 1. The Organization has no Level 2 or Level 3 assets or liabilities. The carrying amounts reported in the combined statements of financial position approximate their fair values because of the short maturities of those instruments.

The Organization's financial instruments also include investments. The fair values of investments are based on quoted market prices for those or similar investments.

**NOTE 10 - RELATED PARTY TRANSACTIONS**

The Arc is an affiliate of The Arc of Texas (a State organization) and The Arc of the U.S. (a National organization). The Arc pays annual affiliation fees to the National Arc organization. The State and National organizations provide The Arc with advocacy, educational opportunities, membership and other supporting services. The Arc paid affiliation fees of \$5,594 and \$5,151 during 2019 and 2018, respectively.

The Arc has several promissory notes payable to the Foundation in the total amount of \$1,460,146 and \$1,289,660 at December 31, 2019 and 2018, respectively. The notes are secured by real property which The Arc leases to service providers who operate them as group homes for individuals with intellectual and developmental disabilities.



**THE ARC OF FORT BEND COUNTY AND  
ARC OF FORT BEND COUNTY FOUNDATION  
NOTES TO COMBINED FINANCIAL STATEMENTS  
December 31, 2019 and 2018**

**NOTE 10 - RELATED PARTY TRANSACTIONS (continued)**

The notes payable at December 31, 2019 are as follows:

- Note payable in the total amount of \$92,172. The note is payable in equal monthly installments of \$681.61 including principal and interest through April 2022, with a balloon payment due April 1, 2022. The interest rate on the note is 5.25%.
- Note payable in the total amount of \$62,502. The note is payable in equal monthly installments of \$407.98 including principal and interest through November 2025, with a balloon payment due November 1, 2025. The interest rate on the note is 5%.
- Note payable in the total amount of \$88,552. The note is payable in equal monthly installments of \$654.78 including principal and interest through April 2027, with a balloon payment due April 1, 2022. The interest rate on the note is 5.25%.
- Note payable in the total amount of \$247,606. The note is payable in equal monthly installments of \$3,353.61 including principal and interest through April 2027. The interest rate on the note is 5%.
- Note payable in the total amount of \$129,280. The note is payable in equal monthly installments of \$807.92 including principal and interest through February 2027, with a balloon payment due February 1, 2027. The interest rate on the note is 5%.
- Note payable in the total amount of \$136,737. The note is payable in equal monthly installments of \$853.07 including principal and interest through February 2027, with a balloon payment due February 1, 2027. The interest rate on the note is 5%.
- Note payable in the total amount of \$112,348. The note is payable in equal monthly installments of \$740.81 including principal and interest through October 2024, with a balloon payment due November 1, 2024. The interest rate on the note is 5%.
- Note payable in the total amount of \$241,125. The note is payable in equal monthly installments of \$1,395.74 including principal and interest through June 1, 2030, with a balloon payment due June 1, 2030. The interest rate on the note is 5%.
- Note payable in the total amount of \$126,306. The note is payable in equal monthly installments of \$832.07 including principal and interest through November 2024, with a balloon payment due December 1, 2024. The interest rate on the note is 5%.
- Note payable in the total amount of \$223,518. The note is payable in equal monthly installments of \$1,211.71 including principal and interest through March 2034, with a balloon payment due March 1, 2034. The interest rate on the note is 5%.

For the years ended December 31, 2019 and 2018, interest paid by The Arc to the Foundation was \$71,134 and \$66,238, respectively.

These intercompany transactions are eliminated in the combined financial statements.

**THE ARC OF FORT BEND COUNTY AND  
ARC OF FORT BEND COUNTY FOUNDATION  
NOTES TO COMBINED FINANCIAL STATEMENTS  
December 31, 2019 and 2018**

**NOTE 11 - LEASES**

The Arc leases the office building it occupies from the City of Sugar Land for \$1 per year. The City of Sugar Land terminated the lease during 2018. The Arc recognized an in-kind contribution amounting to \$28,800 for the fair value of rent for the year ended December 31, 2018.

During 2019, the Arc renewed the lease with the City of Sugar Land. Under the new lease agreement, the Arc has agreed to undertake and pay for the repairs needed to bring the office building to minimum code compliance condition and standards. Additionally, the Arc will pay \$232.80 per year, which was calculated by deducting the repair estimate from the fair market value of the leased premises over the term of the lease. The Arc incurred \$57,837 in leasehold improvements for the year ended December 31, 2019 to bring the building to minimum code standards. The total lease expense was approximately \$233 for the year ended December 31, 2019. The Arc recognized an in-kind contribution amounting to \$23,767 for the fair value of rent for the year ended December 31, 2019.

The Arc has a non-cancelable operating lease for a copier that expired in September 2019 with monthly lease payments of \$326. The Arc entered into a new 48-month lease in 2019 with monthly lease payments of \$415. Total copier lease expense was \$4,842 and \$4,984 for the years ended December 31, 2019 and 2018, respectively.

Future minimum payments under all lease agreements are as follows:

Years Ending December 31,	
2020	\$ 5,207
2021	5,207
2022	5,207
2023	1,476
Total \$	<u>17,097</u>

**NOTE 12 - PROGRAM SERVICE INCOME**

The Arc owns and leases group homes to service providers which are certified by the State of Texas to provide services to Fort Bend County, Texas. Leases range from \$1,100 to \$1,950 per month. All of the homes are utilized as housing for individuals with intellectual and developmental disabilities.

The Arc also owns and rents two townhomes directly to individuals. One is leased to individuals with intellectual and/or developmental disabilities and the other to an individual who offers light supervision to those tenants. These residential leases, which are cancelable operating leases, are on a month-to-month basis at \$375 a month per individual. A unit from one of the townhomes was sold during 2019.

The Arc leased its building on Industrial Blvd. to a service provider under a five-year operating lease beginning in June 2016 for \$7,500 per month for the first two years and \$8,125 for the remaining life of the lease. The facility is used by the service provider to provide vocational training to individuals with intellectual and developmental disabilities.

**THE ARC OF FORT BEND COUNTY AND  
ARC OF FORT BEND COUNTY FOUNDATION  
NOTES TO COMBINED FINANCIAL STATEMENTS  
December 31, 2019 and 2018**

**NOTE 12 - PROGRAM SERVICE INCOME (continued)**

The Arc leases its building on Cypress Point to a service provider under a five-year operating lease beginning in February 2014 for \$8,000 per month. During February 2019, the lease was renewed for another three years for \$8,000 per month. This facility is used by the service provider to provide vocational training to individuals with intellectual and developmental disabilities.

Rental income for the group homes and commercial buildings is considered program service income as it directly relates to the accomplishment of The Arc's mission. Rental income for the years ended December 31, 2019 and 2018 was \$451,480 and \$432,825, respectively.

**NOTE 13 - DESIGNATED NET ASSETS WITHOUT DONOR RESTRICTIONS**

The Board has designated funds to be held as a financial reserve for future needs of the Organization. The designated net asset balance was \$72,000 and \$60,000 at December 31, 2019 and 2018, respectively.

**NOTE 14 - RECLASSIFICATIONS**

The following reclassifications between expense accounts were made in the combined statement of functional expenses for the year ended December 31, 2018: \$12,481 from accounting, audit and payroll to professional fees, and \$1,957 from credit card charges to bank and credit card charges. These reclassifications had no effect on the change in net assets for the year ended December 31, 2018.

**NOTE 15 - ASSET HELD FOR SALE**

The sale of a townhome unit was finalized in February 2019. The unit was sold for \$82,720. The Arc received a payment of \$8,412 and entered into a financing agreement with the buyer for the remaining balance to be fully paid by 2034. The Arc recorded a gain of \$52,436 related to the sale. The receivable from the financing agreement with the buyer was assigned to the Foundation in the form of a donation. The receivable balance at December 31, 2019 was \$71,991.

**NOTE 16 - SUBSEQUENT EVENTS**

Due to COVID-19 "shelter-in-place" restrictions imposed by the City of Sugar Land in March 2020, the Organization is evaluating current economic conditions and anticipates special events income, contributions, and program service fees to decrease for the year ending December 31, 2020. The related financial impact cannot be reasonably estimated at this time.

Additionally, the Organization applied for and was granted a Paycheck Protection Program (PPP) loan in April 2020 to assist with payroll. Management intends to use the loan funds in accordance with the time and purpose restrictions defined by the PPP.

The Organization has evaluated subsequent events through November 22, 2020, which is the date the combined financial statements were available to be issued.

## **Supplementary Information**

DRAFT

**THE ARC OF FORT BEND COUNTY AND  
ARC OF FORT BEND COUNTY FOUNDATION  
COMBINING STATEMENT OF FINANCIAL POSITION  
December 31, 2019  
(with comparative totals for 2018)**

	<u>Agency</u>	<u>Foundation</u>	<u>Eliminations</u>	<u>2019 Total</u>	<u>2018 Total</u>
<b><u>ASSETS</u></b>					
<b><u>CURRENT ASSETS</u></b>					
Cash and Cash Equivalents	\$ 232,309	\$ 1,345,576	\$ -	\$ 1,577,885	\$ 1,612,991
Notes Receivable - Current	-	62,689	(59,251)	3,438	-
Prepaid Expenses	52,491	-	-	52,491	50,394
Deposits	3,500	-	-	3,500	3,500
Total Current Assets	<u>288,300</u>	<u>1,408,265</u>	<u>(59,251)</u>	<u>1,637,314</u>	<u>1,666,885</u>
<b><u>LONG-TERM ASSETS</u></b>					
Investments	-	1,789,176	-	1,789,176	1,604,527
Notes Receivable - Long-Term	-	1,472,312	(1,400,895)	71,417	3,005
Property and Equipment, net	3,762,708	-	-	3,762,708	3,656,603
Total Long-Term Assets	<u>3,762,708</u>	<u>3,261,488</u>	<u>(1,400,895)</u>	<u>5,623,301</u>	<u>5,264,135</u>
<b>TOTAL ASSETS</b>	<u>\$ 4,051,008</u>	<u>\$ 4,669,753</u>	<u>\$ (1,460,146)</u>	<u>\$ 7,260,615</u>	<u>\$ 6,931,020</u>
<b><u>LIABILITIES AND NET ASSETS</u></b>					
<b><u>CURRENT LIABILITIES</u></b>					
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ 1,806
Deposits Payable	20,375	-	-	20,375	18,725
Notes Payable - Current	59,251	-	(59,251)	-	-
Total Current Liabilities	<u>79,626</u>	<u>-</u>	<u>(59,251)</u>	<u>20,375</u>	<u>20,531</u>
<b><u>LONG-TERM LIABILITIES</u></b>					
Notes Payable - Long-Term	1,400,895	-	(1,400,895)	-	-
Total Long-Term Liabilities	<u>1,400,895</u>	<u>-</u>	<u>(1,400,895)</u>	<u>-</u>	<u>-</u>
<b>TOTAL LIABILITIES</b>	<u>1,480,521</u>	<u>-</u>	<u>(1,460,146)</u>	<u>20,375</u>	<u>20,531</u>
<b><u>NET ASSETS</u></b>					
Without Donor Restrictions:					
Undesignated	2,498,487	4,669,753	-	7,168,240	6,850,489
Board-Designated	72,000	-	-	72,000	60,000
<b>TOTAL NET ASSETS</b>	<u>2,570,487</u>	<u>4,669,753</u>	<u>-</u>	<u>7,240,240</u>	<u>6,910,489</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u>\$ 4,051,008</u>	<u>\$ 4,669,753</u>	<u>\$ (1,460,146)</u>	<u>\$ 7,260,615</u>	<u>\$ 6,931,020</u>

See independent accountant's review report.

**THE ARC OF FORT BEND COUNTY AND  
ARC OF FORT BEND COUNTY FOUNDATION  
COMBINING STATEMENT OF ACTIVITIES  
For the Year Ended December 31, 2019  
(with comparative totals for 2018)**

	Agency	Foundation	Eliminations	2019 Total	2018 Total
<b><u>OPERATING REVENUE AND SUPPORT</u></b>					
Rental Income	\$ 451,480	\$ -	\$ -	\$ 451,480	\$ 432,825
Special Events, net of direct expenses of \$28,552 and \$30,538, respectively	348,542	-	-	348,542	441,080
Contributions and Grants	101,525	82,720	(82,720)	101,525	81,098
Program Service Fees	30,314	-	-	30,314	31,377
In-Kind Rent	23,767	-	-	23,767	28,800
Interest Income	88	82,130	(71,134)	11,084	12,104
Other Income	6,527	3	-	6,530	1,041
Net Assets Released from Restrictions	-	-	-	-	-
<b>TOTAL OPERATING REVENUE AND SUPPORT</b>	<u>962,243</u>	<u>164,853</u>	<u>(153,854)</u>	<u>973,242</u>	<u>1,028,325</u>
<b><u>OPERATING EXPENSES</u></b>					
Program	826,680	-	(153,854)	672,826	687,295
General and Administrative	252,894	20	-	252,914	209,845
Fundraising	54,836	-	-	54,836	47,994
<b>TOTAL OPERATING EXPENSES</b>	<u>1,134,410</u>	<u>20</u>	<u>(153,854)</u>	<u>980,576</u>	<u>945,134</u>
<b>CHANGE IN NET ASSETS BEFORE NON- OPERATING ACTIVITIES</b>	<u>(172,167)</u>	<u>164,833</u>	<u>-</u>	<u>(7,334)</u>	<u>83,191</u>
<b><u>NON-OPERATING ACTIVITIES</u></b>					
Gain on Sale of Property	52,436	-	-	52,436	-
Investment Income (Loss), net	-	284,649	-	284,649	(125,746)
<b>TOTAL NON-OPERATING ACTIVITIES</b>	<u>52,436</u>	<u>284,649</u>	<u>-</u>	<u>337,085</u>	<u>(125,746)</u>
<b>CHANGE IN NET ASSETS AFTER NON- OPERATING ACTIVITIES</b>	<u>(119,731)</u>	<u>449,482</u>	<u>-</u>	<u>329,751</u>	<u>(42,555)</u>
<b>NET ASSETS, Beginning of Year</b>	<u>2,690,218</u>	<u>4,220,271</u>	<u>-</u>	<u>6,910,489</u>	<u>6,953,044</u>
<b>NET ASSETS, End of Year</b>	<u>\$ 2,570,487</u>	<u>\$ 4,669,753</u>	<u>\$ -</u>	<u>\$ 7,240,240</u>	<u>\$ 6,910,489</u>

See independent accountant's review report.

THE ARC OF FORT BEND COUNTY  
123 BROOKS STREET  
SUGAR LAND, TX 77478-3267  
ATTENTION: LAURA L. LAVIGNE

DEAR LAURA:

ENCLOSED IS THE ORGANIZATION'S 2019 EXEMPT ORGANIZATION RETURN.

SPECIFIC FILING INSTRUCTIONS ARE AS FOLLOWS.

FORM 990 RETURN:

THIS RETURN HAS BEEN PREPARED FOR ELECTRONIC FILING. IF YOU WISH TO HAVE IT TRANSMITTED ELECTRONICALLY TO THE IRS, PLEASE SIGN, DATE, AND RETURN FORM 8879-EO TO OUR OFFICE. WE WILL THEN SUBMIT THE ELECTRONIC RETURN TO THE IRS. DO NOT MAIL A PAPER COPY OF THE RETURN TO THE IRS.

WE PREPARED THE RETURN FROM INFORMATION YOU FURNISHED US WITHOUT VERIFICATION. UPON EXAMINATION OF THE RETURN BY TAX AUTHORITIES, REQUESTS MAY BE MADE FOR UNDERLYING DATA. WE THEREFORE RECOMMEND THAT YOU PRESERVE ALL RECORDS WHICH YOU MAY BE CALLED UPON TO PRODUCE IN CONNECTION WITH SUCH POSSIBLE EXAMINATIONS.

PLEASE REVIEW THE RETURN FOR COMPLETENESS AND ACCURACY.

WE SINCERELY APPRECIATE THE OPPORTUNITY TO SERVE YOU. PLEASE CONTACT US IF YOU HAVE ANY QUESTIONS CONCERNING THE TAX RETURN.

A COPY OF THE RETURN IS ENCLOSED FOR YOUR FILES. WE SUGGEST THAT YOU RETAIN THIS COPY INDEFINITELY.

VERY TRULY YOURS,

RANDY L. WALKER, CPA

Form **990**  
(Rev. January 2020)  
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 private foundations)

OMB No. 1545-0047

# 2019

Open to Public  
Inspection

- ▶ Do not enter social security numbers on this form as it may be made public.  
▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

<b>A</b> For the <b>2019</b> calendar year, or tax year beginning and ending																										
<b>B</b> Check if applicable:  <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Final return/terminated <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td colspan="2"><b>C</b> Name of organization <b>THE ARC OF FORT BEND COUNTY</b></td> <td><b>D</b> Employer identification number <b>74-6076222</b></td> </tr> <tr> <td colspan="2">Doing business as</td> <td rowspan="3"><b>E</b> Telephone number <b>(281) 494-5959</b></td> </tr> <tr> <td>Number and street (or P.O. box if mail is not delivered to street address)</td> <td>Room/suite</td> </tr> <tr> <td colspan="2"><b>123 BROOKS STREET</b></td> </tr> <tr> <td colspan="2">City or town, state or province, country, and ZIP or foreign postal code <b>SUGAR LAND, TX 77478-3267</b></td> <td><b>G</b> Gross receipts \$ <b>1,049,748.</b></td> </tr> <tr> <td colspan="2"><b>F</b> Name and address of principal officer: <b>LAURA L LAVIGNE</b> <b>SAME AS C ABOVE</b></td> <td> <b>H(a)</b> Is this a group return for subordinates? ..... <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No  <b>H(b)</b> Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No          If "No," attach a list. (see instructions)  <b>H(c)</b> Group exemption number ▶ <b>1799</b> </td> </tr> <tr> <td colspan="3"> <b>I</b> Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) ( ) ◀ (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527       </td> </tr> <tr> <td colspan="3"> <b>J</b> Website: ▶ <b>WWW.ARCOFFORTBEND.ORG</b> </td> </tr> <tr> <td colspan="2"> <b>K</b> Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶       </td> <td> <b>L</b> Year of formation: <b>1968</b> <b>M</b> State of legal domicile: <b>TX</b> </td> </tr> </table>	<b>C</b> Name of organization <b>THE ARC OF FORT BEND COUNTY</b>		<b>D</b> Employer identification number <b>74-6076222</b>	Doing business as		<b>E</b> Telephone number <b>(281) 494-5959</b>	Number and street (or P.O. box if mail is not delivered to street address)	Room/suite	<b>123 BROOKS STREET</b>		City or town, state or province, country, and ZIP or foreign postal code <b>SUGAR LAND, TX 77478-3267</b>		<b>G</b> Gross receipts \$ <b>1,049,748.</b>	<b>F</b> Name and address of principal officer: <b>LAURA L LAVIGNE</b> <b>SAME AS C ABOVE</b>		<b>H(a)</b> Is this a group return for subordinates? ..... <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <b>H(b)</b> Are all subordinates included? <input type="checkbox"/> Yes <input type="checkbox"/> No If "No," attach a list. (see instructions) <b>H(c)</b> Group exemption number ▶ <b>1799</b>	<b>I</b> Tax-exempt status: <input checked="" type="checkbox"/> 501(c)(3) <input type="checkbox"/> 501(c) ( ) ◀ (insert no.) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527			<b>J</b> Website: ▶ <b>WWW.ARCOFFORTBEND.ORG</b>			<b>K</b> Form of organization: <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Trust <input type="checkbox"/> Association <input type="checkbox"/> Other ▶		<b>L</b> Year of formation: <b>1968</b> <b>M</b> State of legal domicile: <b>TX</b>
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## Part I Summary

<b>Activities &amp; Governance</b>	<b>1</b> Briefly describe the organization's mission or most significant activities: <b>SEE SCHEDULE O</b>		
	<b>2</b> Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	<b>3</b> Number of voting members of the governing body (Part VI, line 1a)	<b>11</b>	
	<b>4</b> Number of independent voting members of the governing body (Part VI, line 1b)	<b>11</b>	
	<b>5</b> Total number of individuals employed in calendar year 2019 (Part V, line 2a)	<b>7</b>	
	<b>6</b> Total number of volunteers (estimate if necessary)	<b>300</b>	
	<b>7a</b> Total unrelated business revenue from Part VIII, column (C), line 12	<b>0.</b>	
<b>7b</b> Net unrelated business taxable income from Form 990-T, line 39	<b>0.</b>		
<b>Revenue</b>	<b>8</b> Contributions and grants (Part VIII, line 1h)	<b>522,274.</b>	<b>444,450.</b>
	<b>9</b> Program service revenue (Part VIII, line 2g)	<b>455,169.</b>	<b>473,312.</b>
	<b>10</b> Investment income (Part VIII, column (A), lines 3, 4, and 7d)	<b>144.</b>	<b>52,524.</b>
	<b>11</b> Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	<b>1,036.</b>	<b>6,527.</b>
	<b>12</b> Total revenue - add lines 8 through 11 (must equal Part VIII, column (A), line 12)	<b>978,623.</b>	<b>976,813.</b>
	<b>Expenses</b>	<b>13</b> Grants and similar amounts paid (Part IX, column (A), lines 1-3)	<b>0.</b>
<b>14</b> Benefits paid to or for members (Part IX, column (A), line 4)		<b>0.</b>	<b>0.</b>
<b>15</b> Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)		<b>446,918.</b>	<b>455,149.</b>
<b>16a</b> Professional fundraising fees (Part IX, column (A), line 11e)		<b>0.</b>	<b>0.</b>
<b>b</b> Total fundraising expenses (Part IX, column (D), line 25) ▶ <b>43,190.</b>			
<b>17</b> Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)		<b>526,717.</b>	<b>558,675.</b>
<b>18</b> Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)		<b>973,635.</b>	<b>1,096,544.</b>
<b>19</b> Revenue less expenses. Subtract line 18 from line 12	<b>4,988.</b>	<b>-119,731.</b>	
<b>Net Assets or Fund Balances</b>	<b>20</b> Total assets (Part X, line 16)	<b>4,000,409.</b>	<b>4,051,008.</b>
	<b>21</b> Total liabilities (Part X, line 26)	<b>1,310,191.</b>	<b>1,480,521.</b>
	<b>22</b> Net assets or fund balances. Subtract line 21 from line 20	<b>2,690,218.</b>	<b>2,570,487.</b>

## 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.

<b>Sign Here</b>	Signature of officer		Date		
	<b>LAURA L LAVIGNE, CEO</b> Type or print name and title				
<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	PTIN
	<b>RANDY L. WALKER, CPA</b> Firm's name ▶ <b>RANDY WALKER &amp; CO</b> Firm's address ▶ <b>7800 IH 10 WEST, STE. 505</b> <b>SAN ANTONIO, TX 78230</b>				<b>P00963779</b> Firm's EIN ▶ <b>20-3992693</b> Phone no. <b>210-366-9430</b>

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



**Part III Statement of Program Service Accomplishments**Check if Schedule O contains a response or note to any line in this Part III ☒**1** Briefly describe the organization's mission:

**THE ARC ENSURES OPPORTUNITIES FOR PEOPLE WITH INTELLECTUAL AND RELATED DEVELOPMENTAL DISABILITIES TO MAXIMIZE THEIR QUALITY OF LIFE WITHIN OUR COMMUNITY.**

**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 \$ 205,581. including grants of \$ 82,720. ) (Revenue \$ )**ADVOCACY:**

**THE ARC ADVOCATES FOR THE INCLUSION OF PEOPLE WITH INTELLECTUAL AND DEVELOPMENTAL DISABILITIES INTO ALL PARTS OF THE COMMUNITY - FROM CLASSROOMS TO THE WORKPLACE. WE ADVOCATE FOR CHILDREN TO RECEIVE THE SERVICES AND SUPPORTS NECESSARY FOR THEM TO BENEFIT FROM INSTRUCTION. IN ADDITION, WE CONDUCT MONTHLY PARENT SUPPORT GROUP MEETINGS.**

**THE ARC PARTICIPATES IN LEGISLATIVE ADVOCACY BY MEETING WITH LOCAL AND STATE ELECTED OFFICIALS TO PROMOTE PROGRAMS THAT SUPPORT PEOPLE WITH DISABILITIES.**

**THE FETAL ALCOHOL SPECTRUM DISORDERS (FASD) PREVENTION AWARENESS****4b** (Code: ) (Expenses \$ 373,590. including grants of \$ ) (Revenue \$ 451,480. )**VOCATIONAL/RESIDENTIAL:**

**THE ARC OWNS SEVENTEEN (17) RESIDENTIAL PROPERTIES, THIRTEEN (13) OF WHICH ARE LEASED AT BELOW MARKET RATES TO LICENSED PROVIDERS TO OPERATE AS GROUP HOMES FOR INDIVIDUALS WITH INTELLECTUAL/DEVELOPMENTAL DISABILITIES. THE ARC OWNS TWO (2) COMMERCIAL PROPERTIES, ONE (1) OF WHICH IS LEASED AT BELOW MARKET RATES TO A LICENSED PROVIDER TO OPERATE AS A LEARNING CENTER FOR INDIVIDUALS WITH INTELLECTUAL/DEVELOPMENTAL DISABILITIES. IN 2019, THE ARC SPENT OVER \$59,000 MAINTAINING ALL OF THESE PROPERTIES SO THAT OUR CLIENTS COULD LIVE AND WORK IN SAFE, ATTRACTIVE HOMES AND BUILDINGS IN THRIVING NEIGHBORHOODS.**

**4c** (Code: ) (Expenses \$ 227,338. including grants of \$ ) (Revenue \$ 21,832. )**RECREATION:**

**ALONG WITH OUR ADVOCACY WORK, WE PROVIDE RECREATIONAL AND SOCIAL ACTIVITIES EACH MONTH. APPROXIMATELY 120 CLIENTS ATTEND PROFESSIONAL SPORTING EVENTS, DANCES, THEATRE PRODUCTIONS AND/OR DINNERS WITH KARAOKE 2 - 4 TIMES EACH MONTH.**

**THE ARC SPONSORS WEEKLY BOWLING FOR 40 - 50 MEMBERS. IN ADDITION, THE ARC SPONSORS THE LARGEST SPECIAL OLYMPICS PROGRAM IN THE AREA - OFFERING 10 SPORTS THROUGHOUT THE YEAR AND SERVING OVER 100 ADULT ATHLETES AND 100 VOLUNTEERS.**

**4d** Other program services (Describe on Schedule O.)

(Expenses \$ including grants of \$ ) (Revenue \$ )

**4e** Total program service expenses **806,509.**Form **990** (2019)

**Part IV Checklist of Required Schedules**

	Yes	No
<b>1</b> 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>	<b>1</b> X	
<b>2</b> Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> ?	<b>2</b> X	
<b>3</b> 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>	<b>3</b>	X
<b>4</b> <b>Section 501(c)(3) organizations.</b> 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>	<b>4</b>	X
<b>5</b> 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>	<b>5</b>	X
<b>6</b> 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>	<b>6</b>	X
<b>7</b> 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>	<b>7</b>	X
<b>8</b> Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>	<b>8</b>	X
<b>9</b> 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>	<b>9</b>	X
<b>10</b> Did the organization, directly or through a related organization, hold assets in donor-restricted endowments or in quasi endowments? <i>If "Yes," complete Schedule D, Part V</i>	<b>10</b>	X
<b>11</b> 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.		
<b>a</b> 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>	<b>11a</b> X	
<b>b</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>	<b>11b</b>	X
<b>c</b> 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>	<b>11c</b>	X
<b>d</b> 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>	<b>11d</b>	X
<b>e</b> Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>	<b>11e</b> X	
<b>f</b> 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>	<b>11f</b>	X
<b>12a</b> Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI and XII</i>	<b>12a</b>	X
<b>b</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>	<b>12b</b>	X
<b>13</b> Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>	<b>13</b>	X
<b>14a</b> Did the organization maintain an office, employees, or agents outside of the United States?	<b>14a</b>	X
<b>b</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>	<b>14b</b>	X
<b>15</b> 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>	<b>15</b>	X
<b>16</b> 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>	<b>16</b>	X
<b>17</b> 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>	<b>17</b>	X
<b>18</b> 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>	<b>18</b> X	
<b>19</b> 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>	<b>19</b>	X
<b>20a</b> Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>	<b>20a</b>	X
<b>b</b> If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	<b>20b</b>	
<b>21</b> Did the organization report more than \$5,000 of grants or other assistance to any domestic organization or domestic government on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	<b>21</b> X	

**Part IV Checklist of Required Schedules** (continued)

	Yes	No
<b>22</b> Did the organization report more than \$5,000 of grants or other assistance to or for domestic individuals on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i> .....	<b>22</b>	X
<b>23</b> 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> .....	<b>23</b>	X
<b>24a</b> 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> .....	<b>24a</b>	X
<b>b</b> Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception? .....	<b>24b</b>	
<b>c</b> Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds? .....	<b>24c</b>	
<b>d</b> Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year? .....	<b>24d</b>	
<b>25a</b> <b>Section 501(c)(3), 501(c)(4), and 501(c)(29) organizations.</b> 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> .....	<b>25a</b>	X
<b>b</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> .....	<b>25b</b>	X
<b>26</b> Did the organization report any amount on Part X, line 5 or 22, for receivables from or payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons? <i>If "Yes," complete Schedule L, Part II</i> .....	<b>26</b>	X
<b>27</b> Did the organization provide a grant or other assistance to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity (including an employee thereof) or family member of any of these persons? <i>If "Yes," complete Schedule L, Part III</i> .....	<b>27</b>	X
<b>28</b> 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):		
<b>a</b> A current or former officer, director, trustee, key employee, creator or founder, or substantial contributor? <i>If "Yes," complete Schedule L, Part IV</i> .....	<b>28a</b>	X
<b>b</b> A family member of any individual described in line 28a? <i>If "Yes," complete Schedule L, Part IV</i> .....	<b>28b</b>	X
<b>c</b> A 35% controlled entity of one or more individuals and/or organizations described in lines 28a or 28b? <i>If "Yes," complete Schedule L, Part IV</i> .....	<b>28c</b>	X
<b>29</b> Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i> .....	<b>29</b>	X
<b>30</b> Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i> .....	<b>30</b>	X
<b>31</b> Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i> .....	<b>31</b>	X
<b>32</b> 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> .....	<b>32</b>	X
<b>33</b> 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> .....	<b>33</b>	X
<b>34</b> 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> .....	<b>34</b>	X
<b>35a</b> Did the organization have a controlled entity within the meaning of section 512(b)(13)? .....	<b>35a</b>	X
<b>b</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> .....	<b>35b</b>	
<b>36</b> <b>Section 501(c)(3) organizations.</b> Did the organization make any transfers to an exempt non-charitable related organization? <i>If "Yes," complete Schedule R, Part V, line 2</i> .....	<b>36</b>	X
<b>37</b> 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> .....	<b>37</b>	X
<b>38</b> Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? .....	<b>38</b>	X

Note: All Form 990 filers are required to complete Schedule O

**Part V Statements Regarding Other IRS Filings and Tax Compliance**Check if Schedule O contains a response or note to any line in this Part V ☐

	Yes	No
<b>1a</b> Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable .....	<b>1a</b>	15
<b>b</b> Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable .....	<b>1b</b>	0
<b>c</b> Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners? .....	<b>1c</b>	X

**Part V** Statements Regarding Other IRS Filings and Tax Compliance (continued)

	Yes	No
<b>2a</b> Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return		
<b>2a</b> 7		
<b>b</b> If at least one is reported on line 2a, did the organization file all required federal employment tax returns?	<b>2b</b> X	
<b>Note:</b> If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)		
<b>3a</b> Did the organization have unrelated business gross income of \$1,000 or more during the year?	<b>3a</b>	X
<b>b</b> If "Yes," has it filed a Form 990-T for this year? If "No" to line 3b, provide an explanation on Schedule O	<b>3b</b>	
<b>4a</b> At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?	<b>4a</b>	X
<b>b</b> If "Yes," enter the name of the foreign country		
See instructions for filing requirements for FinCEN Form 114, Report of Foreign Bank and Financial Accounts (FBAR).		
<b>5a</b> Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?	<b>5a</b>	X
<b>b</b> Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?	<b>5b</b>	X
<b>c</b> If "Yes" to line 5a or 5b, did the organization file Form 8886-T?	<b>5c</b>	
<b>6a</b> Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?	<b>6a</b>	X
<b>b</b> If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	<b>6b</b>	
<b>7 Organizations that may receive deductible contributions under section 170(c).</b>		
<b>a</b> Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor?	<b>7a</b>	X
<b>b</b> If "Yes," did the organization notify the donor of the value of the goods or services provided?	<b>7b</b>	
<b>c</b> Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?	<b>7c</b>	X
<b>d</b> If "Yes," indicate the number of Forms 8282 filed during the year	<b>7d</b>	
<b>e</b> Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?	<b>7e</b>	X
<b>f</b> Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?	<b>7f</b>	X
<b>g</b> If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?	<b>7g</b>	
<b>h</b> If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?	<b>7h</b>	
<b>8 Sponsoring organizations maintaining donor advised funds.</b> Did a donor advised fund maintained by the sponsoring organization have excess business holdings at any time during the year?	<b>8</b>	
<b>9 Sponsoring organizations maintaining donor advised funds.</b>		
<b>a</b> Did the sponsoring organization make any taxable distributions under section 4966?	<b>9a</b>	
<b>b</b> Did the sponsoring organization make a distribution to a donor, donor advisor, or related person?	<b>9b</b>	
<b>10 Section 501(c)(7) organizations.</b> Enter:		
<b>a</b> Initiation fees and capital contributions included on Part VIII, line 12	<b>10a</b>	
<b>b</b> Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	<b>10b</b>	
<b>11 Section 501(c)(12) organizations.</b> Enter:		
<b>a</b> Gross income from members or shareholders	<b>11a</b>	
<b>b</b> Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.)	<b>11b</b>	
<b>12a Section 4947(a)(1) non-exempt charitable trusts.</b> Is the organization filing Form 990 in lieu of Form 1041?	<b>12a</b>	
<b>b</b> If "Yes," enter the amount of tax-exempt interest received or accrued during the year	<b>12b</b>	
<b>13 Section 501(c)(29) qualified nonprofit health insurance issuers.</b>		
<b>a</b> Is the organization licensed to issue qualified health plans in more than one state?	<b>13a</b>	
<b>Note:</b> See the instructions for additional information the organization must report on Schedule O.		
<b>b</b> Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	<b>13b</b>	
<b>c</b> Enter the amount of reserves on hand	<b>13c</b>	
<b>14a</b> Did the organization receive any payments for indoor tanning services during the tax year?	<b>14a</b>	X
<b>b</b> If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation on Schedule O	<b>14b</b>	
<b>15</b> Is the organization subject to the section 4960 tax on payment(s) of more than \$1,000,000 in remuneration or excess parachute payment(s) during the year?	<b>15</b>	X
If "Yes," see instructions and file Form 4720, Schedule N.		
<b>16</b> Is the organization an educational institution subject to the section 4968 excise tax on net investment income?	<b>16</b>	X
If "Yes," complete Form 4720, Schedule O.		

Form 990 (2019)

**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 on Schedule O. See instructions.

Check if Schedule O contains a response or note to any line in this Part VI ☒ **X**

**Section A. Governing Body and Management**

	1a	1b	Yes	No
<b>1a</b> 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 on Schedule O.	11			
<b>b</b> Enter the number of voting members included on line 1a, above, who are independent .....		11		
<b>2</b> 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? .....				<b>X</b>
<b>3</b> Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors, trustees, or key employees to a management company or other person? .....				<b>X</b>
<b>4</b> Did the organization make any significant changes to its governing documents since the prior Form 990 was filed? .....				<b>X</b>
<b>5</b> Did the organization become aware during the year of a significant diversion of the organization's assets? .....				<b>X</b>
<b>6</b> Did the organization have members or stockholders? .....				<b>X</b>
<b>7a</b> 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? .....				<b>X</b>
<b>b</b> Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body? .....			<b>X</b>	
<b>8</b> Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:				
<b>a</b> The governing body? .....			<b>X</b>	
<b>b</b> Each committee with authority to act on behalf of the governing body? .....			<b>X</b>	
<b>9</b> 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 on Schedule O .....				<b>X</b>

**Section B. Policies** (This Section B requests information about policies not required by the Internal Revenue Code.)

	Yes	No
<b>10a</b> Did the organization have local chapters, branches, or affiliates? .....		<b>X</b>
<b>b</b> 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? .....		
<b>11a</b> Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form? .....	<b>X</b>	
<b>b</b> Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
<b>12a</b> Did the organization have a written conflict of interest policy? If "No," go to line 13 .....	<b>X</b>	
<b>b</b> Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts? .....	<b>X</b>	
<b>c</b> Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done .....	<b>X</b>	
<b>13</b> Did the organization have a written whistleblower policy? .....	<b>X</b>	
<b>14</b> Did the organization have a written document retention and destruction policy? .....	<b>X</b>	
<b>15</b> 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?		
<b>a</b> The organization's CEO, Executive Director, or top management official .....	<b>X</b>	
<b>b</b> Other officers or key employees of the organization .....		<b>X</b>
If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions).		
<b>16a</b> Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year? .....		<b>X</b>
<b>b</b> 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 ► **NONE**

**18** Section 6104 requires an organization to make its Forms 1023 (1024 or 1024-A, 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 on Schedule O)

**19** Describe on 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, address, and telephone number of the person who possesses the organization's books and records ►  
**LAURA L LAVIGNE - (281) 494-5959**  
**123 BROOKS STREET, SUGAR LAND, TX 77478-3267**

**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.
- See instructions for the order in which to list the persons above.

☐ 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) ALLAN HARRIS, SR. MEMBER	1.00	X						0.	0.	0.
(2) AVIS GOLDY MEMBER	1.00	X						0.	0.	0.
(3) CHARLES SWIHART MEMBER - 1/1/2019-6/30/2019	1.00	X						0.	0.	0.
(4) TARIQ ZAFAR MEMBER	1.00	X						0.	0.	0.
(5) ANN JOHNSTON MEMBER	1.00	X						0.	0.	0.
(6) JENNY GORTNEY MEMBER - 1/1/2019-6/30/2019	1.00	X						0.	0.	0.
(7) PATRICK BULLARD MEMBER	1.00	X						0.	0.	0.
(8) BECKY GEARY MEMBER	1.00	X						0.	0.	0.
(9) DALE BUCKLES MEMBER - 7/1/2019-12/31/2019	1.00	X						0.	0.	0.
(10) CHARLES HUBER CHAIRMAN	1.00	X		X				0.	0.	0.
(11) LARRY LOBUE VICE CHAIRMAN	1.00	X		X				0.	0.	0.
(12) SHARON LEE SECRETARY	1.00	X		X				0.	0.	0.
(13) HAL MARSHALL MEMBER/TREASURER	1.00	X		X				0.	0.	0.
(14) LAURA L LAVIGNE CEO	40.00			X				88,461.	0.	6,604.

**Part VII** Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

<b>Section A: Officers, Directors, Trustees, Key Employees, and Highest Compensated Employee</b> <i>(continued)</i>										
(A) Name and title	(B) Average hours per week (list any hours for related organizations below line)	(C) Position <small>(do not check more than one box, unless person is both an officer and a director/trustee)</small>						(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			
<b>1b Subtotal .....</b>								88,461.	0.	6,604.
<b>c Total from continuation sheets to Part VII, Section A .....</b>								0.	0.	0.
<b>d Total (add lines 1b and 1c) .....</b>								88,461.	0.	6,604.

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	0
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		Yes	No
3	Did the organization list any <b>former</b> officer, director, trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i> .....	3	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? <i>If "Yes," complete Schedule J for such individual</i> .....	4	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? <i>If "Yes," complete Schedule J for such person</i> .....	5	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
RYCHLIK JOB SERVICE 126 5TH STREET, SUGAR LAND, TX 77498	PROPERTY MANAGEMENT, REPAIR & MAINT	102,710.
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 ► 1		

**Part VIII Statement of Revenue**

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

☒ X

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512 - 514
<b>Contributions, Gifts, Grants and Other Similar Amounts</b>	<b>1 a</b> Federated campaigns .....	<b>1a</b>					
	<b>b</b> Membership dues .....	<b>1b</b>	8,482.				
	<b>c</b> Fundraising events .....	<b>1c</b>	334,443.				
	<b>d</b> Related organizations .....	<b>1d</b>					
	<b>e</b> Government grants (contributions) .....	<b>1e</b>	33,868.				
	<b>f</b> All other contributions, gifts, grants, and similar amounts not included above ...	<b>1f</b>	67,657.				
	<b>g</b> Noncash contributions included in lines 1a-1f	<b>1g</b>	\$				
	<b>h Total.</b> Add lines 1a-1f .....				444,450.		
<b>Program Service Revenue</b>	<b>2 a</b> <b>PROGRAM LEASE INCOME</b>	<b>Business Code</b>	624110	451,480.	451,480.		
	<b>b</b> <b>PROGRAM SERVICE FEES</b>		624110	21,832.	21,832.		
	<b>c</b> .....						
	<b>d</b> .....						
	<b>e</b> .....						
	<b>f</b> All other program service revenue .....						
	<b>g Total.</b> Add lines 2a-2f .....			473,312.			
	<b>Other Revenue</b>	<b>3</b> Investment income (including dividends, interest, and other similar amounts) .....			88.		
<b>4</b> Income from investment of tax-exempt bond proceeds .....							
<b>5</b> Royalties .....							
<b>6 a</b> Gross rents .....		(i) Real	(ii) Personal				
<b>b</b> Less: rental expenses ...							
<b>c</b> Rental income or (loss) .....							
<b>d</b> Net rental income or (loss) .....							
<b>7 a</b> Gross amount from sales of assets other than inventory .....		(i) Securities	(ii) Other				
<b>b</b> Less: cost or other basis and sales expenses .....				82,720.			
<b>c</b> Gain or (loss) .....				30,284.			
<b>d</b> Net gain or (loss) .....				52,436.			52,436.
<b>8 a</b> Gross income from fundraising events (not including \$ 334,443. of contributions reported on line 1c). See Part IV, line 18 .....				42,651.			
<b>b</b> Less: direct expenses .....				42,651.			
<b>c</b> Net income or (loss) from fundraising events .....				0.			
<b>9 a</b> Gross income from gaming activities. See Part IV, line 19 .....							
<b>b</b> Less: direct expenses .....							
<b>c</b> Net income or (loss) from gaming activities .....							
<b>10 a</b> Gross sales of inventory, less returns and allowances .....							
<b>b</b> Less: cost of goods sold .....							
<b>c</b> Net income or (loss) from sales of inventory .....							
<b>Miscellaneous Revenue</b>	<b>11 a</b> <b>OTHER INCOME</b>	<b>Business Code</b>	624110	6,527.			6,527.
	<b>b</b> .....						
	<b>c</b> .....						
	<b>d</b> All other revenue .....						
	<b>e Total.</b> Add lines 11a-11d .....			6,527.			
<b>12 Total revenue.</b> See instructions .....				976,813.	473,312.	0.	59,051.



**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
<b>1</b> Grants and other assistance to domestic organizations and domestic governments. See Part IV, line 21	82,720.	82,720.		
<b>2</b> Grants and other assistance to domestic individuals. See Part IV, line 22				
<b>3</b> Grants and other assistance to foreign organizations, foreign governments, and foreign individuals. See Part IV, lines 15 and 16				
<b>4</b> Benefits paid to or for members				
<b>5</b> Compensation of current officers, directors, trustees, and key employees	96,124.	54,765.	33,497.	7,862.
<b>6</b> Compensation not included above to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
<b>7</b> Other salaries and wages	265,374.	151,192.	92,477.	21,705.
<b>8</b> Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	4,611.	2,627.	1,607.	377.
<b>9</b> Other employee benefits	62,163.	35,416.	21,663.	5,084.
<b>10</b> Payroll taxes	26,877.	15,313.	9,366.	2,198.
<b>11</b> Fees for services (nonemployees):				
<b>a</b> Management				
<b>b</b> Legal				
<b>c</b> Accounting				
<b>d</b> Lobbying				
<b>e</b> Professional fundraising services. See Part IV, line 17				
<b>f</b> Investment management fees				
<b>g</b> Other. (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Sch. O.)	28,547.	13,699.	14,848.	
<b>12</b> Advertising and promotion	4,867.	3,350.	1,517.	
<b>13</b> Office expenses	44,031.	21,973.	16,094.	5,964.
<b>14</b> Information technology				
<b>15</b> Royalties				
<b>16</b> Occupancy				
<b>17</b> Travel				
<b>18</b> Payments of travel or entertainment expenses for any federal, state, or local public officials				
<b>19</b> Conferences, conventions, and meetings	624.	624.		
<b>20</b> Interest	71,134.	71,134.		
<b>21</b> Payments to affiliates				
<b>22</b> Depreciation, depletion, and amortization	173,117.	173,117.		
<b>23</b> Insurance	55,776.		55,776.	
<b>24</b> Other expenses. Itemize expenses not covered above (List miscellaneous expenses on line 24e. If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O.)				
<b>a</b> PROGRAM COSTS	118,816.	118,816.		
<b>b</b> FACILITY EXPENSES	61,763.	61,763.		
<b>c</b>				
<b>d</b>				
<b>e</b> All other expenses				
<b>25</b> Total functional expenses. Add lines 1 through 24e	1,096,544.	806,509.	246,845.	43,190.
<b>26</b> 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
<b>Assets</b>	<b>1</b> Cash - non-interest-bearing .....	139,569.	<b>1</b>	115,368.
	<b>2</b> Savings and temporary cash investments .....	150,343.	<b>2</b>	116,941.
	<b>3</b> Pledges and grants receivable, net .....		<b>3</b>	
	<b>4</b> Accounts receivable, net .....		<b>4</b>	
	<b>5</b> Loans and other receivables from any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons .....		<b>5</b>	
	<b>6</b> Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), and persons described in section 4958(c)(3)(B) .....		<b>6</b>	
	<b>7</b> Notes and loans receivable, net .....		<b>7</b>	
	<b>8</b> Inventories for sale or use .....		<b>8</b>	
	<b>9</b> Prepaid expenses and deferred charges .....	50,394.	<b>9</b>	52,491.
	<b>10a</b> Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D .....	<b>10a</b> 5,724,833.		
	<b>b</b> Less: accumulated depreciation .....	<b>10b</b> 1,962,125.	<b>10c</b>	3,762,708.
	<b>11</b> Investments - publicly traded securities .....		<b>11</b>	
	<b>12</b> Investments - other securities. See Part IV, line 11 .....		<b>12</b>	
	<b>13</b> Investments - program-related. See Part IV, line 11 .....		<b>13</b>	
	<b>14</b> Intangible assets .....		<b>14</b>	
	<b>15</b> Other assets. See Part IV, line 11 .....	3,500.	<b>15</b>	3,500.
<b>16</b> <b>Total assets.</b> Add lines 1 through 15 (must equal line 33) .....	4,000,409.	<b>16</b>	4,051,008.	
<b>Liabilities</b>	<b>17</b> Accounts payable and accrued expenses .....	1,806.	<b>17</b>	0.
	<b>18</b> Grants payable .....		<b>18</b>	
	<b>19</b> Deferred revenue .....		<b>19</b>	
	<b>20</b> Tax-exempt bond liabilities .....		<b>20</b>	
	<b>21</b> Escrow or custodial account liability. Complete Part IV of Schedule D .....		<b>21</b>	
	<b>22</b> Loans and other payables to any current or former officer, director, trustee, key employee, creator or founder, substantial contributor, or 35% controlled entity or family member of any of these persons .....		<b>22</b>	
	<b>23</b> Secured mortgages and notes payable to unrelated third parties .....		<b>23</b>	
	<b>24</b> Unsecured notes and loans payable to unrelated third parties .....		<b>24</b>	
	<b>25</b> 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 .....	1,308,385.	<b>25</b>	1,480,521.
	<b>26</b> <b>Total liabilities.</b> Add lines 17 through 25 .....	1,310,191.	<b>26</b>	1,480,521.
	<b>Net Assets or Fund Balances</b>	<b>Organizations that follow FASB ASC 958, check here</b> <input checked="" type="checkbox"/> <b>and complete lines 27, 28, 32, and 33.</b>		
<b>27</b> Net assets without donor restrictions .....		2,630,218.	<b>27</b>	2,498,487.
<b>28</b> Net assets with donor restrictions .....		60,000.	<b>28</b>	72,000.
<b>Organizations that do not follow FASB ASC 958, check here</b> <input type="checkbox"/> <b>and complete lines 29 through 33.</b>				
<b>29</b> Capital stock or trust principal, or current funds .....			<b>29</b>	
<b>30</b> Paid-in or capital surplus, or land, building, or equipment fund .....			<b>30</b>	
<b>31</b> Retained earnings, endowment, accumulated income, or other funds .....			<b>31</b>	
<b>32</b> <b>Total net assets or fund balances</b> .....		2,690,218.	<b>32</b>	2,570,487.
<b>33</b> <b>Total liabilities and net assets/fund balances</b> .....		4,000,409.	<b>33</b>	4,051,008.

Form 990 (2019)

**Part XI Reconciliation of Net Assets**Check if Schedule O contains a response or note to any line in this Part XI ☐

<b>1</b>	Total revenue (must equal Part VIII, column (A), line 12)	<b>1</b>	976,813.
<b>2</b>	Total expenses (must equal Part IX, column (A), line 25)	<b>2</b>	1,096,544.
<b>3</b>	Revenue less expenses. Subtract line 2 from line 1	<b>3</b>	-119,731.
<b>4</b>	Net assets or fund balances at beginning of year (must equal Part X, line 32, column (A))	<b>4</b>	2,690,218.
<b>5</b>	Net unrealized gains (losses) on investments	<b>5</b>	
<b>6</b>	Donated services and use of facilities	<b>6</b>	
<b>7</b>	Investment expenses	<b>7</b>	
<b>8</b>	Prior period adjustments	<b>8</b>	
<b>9</b>	Other changes in net assets or fund balances (explain on Schedule O)	<b>9</b>	0.
<b>10</b>	Net assets or fund balances at end of year. Combine lines 3 through 9 (must equal Part X, line 32, column (B))	<b>10</b>	2,570,487.

**Part XII Financial Statements and Reporting**Check if Schedule O contains a response or note to any line in this Part XII ☒

	Yes	No
<b>1</b> 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.		
<b>2a</b> 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 checked="" type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis	X	
<b>b</b> 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 type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		X
<b>c</b> 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 on Schedule O.	X	
<b>3a</b> 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
<b>b</b> If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why on Schedule O and describe any steps taken to undergo such audits _____		

Form 990 (2019)



**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) 2015	(b) 2016	(c) 2017	(d) 2018	(e) 2019	(f) Total
<b>1</b> Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") .....	562,995.	569,877.	556,842.	522,274.	444,450.	2656438.
<b>2</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf .....						
<b>3</b> The value of services or facilities furnished by a governmental unit to the organization without charge .....						
<b>4 Total.</b> Add lines 1 through 3 .....	562,995.	569,877.	556,842.	522,274.	444,450.	2656438.
<b>5</b> 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) .....						21,467.
<b>6 Public support.</b> Subtract line 5 from line 4.						2634971.

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ►	(a) 2015	(b) 2016	(c) 2017	(d) 2018	(e) 2019	(f) Total
<b>7</b> Amounts from line 4 .....	562,995.	569,877.	556,842.	522,274.	444,450.	2656438.
<b>8</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources .....	164.	164.	230.	144.	88.	790.
<b>9</b> Net income from unrelated business activities, whether or not the business is regularly carried on .....						
<b>10</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.) .....	8,256.	2,435.	1,169.	1,036.	6,527.	19,423.
<b>11 Total support.</b> Add lines 7 through 10 .....						2676651.
<b>12</b> Gross receipts from related activities, etc. (see instructions) .....					12	2,219,188.
<b>13 First five years.</b> 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 <b>stop here</b> .....						► <input type="checkbox"/>

**Section C. Computation of Public Support Percentage**

<b>14</b> Public support percentage for 2019 (line 6, column (f) divided by line 11, column (f)) .....	<b>14</b>	98.44 %
<b>15</b> Public support percentage from 2018 Schedule A, Part II, line 14 .....	<b>15</b>	98.03 %
<b>16a 33 1/3% support test - 2019.</b> If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and <b>stop here.</b> The organization qualifies as a publicly supported organization .....		► <input checked="" type="checkbox"/>
<b>b 33 1/3% support test - 2018.</b> 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 <b>stop here.</b> The organization qualifies as a publicly supported organization .....		► <input type="checkbox"/>
<b>17a 10% -facts-and-circumstances test - 2019.</b> 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 <b>stop here.</b> Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization .....		► <input type="checkbox"/>
<b>b 10% -facts-and-circumstances test - 2018.</b> 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 <b>stop here.</b> Explain in Part VI how the organization meets the "facts-and-circumstances" test. The organization qualifies as a publicly supported organization .....		► <input type="checkbox"/>
<b>18 Private foundation.</b> If the organization did not check a box on line 13, 16a, 16b, 17a, or 17b, check this box and see instructions .....		► <input type="checkbox"/>

Schedule A (Form 990 or 990-EZ) 2019

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

(Complete only if you checked the box on line 10 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) 2015	(b) 2016	(c) 2017	(d) 2018	(e) 2019	(f) Total
<b>1</b> Gifts, grants, contributions, and membership fees received. (Do not include any "unusual grants.") .....						
<b>2</b> 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 .....						
<b>3</b> Gross receipts from activities that are not an unrelated trade or business under section 513 .....						
<b>4</b> Tax revenues levied for the organization's benefit and either paid to or expended on its behalf .....						
<b>5</b> The value of services or facilities furnished by a governmental unit to the organization without charge .....						
<b>6 Total.</b> Add lines 1 through 5 .....						
<b>7a</b> Amounts included on lines 1, 2, and 3 received from disqualified persons .....						
<b>b</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 .....						
<b>c</b> Add lines 7a and 7b .....						
<b>8 Public support.</b> (Subtract line 7c from line 6.)						

**Section B. Total Support**

Calendar year (or fiscal year beginning in) ►	(a) 2015	(b) 2016	(c) 2017	(d) 2018	(e) 2019	(f) Total
<b>9</b> Amounts from line 6 .....						
<b>10a</b> Gross income from interest, dividends, payments received on securities loans, rents, royalties, and income from similar sources .....						
<b>b</b> Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975 .....						
<b>c</b> Add lines 10a and 10b .....						
<b>11</b> Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on .....						
<b>12</b> Other income. Do not include gain or loss from the sale of capital assets (Explain in Part VI.) .....						
<b>13 Total support.</b> (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**

<b>15</b> Public support percentage for 2019 (line 8, column (f), divided by line 13, column (f)) .....	<b>15</b>	%
<b>16</b> Public support percentage from 2018 Schedule A, Part III, line 15 .....	<b>16</b>	%

**Section D. Computation of Investment Income Percentage**

<b>17</b> Investment income percentage for 2019 (line 10c, column (f), divided by line 13, column (f)) .....	<b>17</b>	%
<b>18</b> Investment income percentage from 2018 Schedule A, Part III, line 17 .....	<b>18</b>	%

**19a 33 1/3% support tests - 2019.** 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 - 2018.** 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 ..... ☐

**Part IV Supporting Organizations**

(Complete only if you checked a box in line 12 on Part I. If you checked 12a of Part I, complete Sections A and B. If you checked 12b of Part I, complete Sections A and C. If you checked 12c of Part I, complete Sections A, D, and E. If you checked 12d of Part I, complete Sections A and D, and complete Part V.)

**Section A. All Supporting Organizations**

	Yes	No
<b>1</b> Are all of the organization's supported organizations listed by name in the organization's governing documents? <i>If "No," describe in Part VI how the supported organizations are designated. If designated by class or purpose, describe the designation. If historic and continuing relationship, explain.</i>		
<b>2</b> Did the organization have any supported organization that does not have an IRS determination of status under section 509(a)(1) or (2)? <i>If "Yes," explain in Part VI how the organization determined that the supported organization was described in section 509(a)(1) or (2).</i>		
<b>3a</b> Did the organization have a supported organization described in section 501(c)(4), (5), or (6)? <i>If "Yes," answer (b) and (c) below.</i>		
<b>b</b> Did the organization confirm that each supported organization qualified under section 501(c)(4), (5), or (6) and satisfied the public support tests under section 509(a)(2)? <i>If "Yes," describe in Part VI when and how the organization made the determination.</i>		
<b>c</b> Did the organization ensure that all support to such organizations was used exclusively for section 170(c)(2)(B) purposes? <i>If "Yes," explain in Part VI what controls the organization put in place to ensure such use.</i>		
<b>4a</b> Was any supported organization not organized in the United States ("foreign supported organization")? <i>If "Yes," and if you checked 12a or 12b in Part I, answer (b) and (c) below.</i>		
<b>b</b> Did the organization have ultimate control and discretion in deciding whether to make grants to the foreign supported organization? <i>If "Yes," describe in Part VI how the organization had such control and discretion despite being controlled or supervised by or in connection with its supported organizations.</i>		
<b>c</b> Did the organization support any foreign supported organization that does not have an IRS determination under sections 501(c)(3) and 509(a)(1) or (2)? <i>If "Yes," explain in Part VI what controls the organization used to ensure that all support to the foreign supported organization was used exclusively for section 170(c)(2)(B) purposes.</i>		
<b>5a</b> Did the organization add, substitute, or remove any supported organizations during the tax year? <i>If "Yes," answer (b) and (c) below (if applicable). Also, provide detail in Part VI, including (i) the names and EIN numbers of the supported organizations added, substituted, or removed; (ii) the reasons for each such action; (iii) the authority under the organization's organizing document authorizing such action; and (iv) how the action was accomplished (such as by amendment to the organizing document).</i>		
<b>b</b> <b>Type I or Type II only.</b> Was any added or substituted supported organization part of a class already designated in the organization's organizing document?		
<b>c</b> <b>Substitutions only.</b> Was the substitution the result of an event beyond the organization's control?		
<b>6</b> Did the organization provide support (whether in the form of grants or the provision of services or facilities) to anyone other than (i) its supported organizations, (ii) individuals that are part of the charitable class benefited by one or more of its supported organizations, or (iii) other supporting organizations that also support or benefit one or more of the filing organization's supported organizations? <i>If "Yes," provide detail in Part VI.</i>		
<b>7</b> Did the organization provide a grant, loan, compensation, or other similar payment to a substantial contributor (as defined in section 4958(c)(3)(C)), a family member of a substantial contributor, or a 35% controlled entity with regard to a substantial contributor? <i>If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).</i>		
<b>8</b> Did the organization make a loan to a disqualified person (as defined in section 4958) not described in line 7? <i>If "Yes," complete Part I of Schedule L (Form 990 or 990-EZ).</i>		
<b>9a</b> Was the organization controlled directly or indirectly at any time during the tax year by one or more disqualified persons as defined in section 4946 (other than foundation managers and organizations described in section 509(a)(1) or (2))? <i>If "Yes," provide detail in Part VI.</i>		
<b>b</b> Did one or more disqualified persons (as defined in line 9a) hold a controlling interest in any entity in which the supporting organization had an interest? <i>If "Yes," provide detail in Part VI.</i>		
<b>c</b> Did a disqualified person (as defined in line 9a) have an ownership interest in, or derive any personal benefit from, assets in which the supporting organization also had an interest? <i>If "Yes," provide detail in Part VI.</i>		
<b>10a</b> Was the organization subject to the excess business holdings rules of section 4943 because of section 4943(f) (regarding certain Type II supporting organizations, and all Type III non-functionally integrated supporting organizations)? <i>If "Yes," answer 10b below.</i>		
<b>b</b> Did the organization have any excess business holdings in the tax year? <i>(Use Schedule C, Form 4720, to determine whether the organization had excess business holdings.)</i>		

**Part IV** Supporting Organizations (continued)

	Yes	No
<b>11</b> Has the organization accepted a gift or contribution from any of the following persons?		
<b>a</b> A person who directly or indirectly controls, either alone or together with persons described in (b) and (c) below, the governing body of a supported organization?		
<b>11a</b>		
<b>b</b> A family member of a person described in (a) above?		
<b>11b</b>		
<b>c</b> A 35% controlled entity of a person described in (a) or (b) above? If "Yes" to a, b, or c, provide detail in <b>Part VI</b> .		
<b>11c</b>		

**Section B. Type I Supporting Organizations**

	Yes	No
<b>1</b> Did the directors, trustees, or membership of one or more supported organizations have the power to regularly appoint or elect at least a majority of the organization's directors or trustees at all times during the tax year? If "No," describe in <b>Part VI</b> how the supported organization(s) effectively operated, supervised, or controlled the organization's activities. If the organization had more than one supported organization, describe how the powers to appoint and/or remove directors or trustees were allocated among the supported organizations and what conditions or restrictions, if any, applied to such powers during the tax year.		
<b>1</b>		
<b>2</b> Did the organization operate for the benefit of any supported organization other than the supported organization(s) that operated, supervised, or controlled the supporting organization? If "Yes," explain in <b>Part VI</b> how providing such benefit carried out the purposes of the supported organization(s) that operated, supervised, or controlled the supporting organization.		
<b>2</b>		

**Section C. Type II Supporting Organizations**

	Yes	No
<b>1</b> Were a majority of the organization's directors or trustees during the tax year also a majority of the directors or trustees of each of the organization's supported organization(s)? If "No," describe in <b>Part VI</b> how control or management of the supporting organization was vested in the same persons that controlled or managed the supported organization(s).		
<b>1</b>		

**Section D. All Type III Supporting Organizations**

	Yes	No
<b>1</b> Did the organization provide to each of its supported organizations, by the last day of the fifth month of the organization's tax year, (i) a written notice describing the type and amount of support provided during the prior tax year, (ii) a copy of the Form 990 that was most recently filed as of the date of notification, and (iii) copies of the organization's governing documents in effect on the date of notification, to the extent not previously provided?		
<b>1</b>		
<b>2</b> Were any of the organization's officers, directors, or trustees either (i) appointed or elected by the supported organization(s) or (ii) serving on the governing body of a supported organization? If "No," explain in <b>Part VI</b> how the organization maintained a close and continuous working relationship with the supported organization(s).		
<b>2</b>		
<b>3</b> By reason of the relationship described in (2), did the organization's supported organizations have a significant voice in the organization's investment policies and in directing the use of the organization's income or assets at all times during the tax year? If "Yes," describe in <b>Part VI</b> the role the organization's supported organizations played in this regard.		
<b>3</b>		

**Section E. Type III Functionally Integrated Supporting Organizations**

<b>1</b> Check the box next to the method that the organization used to satisfy the Integral Part Test during the year (see instructions).			
<b>a</b> <input type="checkbox"/> The organization satisfied the Activities Test. Complete <b>line 2</b> below.			
<b>b</b> <input type="checkbox"/> The organization is the parent of each of its supported organizations. Complete <b>line 3</b> below.			
<b>c</b> <input type="checkbox"/> The organization supported a governmental entity. Describe in <b>Part VI</b> how you supported a government entity (see instructions).			
<b>2</b> Activities Test. Answer (a) and (b) below.			
<b>a</b> Did substantially all of the organization's activities during the tax year directly further the exempt purposes of the supported organization(s) to which the organization was responsive? If "Yes," then in <b>Part VI</b> identify those supported organizations and explain how these activities directly furthered their exempt purposes, how the organization was responsive to those supported organizations, and how the organization determined that these activities constituted substantially all of its activities.			
<b>2a</b>			
<b>b</b> Did the activities described in (a) constitute activities that, but for the organization's involvement, one or more of the organization's supported organization(s) would have been engaged in? If "Yes," explain in <b>Part VI</b> the reasons for the organization's position that its supported organization(s) would have engaged in these activities but for the organization's involvement.			
<b>2b</b>			
<b>3</b> Parent of Supported Organizations. Answer (a) and (b) below.			
<b>a</b> Did the organization have the power to regularly appoint or elect a majority of the officers, directors, or trustees of each of the supported organizations? Provide details in <b>Part VI</b> .			
<b>3a</b>			
<b>b</b> Did the organization exercise a substantial degree of direction over the policies, programs, and activities of each of its supported organizations? If "Yes," describe in <b>Part VI</b> the role played by the organization in this regard.			
<b>3b</b>			



**Part V Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations**

- 1 ☐ Check here if the organization satisfied the Integral Part Test as a qualifying trust on Nov. 20, 1970 (explain in Part VI). **See instructions.** All other Type III non-functionally integrated supporting organizations must complete Sections A through E.

Section A - Adjusted Net Income		(A) Prior Year	(B) Current Year (optional)
1	Net short-term capital gain	1	
2	Recoveries of prior-year distributions	2	
3	Other gross income (see instructions)	3	
4	Add lines 1 through 3.	4	
5	Depreciation and depletion	5	
6	Portion of operating expenses paid or incurred for production or collection of gross income or for management, conservation, or maintenance of property held for production of income (see instructions)	6	
7	Other expenses (see instructions)	7	
8	<b>Adjusted Net Income</b> (subtract lines 5, 6, and 7 from line 4)	8	

Section B - Minimum Asset Amount		(A) Prior Year	(B) Current Year (optional)
1	Aggregate fair market value of all non-exempt-use assets (see instructions for short tax year or assets held for part of year):		
a	Average monthly value of securities	1a	
b	Average monthly cash balances	1b	
c	Fair market value of other non-exempt-use assets	1c	
d	<b>Total</b> (add lines 1a, 1b, and 1c)	1d	
e	<b>Discount</b> claimed for blockage or other factors (explain in detail in <b>Part VI</b> ):		
2	Acquisition indebtedness applicable to non-exempt-use assets	2	
3	Subtract line 2 from line 1d.	3	
4	Cash deemed held for exempt use. Enter 1-1/2% of line 3 (for greater amount, see instructions).	4	
5	Net value of non-exempt-use assets (subtract line 4 from line 3)	5	
6	Multiply line 5 by .035.	6	
7	Recoveries of prior-year distributions	7	
8	<b>Minimum Asset Amount</b> (add line 7 to line 6)	8	

Section C - Distributable Amount			Current Year
1	Adjusted net income for prior year (from Section A, line 8, Column A)	1	
2	Enter 85% of line 1.	2	
3	Minimum asset amount for prior year (from Section B, line 8, Column A)	3	
4	Enter greater of line 2 or line 3.	4	
5	Income tax imposed in prior year	5	
6	<b>Distributable Amount.</b> Subtract line 5 from line 4, unless subject to emergency temporary reduction (see instructions).	6	
7	<input type="checkbox"/> Check here if the current year is the organization's first as a non-functionally integrated Type III supporting organization (see instructions).		

Schedule A (Form 990 or 990-EZ) 2019

**Part V** Type III Non-Functionally Integrated 509(a)(3) Supporting Organizations (continued)

Section D - Distributions	Current Year
<b>1</b> Amounts paid to supported organizations to accomplish exempt purposes	
<b>2</b> Amounts paid to perform activity that directly furthers exempt purposes of supported organizations, in excess of income from activity	
<b>3</b> Administrative expenses paid to accomplish exempt purposes of supported organizations	
<b>4</b> Amounts paid to acquire exempt-use assets	
<b>5</b> Qualified set-aside amounts (prior IRS approval required)	
<b>6</b> Other distributions (describe in <b>Part VI</b> ). See instructions.	
<b>7</b> <b>Total annual distributions.</b> Add lines 1 through 6.	
<b>8</b> Distributions to attentive supported organizations to which the organization is responsive (provide details in <b>Part VI</b> ). See instructions.	
<b>9</b> Distributable amount for 2019 from Section C, line 6	
<b>10</b> Line 8 amount divided by line 9 amount	

Section E - Distribution Allocations (see instructions)	(i) Excess Distributions	(ii) Underdistributions Pre-2019	(iii) Distributable Amount for 2019
<b>1</b> Distributable amount for 2019 from Section C, line 6			
<b>2</b> Underdistributions, if any, for years prior to 2019 (reasonable cause required- explain in <b>Part VI</b> ). See instructions.			
<b>3</b> Excess distributions carryover, if any, to 2019			
<b>a</b> From 2014			
<b>b</b> From 2015			
<b>c</b> From 2016			
<b>d</b> From 2017			
<b>e</b> From 2018			
<b>f</b> <b>Total</b> of lines 3a through e			
<b>g</b> Applied to underdistributions of prior years			
<b>h</b> Applied to 2019 distributable amount			
<b>i</b> Carryover from 2014 not applied (see instructions)			
<b>j</b> Remainder. Subtract lines 3g, 3h, and 3i from 3f.			
<b>4</b> Distributions for 2019 from Section D, line 7: \$			
<b>a</b> Applied to underdistributions of prior years			
<b>b</b> Applied to 2019 distributable amount			
<b>c</b> Remainder. Subtract lines 4a and 4b from 4.			
<b>5</b> Remaining underdistributions for years prior to 2019, if any. Subtract lines 3g and 4a from line 2. For result greater than zero, explain in <b>Part VI</b> . See instructions.			
<b>6</b> Remaining underdistributions for 2019. Subtract lines 3h and 4b from line 1. For result greater than zero, explain in <b>Part VI</b> . See instructions.			
<b>7</b> <b>Excess distributions carryover to 2020.</b> Add lines 3j and 4c.			
<b>8</b> Breakdown of line 7:			
<b>a</b> Excess from 2015			
<b>b</b> Excess from 2016			
<b>c</b> Excess from 2017			
<b>d</b> Excess from 2018			
<b>e</b> Excess from 2019			

Schedule A (Form 990 or 990-EZ) 2019

**Part VI** **Supplemental Information.** Provide the explanations required by Part II, line 10; Part II, line 17a or 17b; Part III, line 12; Part IV, Section A, lines 1, 2, 3b, 3c, 4b, 4c, 5a, 6, 9a, 9b, 9c, 11a, 11b, and 11c; Part IV, Section B, lines 1 and 2; Part IV, Section C, line 1; Part IV, Section D, lines 2 and 3; Part IV, Section E, lines 1c, 2a, 2b, 3a, and 3b; Part V, line 1; Part V, Section B, line 1e; Part V, Section D, lines 5, 6, and 8; and Part V, Section E, lines 2, 5, and 6. Also complete this part for any additional information.  
(See instructions.)

**SCHEDULE A, PART II, LINE 10, EXPLANATION FOR OTHER INCOME:****OTHER INCOME**

2015 AMOUNT: \$ 8,256.

2016 AMOUNT: \$ 2,435.

2017 AMOUNT: \$ 1,169.

2018 AMOUNT: \$ 1,036.

2019 AMOUNT: \$ 6,527.

**Schedule B**(Form 990, 990-EZ,  
or 990-PF)Department of the Treasury  
Internal Revenue Service**Schedule of Contributors**

- ▶ Attach to Form 990, Form 990-EZ, or Form 990-PF.  
▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for the latest information.

OMB No. 1545-0047

**2019**

Name of the organization

THE ARC OF FORT BEND COUNTY

Employer identification number

74-6076222

Organization type (check one):

**Filers of:****Section:**

Form 990 or 990-EZ

☒ 501(c)( 3 ) (enter number) organization☐ 4947(a)(1) nonexempt charitable trust **not** treated as a private foundation☐ 527 political organization

Form 990-PF

☐ 501(c)(3) exempt private foundation☐ 4947(a)(1) nonexempt charitable trust treated as a private foundation☐ 501(c)(3) taxable private foundationCheck if your organization is covered by the **General Rule** or a **Special Rule**.**Note:** Only a section 501(c)(7), (8), or (10) organization can check boxes for both the General Rule and a Special Rule. See instructions.**General Rule**

- ☐ For an organization filing Form 990, 990-EZ, or 990-PF that received, during the year, contributions totaling \$5,000 or more (in money or property) from any one contributor. Complete Parts I and II. See instructions for determining a contributor's total contributions.

**Special Rules**

- ☒ For an organization described in section 501(c)(3) filing Form 990 or 990-EZ that met the 33 1/3% support test of the regulations under sections 509(a)(1) and 170(b)(1)(A)(vi), that checked Schedule A (Form 990 or 990-EZ), Part II, line 13, 16a, or 16b, and that received from any one contributor, during the year, total contributions of the greater of **(1)** \$5,000; or **(2)** 2% of the amount on (i) Form 990, Part VIII, line 1h; or (ii) Form 990-EZ, line 1. Complete Parts I and II.
- ☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, total contributions of more than \$1,000 *exclusively* for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals. Complete Parts I, II, and III.
- ☐ For an organization described in section 501(c)(7), (8), or (10) filing Form 990 or 990-EZ that received from any one contributor, during the year, contributions *exclusively* for religious, charitable, etc., purposes, but no such contributions totaled more than \$1,000. If this box is checked, enter here the total contributions that were received during the year for an *exclusively* religious, charitable, etc., purpose. Don't complete any of the parts unless the **General Rule** applies to this organization because it received *nonexclusively* religious, charitable, etc., contributions totaling \$5,000 or more during the year ..... ▶ \$ \_\_\_\_\_

**Caution:** An organization that isn't covered by the General Rule and/or the Special Rules doesn't file Schedule B (Form 990, 990-EZ, or 990-PF), but it **must** answer "No" on Part IV, line 2, of its Form 990; or check the box on line H of its Form 990-EZ or on its Form 990-PF, Part I, line 2, to certify that it doesn't meet the filing requirements of Schedule B (Form 990, 990-EZ, or 990-PF).

Name of organization

Employer identification number

THE ARC OF FORT BEND COUNTY

74-6076222

**Part I Contributors** (see instructions). Use duplicate copies of Part I if additional space is needed.

(a) No.	(b) Name, address, and ZIP + 4	(c) Total contributions	(d) Type of contribution
1	FORT BEND COUNTY (COMM. DEVELOP. BLOCK GRANT)  301 JACKSON ST.  RICHMOND, TX 77469	\$ 34,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
2	PROSPERITY BANK  14060 SOUTHWEST FWY  SUGAR LAND, TX 77478	\$ 15,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
3	FORT BEND JUNIOR SERVICE LEAGUE  P.O. BOX 17387  SUGAR LAND, TX 77496	\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
4	JOHN GRZYWA  633 CLARENDA FALLS DRIVE  SUGAR LAND, TX 77479	\$ 10,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
5	SKEETERS  1 STADIUM DR.  SUGAR LAND, TX 77498	\$ 7,500.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)
6	THE US CHARITABLE GIFT TRUST  123 BROOKS STREET  SUGAR LAND, TX 77478	\$ 5,000.	Person <input checked="" type="checkbox"/> Payroll <input type="checkbox"/> Noncash <input type="checkbox"/> (Complete Part II for noncash contributions.)

Name of organization

Employer identification number

THE ARC OF FORT BEND COUNTY

74-6076222

**Part II** **Noncash Property** (see instructions). Use duplicate copies of Part II if additional space is needed.

(a) No. from Part I	(b) Description of noncash property given	(c) FMV (or estimate) (See instructions.)	(d) Date received
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	
		\$	

Name of organization

Employer identification number

**THE ARC OF FORT BEND COUNTY****74-6076222****Part III**

Exclusively religious, charitable, etc., contributions to organizations described in section 501(c)(7), (8), or (10) that total more than \$1,000 for the year from any one contributor. Complete columns (a) through (e) and the following line entry. For organizations completing Part III, enter the total of exclusively religious, charitable, etc., contributions of **\$1,000 or less** for the year. (Enter this info. once.) ► \$ \_\_\_\_\_

Use duplicate copies of Part III if additional space is needed.

(a) No. from Part I	(b) Purpose of gift	(c) Use of gift	(d) Description of how gift is held
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	
(e) Transfer of gift			
Transferee's name, address, and ZIP + 4		Relationship of transferor to transferee	

**SCHEDULE D**  
**(Form 990)**Department of the Treasury  
Internal Revenue Service**Supplemental Financial Statements**▶ **Complete if the organization answered "Yes" on Form 990,  
Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b.**  
▶ **Attach to Form 990.**▶ **Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.**

OMB No. 1545-0047

**2019****Open to Public  
Inspection****Name of the organization**

THE ARC OF FORT BEND COUNTY

**Employer identification number**

74-6076222

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

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year .....		
2 Aggregate value of contributions to (during year) .....		
3 Aggregate value of 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" on Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).  
☐ Preservation of land for public use (for example, recreation or education) ☐ Preservation of a historically important land area  
☐ Protection of natural habitat ☐ Preservation of a certified historic structure  
☐ Preservation of open space

2 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 7/25/06, and not on a historic structure listed in the National Register .....	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶ .....

4 Number of states where property subject to conservation easement is located ▶ .....

5 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

6 Staff and volunteer hours devoted to monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ▶ .....

7 Amount of expenses incurred in monitoring, inspecting, handling of violations, and enforcing conservation easements during the year ▶ \$ .....

8 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

9 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" on Form 990, Part IV, line 8.

1a If the organization elected, as permitted under FASB 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.

b If the organization elected, as permitted under FASB 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) Revenue included on Form 990, Part VIII, line 1 ▶ \$ .....

(ii) Assets included in Form 990, Part X ▶ \$ .....

2 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 FASB ASC 958 relating to these items:

a Revenue included on Form 990, Part VIII, line 1 ▶ \$ .....

b Assets included in Form 990, Part X ▶ \$ .....

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

Schedule D (Form 990) 2019



**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 make significant use of its collection items (check all that apply):

- a ☐ Public exhibition d ☐ Loan or exchange program  
 b ☐ Scholarly research e ☐ Other \_\_\_\_\_  
 c ☐ Preservation for future generations

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" on 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
c Beginning balance	1c
d Additions during the year	1d
e Distributions during the year	1e
f Ending balance	1f

2a Did the organization include an amount on Form 990, Part X, line 21, for escrow or custodial account liability? ☐ Yes ☐ No

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

**Part V Endowment Funds.** Complete if the organization answered "Yes" on 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 Term endowment ☐ %

The percentages on 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" on line 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" on 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		806,768.		806,768.
b Buildings		4,813,432.	1,920,920.	2,892,512.
c Leasehold improvements				
d Equipment		104,633.	41,205.	63,428.
e Other				
<b>Total.</b> Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10c.)				3,762,708.

Schedule D (Form 990) 2019

**Part VII Investments - Other Securities.**

Complete if the organization answered "Yes" on 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) .....		
<b>Total.</b> (Col. (b) must equal Form 990, Part X, col. (B) line 12.) ▶		

**Part VIII Investments - Program Related.**

Complete if the organization answered "Yes" on 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) .....		
<b>Total.</b> (Col. (b) must equal Form 990, Part X, col. (B) line 13.) ▶		

**Part IX Other Assets.**

Complete if the organization answered "Yes" on 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) .....	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶	

**Part X Other Liabilities.**

Complete if the organization answered "Yes" on 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) NOTE PAYABLE - FOUNDATION	1,460,146.
(3) DEPOSITS PAYABLE	20,375.
(4) .....	
(5) .....	
(6) .....	
(7) .....	
(8) .....	
(9) .....	
<b>Total.</b> (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	1,480,521.

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 FASB ASC 740. Check here if the text of the footnote has been provided in Part XIII ... ☐

Schedule D (Form 990) 2019

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

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

<b>1</b>	Total revenue, gains, and other support per audited financial statements		<b>1</b>
<b>2</b>	Amounts included on line 1 but not on Form 990, Part VIII, line 12:		
<b>a</b>	Net unrealized gains (losses) on investments	<b>2a</b>	
<b>b</b>	Donated services and use of facilities	<b>2b</b>	
<b>c</b>	Recoveries of prior year grants	<b>2c</b>	
<b>d</b>	Other (Describe in Part XIII.)	<b>2d</b>	
<b>e</b>	Add lines <b>2a</b> through <b>2d</b>		<b>2e</b>
<b>3</b>	Subtract line <b>2e</b> from line <b>1</b>		<b>3</b>
<b>4</b>	Amounts included on Form 990, Part VIII, line 12, but not on line 1:		
<b>a</b>	Investment expenses not included on Form 990, Part VIII, line 7b	<b>4a</b>	
<b>b</b>	Other (Describe in Part XIII.)	<b>4b</b>	
<b>c</b>	Add lines <b>4a</b> and <b>4b</b>		<b>4c</b>
<b>5</b>	Total revenue. Add lines <b>3</b> and <b>4c</b> . (This must equal Form 990, Part I, line 12.)		<b>5</b>

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

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

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

**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.

FORM 990, SCHEDULE D, PARTS XI AND XII

THE ARC OF FORT BEND COUNTY [EIN: 74-6076222] AND ARC OF FORT BEND COUNTY  
 FOUNDATION [EIN: 30-0093145] ARE CONSOLIDATED FOR FINANCIAL STATEMENT  
 PURPOSES. FOR TAX PURPOSES, EACH ORGANIZATION FILES A SEPARATE FORM 990.



**Part II Fundraising Events.** Complete if the organization answered "Yes" on Form 990, Part IV, line 18, or reported more than \$15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than \$5,000.

		(a) Event #1	(b) Event #2	(c) Other events	(d) Total events (add col. (a) through col. (c))
		SPECIAL EVENTS (event type)	(event type)	NONE (total number)	
Revenue	1 Gross receipts .....	377,094.			377,094.
	2 Less: Contributions .....	334,443.			334,443.
	3 Gross income (line 1 minus line 2) .....	42,651.			42,651.
Direct Expenses	4 Cash prizes .....				
	5 Noncash prizes .....				
	6 Rent/facility costs .....				
	7 Food and beverages .....				
	8 Entertainment .....				
	9 Other direct expenses .....	42,651.			42,651.
	10 Direct expense summary. Add lines 4 through 9 in column (d) .....				42,651.
	11 Net income summary. Subtract line 10 from line 3, column (d) .....				0.

**Part III Gaming.** Complete if the organization answered "Yes" on Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col. (a) through col. (c))
Revenue	1 Gross revenue .....				
Direct Expenses	2 Cash prizes .....				
	3 Noncash prizes .....				
	4 Rent/facility costs .....				
	5 Other direct expenses .....				
	6 Volunteer labor .....	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	
	7 Direct expense summary. Add lines 2 through 5 in column (d) .....				
	8 Net gaming income summary. Subtract line 7 from line 1, column (d) .....				

9 Enter the state(s) in which the organization conducts gaming activities: \_\_\_\_\_

a Is the organization licensed to conduct gaming activities in each of these states? ☐ Yes ☐ No

b If "No," explain: \_\_\_\_\_

10a Were any of the organization's gaming licenses revoked, suspended, or terminated during the tax year? ☐ Yes ☐ No

b If "Yes," explain: \_\_\_\_\_

- 11 Does the organization conduct gaming activities with nonmembers? ☐ Yes ☐ No
- 12 Is the organization a grantor, beneficiary or trustee of a trust, or a member of a partnership or other entity formed to administer charitable gaming? ☐ Yes ☐ No
- 13 Indicate the percentage of gaming activity conducted in:
- |                               |     |   |
|-------------------------------|-----|---|
| a The organization's facility | 13a | % |
| b An outside facility         | 13b | % |
- 14 Enter the name and address of the person who prepares the organization's gaming/special events books and records:

Name ► \_\_\_\_\_

Address ► \_\_\_\_\_

- 15a Does the organization have a contract with a third party from whom the organization receives gaming revenue? ☐ Yes ☐ No

b If "Yes," enter the amount of gaming revenue received by the organization ► \$ \_\_\_\_\_ and the amount of gaming revenue retained by the third party ► \$ \_\_\_\_\_

c If "Yes," enter name and address of the third party:

Name ► \_\_\_\_\_

Address ► \_\_\_\_\_

- 16 Gaming manager information:

Name ► \_\_\_\_\_

Gaming manager compensation ► \$ \_\_\_\_\_

Description of services provided ► \_\_\_\_\_

☐ Director/officer☐ Employee☐ Independent contractor

- 17 Mandatory distributions:

a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? ☐ Yes ☐ No

b Enter the amount of distributions required under state law to be distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ► \$ \_\_\_\_\_

**Part IV Supplemental Information.** Provide the explanations required by Part I, line 2b, columns (iii) and (v); and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also provide any additional information. See instructions.

<b>Part IV</b>	<b>Supplemental Information</b> <i>(continued)</i>
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2019.05000 THE ARC OF FORT BEND COUN ARCFTEB1

**SCHEDULE I**  
**(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Grants and Other Assistance to Organizations,  
Governments, and Individuals in the United States**  
Complete if the organization answered "Yes" on Form 990, Part IV, line 21 or 22.

▶ **Attach to Form 990.**

▶ **Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for the latest information.**

OMB No. 1545-0047

**2019**

**Open to Public  
Inspection**

Name of the organization

**THE ARC OF FORT BEND COUNTY**

**Employer identification number**

**74-6076222**

**Part I General Information on Grants and Assistance**

**1** Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? .....

☒ **Yes** ☐ **No**

**2** Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

**Part II Grants and Other Assistance to Domestic Organizations and Domestic Governments.** Complete if the organization answered "Yes" on Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

<b>1 (a)</b> Name and address of organization or government	<b>(b)</b> EIN	<b>(c)</b> IRC section (if applicable)	<b>(d)</b> Amount of cash grant	<b>(e)</b> Amount of non-cash assistance	<b>(f)</b> Method of valuation (book, FMV, appraisal, other)	<b>(g)</b> Description of noncash assistance	<b>(h)</b> Purpose of grant or assistance
ARC OF FORT BEND COUNTY FOUNDATION 123 BROOKS STREET SUGAR LAND, TX 77478	30-0093145	501(C)(3)	82,720.	0.			OPERATIONS

**2** Enter total number of section 501(c)(3) and government organizations listed in the line 1 table ..... **1.**

**3** Enter total number of other organizations listed in the line 1 table ..... **0.**

LHA **For Paperwork Reduction Act Notice, see the Instructions for Form 990.**

**Schedule I (Form 990) (2019)**



**Part III** **Grants and Other Assistance to Domestic Individuals.** Complete if the organization answered "Yes" on 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 noncash assistance

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

PART I, LINE 2:

ALL GRANTS OR ASSISTANCE ARE APPROVED BY THE BOARD.

**SCHEDULE O**  
**(Form 990 or 990-EZ)**

Department of the Treasury  
Internal Revenue Service

**Supplemental Information to Form 990 or 990-EZ**

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.

▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for the latest information.

OMB No. 1545-0047

**2019**

Open to Public  
Inspection

Name of the organization

THE ARC OF FORT BEND COUNTY

Employer identification number

74-6076222

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

THE ARC ENSURES OPPORTUNITIES FOR PEOPLE WITH INTELLECTUAL AND RELATED  
DEVELOPMENTAL DISABILITIES TO MAXIMIZE THEIR QUALITY OF LIFE WITHIN OUR  
COMMUNITY.

SECTION 1.263(A)-1(F) DE MINIMIS SAFE HARBOR ELECTION

THE ARC OF FORT BEND COUNTY

123 BROOKS STREET

SUGAR LAND, TX 77478-3267

EMPLOYER IDENTIFICATION NUMBER: 74-6076222

FOR THE YEAR ENDING DECEMBER 31, 2019

THE ARC OF FORT BEND COUNTY IS MAKING THE DE MINIMIS SAFE HARBOR  
ELECTION UNDER REG. SEC. 1.263 A)-1(F).

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

PROGRAM ADVOCATES FOR HEALTH CARE PROVIDERS TO DISCUSS THE DANGERS OF  
DRINKING ALCOHOL WHILE PREGNANT. FASD IS THE NUMBER ONE PREVENTABLE  
CAUSE OF INTELLECTUAL DISABILITIES.

FORM 990, PART VI, SECTION A, LINE 7B:

AMENDMENTS TO THE BYLAWS ARE SUBJECT TO APPROVAL BY MEMBERS,  
STOCKHOLDERS, OR PERSONS OTHER THAN THE GOVERNING BODY.

Name of the organization

THE ARC OF FORT BEND COUNTY

Employer identification number

74-6076222

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

THE IRS FORM 990 WILL BE REVIEWED AND APPROVED WITH THE SIGNATURE OF THE CHAIRMAN OF THE BOARD OF DIRECTORS. THE IRS FORM 990 WILL BE POSTED IN THE BOARD SECTION OF THE ARC'S WEBSITE AFTER IT IS SIGNED BY THE BOARD CHAIRMAN. THE BOARD OF DIRECTORS WILL BE E-MAILED NOTIFICATION WHEN THE IRS FORM 990 IS POSTED ON THE ARC'S WEBSITE. A BOARD RESOLUTION IS NOT REQUIRED IN ORDER FOR THE IRS FORM 990 TO BE FILED. THE IRS FORM 990 MAY BE VIEWED BY THE PUBLIC UPON REQUEST.

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

AT, OR IMMEDIATELY AFTER, EACH ANNUAL MEETING REQUIRED BY THE BYLAWS, OR EACH ANNUAL PERFORMANCE REVIEW OF AN EMPLOYEE, OR EACH CONTRACT WITH AN INDEPENDENT CONTRACTOR, EACH INTERESTED PERSON SHALL ACKNOWLEDGE IN WRITING THAT HE/SHE HAS RECEIVED A COPY OF THIS POLICY, HAS READ IT AND UNDERSTANDS IT, AGREES TO COMPLY WITH AND IS IN COMPLIANCE WITH THIS POLICY, AND THAT HE/SHE IS EXPRESSLY AWARE OF THE CONTINUING DUTY OF DISCLOSURE OF ACTUAL OR POTENTIAL CONFLICTS OF INTEREST. THE ANNUAL WRITTEN ACKNOWLEDGMENTS SHALL BE MAINTAINED AS PART OF THE PERMANENT RECORDS OF THE ORGANIZATION.

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

PER THE INTERNAL CONTROLS DOCUMENT, THE EXECUTIVE COMMITTEE WILL REVIEW THE MOST CURRENT, PUBLISHED HOUSTON UNITED WAY MANAGEMENT ASSISTANCE PROGRAM (MAP) ORGANIZATIONS' WAGE AND BENEFIT SURVEY OF COMPARABILITY DATA FOR EXECUTIVE COMPENSATION IN NONPROFITS. THE INFORMATION FROM THIS SURVEY WILL BE UTILIZED, ALONG WITH OTHER PERTINENT INFORMATION IN DETERMINING THE SALARY OF THE EXECUTIVE DIRECTOR.

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

Name of the organization

THE ARC OF FORT BEND COUNTY

Employer identification number

74-6076222

THE GOVERNING DOCUMENTS, CONFLICT OF INTEREST POLICY, AND FINANCIAL STATEMENTS OF THE ORGANIZATION ARE AVAILABLE UPON REQUEST.

FORM 990, PART VIII, LINE 2A

PROGRAM LEASE INCOME

THE ARC OWNS AND LEASES GROUP HOMES TO SERVICE PROVIDERS WHICH ARE CERTIFIED BY THE STATE OF TEXAS TO PROVIDE SERVICES TO FORT BEND COUNTY, TEXAS. LEASES RANGE FROM \$1,100 TO \$1,950 PER MONTH. ALL OF THE HOMES ARE UTILIZED AS HOUSING FOR INDIVIDUALS WITH INTELLECTUAL AND DEVELOPMENTAL DISABILITIES.

THE ARC ALSO OWNS AND RENTS TWO TOWNHOMES DIRECTLY TO INDIVIDUALS. ONE IS LEASED TO INDIVIDUALS WITH INTELLECTUAL AND/OR DEVELOPMENTAL DISABILITIES AND THE OTHER TO AN INDIVIDUAL WHO OFFERS LIGHT SUPERVISION TO THOSE TENANTS. THESE RESIDENTIAL LEASES, WHICH ARE CANCELABLE OPERATING LEASES, ARE ON A MONTH-TO-MONTH BASIS AT \$375 A MONTH PER INDIVIDUAL. A UNIT FROM ONE OF THE TOWNHOMES WAS SOLD DURING 2019.

THE ARC LEASED ITS BUILDING ON INDUSTRIAL BLVD. TO A SERVICE PROVIDER UNDER A FIVE-YEAR OPERATING LEASE BEGINNING JUNE 2016 FOR \$7,500 PER MONTH FOR THE FIRST TWO YEARS AND \$8,125 FOR THE REMAINING LIFE OF THE LEASE. THE FACILITY IS USED BY THE SERVICE PROVIDER TO PROVIDE VOCATIONAL TRAINING TO INDIVIDUALS WITH INTELLECTUAL AND DEVELOPMENTAL DISABILITIES.

THE ARC LEASES ITS BUILDING ON CYPRESS POINT TO A SERVICE PROVIDER UNDER A FIVE-YEAR OPERATING LEASE BEGINNING FEBRUARY 2014 FOR \$8,000

Name of the organization

THE ARC OF FORT BEND COUNTY

Employer identification number

74-6076222

PER MONTH. DURING FEBRUARY 2019, THE LEASE WAS RENEWED FOR ANOTHER  
THREE YEARS FOR \$8,000 PER MONTH. THIS FACILITY IS USED BY THE SERVICE  
PROVIDER TO PROVIDE VOCATIONAL TRAINING TO INDIVIDUALS WITH  
INTELLECTUAL AND DEVELOPMENTAL DISABILITIES.

RENTAL INCOME FOR THE GROUP HOMES AND COMMERCIAL BUILDINGS IS  
CONSIDERED PROGRAM SERVICE INCOME AS IT DIRECTLY RELATES TO THE  
ACCOMPLISHMENT OF THE ARC'S MISSION. RENTAL INCOME FOR THE YEARS ENDED  
DECEMBER 31, 2019 AND 2018 WAS \$451,480 AND \$432,825, RESPECTIVELY.

FORM 990, PART XII, LINE 2C

THE ORGANIZATION'S PROCESS FOR ASSUMING RESPONSIBILITY FOR OVERSIGHT OF  
THE AUDIT, REVIEW, OR COMPILATION OF ITS FINANCIAL STATEMENTS AND THE  
SELECTION OF AN INDEPENDENT AUDITOR HAVE NOT CHANGED FROM THE PRIOR  
YEAR.

**SCHEDULE R  
(Form 990)**

Department of the Treasury  
Internal Revenue Service

**Related Organizations and Unrelated Partnerships**

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.

▶ Attach to Form 990.

▶ Go to [www.irs.gov/Form990](http://www.irs.gov/Form990) for instructions and the latest information.

OMB No. 1545-0047

**2019**

**Open to Public  
Inspection**

Name of the organization

THE ARC OF FORT BEND COUNTY

Employer identification number

74-6076222

**Part I Identification of Disregarded Entities.** Complete if the organization answered "Yes" on Form 990, Part IV, line 33.

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity

**Part II Identification of Related Tax-Exempt Organizations.** Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related tax-exempt organizations during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
ARC OF FORT BEND COUNTY FOUNDATION - 30-0093145, 123 BROOKS STREET, SUGAR LAND, TX 77478	CHARITABLE	TEXAS	501(C)(3)	509(A)(3) TYPE II	N/A		X

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Schedule R (Form 990) 2019

**Part III Identification of Related Organizations Taxable as a Partnership.** Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related organizations treated as a partnership during the tax year.

[illegible]

**Part IV Identification of Related Organizations Taxable as a Corporation or Trust.** Complete if the organization answered "Yes" on Form 990, Part IV, line 34, because it had one or more related organizations treated as a corporation or trust during the tax year.

[illegible]

**Part V Transactions With Related Organizations.** Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35b, or 36.**Note:** Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.

	Yes	No
<b>1</b> During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?		
<b>a</b> Receipt of (i) interest, (ii) annuities, (iii) royalties, or (iv) rent from a controlled entity .....	<b>1a</b>	X
<b>b</b> Gift, grant, or capital contribution to related organization(s) .....	<b>1b</b>	X
<b>c</b> Gift, grant, or capital contribution from related organization(s) .....	<b>1c</b>	X
<b>d</b> Loans or loan guarantees to or for related organization(s) .....	<b>1d</b>	X
<b>e</b> Loans or loan guarantees by related organization(s) .....	<b>1e</b>	X
<b>f</b> Dividends from related organization(s) .....	<b>1f</b>	X
<b>g</b> Sale of assets to related organization(s) .....	<b>1g</b>	X
<b>h</b> Purchase of assets from related organization(s) .....	<b>1h</b>	X
<b>i</b> Exchange of assets with related organization(s) .....	<b>1i</b>	X
<b>j</b> Lease of facilities, equipment, or other assets to related organization(s) .....	<b>1j</b>	X
<b>k</b> Lease of facilities, equipment, or other assets from related organization(s) .....	<b>1k</b>	X
<b>l</b> Performance of services or membership or fundraising solicitations for related organization(s) .....	<b>1l</b>	X
<b>m</b> Performance of services or membership or fundraising solicitations by related organization(s) .....	<b>1m</b>	X
<b>n</b> Sharing of facilities, equipment, mailing lists, or other assets with related organization(s) .....	<b>1n</b>	X
<b>o</b> Sharing of paid employees with related organization(s) .....	<b>1o</b>	X
<b>p</b> Reimbursement paid to related organization(s) for expenses .....	<b>1p</b>	X
<b>q</b> Reimbursement paid by related organization(s) for expenses .....	<b>1q</b>	X
<b>r</b> Other transfer of cash or property to related organization(s) .....	<b>1r</b>	X
<b>s</b> Other transfer of cash or property from related organization(s) .....	<b>1s</b>	X
<b>2</b> If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.		

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved
(1) ARC OF FORT BEND COUNTY FOUNDATON	E	1,460,146.	LOAN DOCUMENTS
(2) ARC OF FORT BEND COUNTY FOUNDATON	R	71,134.	INTEREST PER LOAN DOCUMENTS
(3) ARC OF FORT BEND COUNTY FOUNDATON	B	82,720.	CONTRIBUTION DETAIL
(4)			
(5)			
(6)			



**Part VI Unrelated Organizations Taxable as a Partnership.** Complete if the organization answered "Yes" on Form 990, Part IV, line 37.

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

[illegible]

Provide additional information for responses to questions on Schedule R. See instructions.

## PRIVACY POLICY

CPAS, LIKE ALL PROVIDERS OF PERSONAL FINANCIAL SERVICES, ARE NOW REQUIRED BY LAW TO INFORM THEIR CLIENTS OF THEIR POLICIES REGARDING PRIVACY OF CLIENT INFORMATION. CPAS HAVE BEEN AND CONTINUE TO BE BOUND BY PROFESSIONAL STANDARDS OF CONFIDENTIALITY THAT ARE EVEN MORE STRINGENT THAN THOSE REQUIRED BY LAW. THEREFORE, WE HAVE ALWAYS PROTECTED YOUR RIGHT TO PRIVACY.

### TYPES OF NONPUBLIC PERSONAL INFORMATION WE COLLECT

WE COLLECT NONPUBLIC PERSONAL INFORMATION ABOUT YOU THAT IS EITHER PROVIDED TO US BY YOU OR OBTAINED BY US WITH YOUR AUTHORIZATION.

### PARTIES TO WHOM WE DISCLOSE INFORMATION

FOR CURRENT AND FORMER CLIENTS, WE DO NOT DISCLOSE ANY NONPUBLIC PERSONAL INFORMATION OBTAINED IN THE COURSE OF OUR PRACTICE EXCEPT AS REQUIRED OR PERMITTED BY LAW. PERMITTED DISCLOSURES INCLUDE, FOR INSTANCE, PROVIDING INFORMATION TO OUR EMPLOYEES AND, IN LIMITED SITUATIONS, TO UNRELATED THIRD PARTIES WHO NEED TO KNOW THAT INFORMATION TO ASSIST US IN PROVIDING SERVICES TO YOU. IN ALL SUCH SITUATIONS, WE STRESS THE CONFIDENTIAL NATURE OF INFORMATION BEING SHARED.

### PROTECTING THE CONFIDENTIALITY AND SECURITY OF CURRENT AND FORMER CLIENTS' INFORMATION

WE RETAIN RECORDS RELATING TO PROFESSIONAL SERVICES THAT WE PROVIDE SO THAT WE ARE BETTER ABLE TO ASSIST YOU WITH YOUR PROFESSIONAL NEEDS AND, IN SOME CASES, TO COMPLY WITH PROFESSIONAL GUIDELINES. IN ORDER TO GUARD YOUR NONPUBLIC PERSONAL INFORMATION, WE MAINTAIN PHYSICAL, ELECTRONIC, AND PROCEDURAL SAFEGUARDS THAT COMPLY WITH OUR PROFESSIONAL STANDARDS.

\*\*\*\*\*

PLEASE CALL IF YOU HAVE ANY QUESTIONS, BECAUSE YOUR PRIVACY, OUR PROFESSIONAL ETHICS, AND THE ABILITY TO PROVIDE YOU WITH QUALITY FINANCIAL SERVICES ARE VERY IMPORTANT TO US.

Real Estate Sub-Committee  
October 7, 2020, 5:00 pm am  
ZOOM MEETING MINUTES

Present: T. Zafar, M. Casey, R. Cushenberry, J. Patterson, J. Gortney, H. Marshall, L. LaVigne, C. Olivier

Absent: P. Bullard, D. Buckles

1. Income/Expense report: September YTD 2020  
Committee discussed the September 2020 Income and Expenses report. The report was accepted.
2. Lease renewals: Four properties have expiring leases – Chapman Falls, Cotter Lane, Thomas Jefferson & Wagon Wheel. After discussion, committee agreed to renew the leases with no rate increase, but to offer one-year leases instead of two-year. This is to accommodate the impact of the coronavirus on Providers, but to allow for a lease review sooner than two years.

Action Item: Committee recommends to the board to renew the leases for Chapman Falls, Cotter Lane, Thomas Jefferson and Wagon Wheel at the same lease rates, but for one year each.

3. Cost of Property Insurance: Laura informed the committee that she had completed all of the insurance renewal applications and was awaiting bids from 3 insurance companies. J. Patterson asked if Laura had contacted McDonald-Wessendorff about quoting the coverage. Laura had emailed Ali McDonald regarding our intent to lower our premiums, but had not engaged her, yet. H. Marshall, explained the ad-hoc committee wanted to review what Stella Cuellar, C & C Insurance was able to accomplish before reaching out to another insurance company.
4. Additional Insured: All properties, but one, have submitted the form.
5. Other: Laura shared two additional topics:
  - a. Parkview Ln. – the Missouri City Fire Marshall is not allowing any clients to move in until a sprinkler system is installed. Laura, J. Patterson and T. Zafar will contact him.
  - b. FBJSJL Grant – the original 2020 grant requesting \$10,000 was dedicated to funding direct program costs of our Special Olympics program. Due to COVID-19, direct programs have been suspended since mid-March. Laura amended the grant request to fund the direct Repair & Maintenance costs of our Real Estate program.

**Next meeting: Wednesday, November 4, 2020**  
**Time: 5:00 pm**

Real Estate Sub-Committee  
December 2, 2020, 5:00 pm  
ZOOM MEETING MINUTES

Present: T. Zafar, P. Bullard, D. Buckles, M. Casey, R. Cushenberry, J. Patterson, J. Gortney, H. Marshall, L. LaVigne, C. Olivier

1. Income/Expense report: October YTD 2020

Committee discussed the October 2020 Income and Expenses report. Committee wanted verification that the P&I payments to the Foundation were not included in the expenses. L. LaVigne will confirm this and report back. The report was accepted.

**NOTE: P&I payments to the Foundation were not included in the October YTD Expenses.**

2. Lease renewals: Two properties have leases expiring on 1/31/2021.

Action Item: Committee recommends the following to the board:

- a. Cypress Point Home: after a review of the CMA, committee recommends increasing the lease from \$1375 to \$1500 for a 2-year term.
- b. Worley Drive: after a review of the CMA, committee recommends offering a lease under the same terms and conditions as the expiring lease (\$1650 per month for 2 years).

3. Insurance Premiums for Properties: The Foundation will reimburse The Arc for the cost of the insurance premiums with funds from an maturing CD at Allegiance Bank. Committee members inquired about the reduction in Property Insurance premiums for 2021. L. LaVigne will provide this information to the committee.

**NOTE: 2020 Property insurance \$37,462. 2021 Property insurance \$29,691. Savings: \$7,771**

4. Fort Bend Jr. Service League Grant: As a point of information, L. LaVigne reported that the \$10,000 grant to FBJSL to fund the repairs and maintenance of our group homes was declined. The League, along with most nonprofits, suffered losses in their virtual fundraising events.

5. Parkview Ln. Sprinkler Requirements: L. LaVigne & J. Patterson met with officials from Missouri City and after explaining that our homes are not "licensed facilities", but rather the Providers are licensed, the city officials agreed that the Parkview Ln. home did not require a sprinkler system. Forgotten Angels' staff was informed and have moved in.

6. Other: T. Zafar questioned why we don't have security deposits for all properties. After review, committee agreed that we would continue to follow the practice of requiring a security deposit when the property leased to a new tenant.

**Next meeting: January 6, 2021  
Time: 5:00 pm**

## Best in the West 2020

### Expenses

	Estimated	Actual
<b>Total Expenses</b>	<b>\$10,770.50</b>	<b>\$10,319.91</b>

	Estimated	Actual
<b>Site</b>		
Safari Texas	\$1,295.00	\$1,295.00
<b>Totals</b>	<b>\$1,295.00</b>	<b>\$1,295.00</b>

<b>Publicity</b>		
Magana Media	\$3,000.00	\$3,000.00
Magana Media	\$500.00	\$500.00
<b>Totals</b>	<b>\$3,500.00</b>	<b>\$3,500.00</b>

<b>Miscellaneous</b>		
GiveSmart fee	\$2,695.00	\$ 2,695.00
Postage	\$1,180.50	\$1,180.50
Hot Spots	\$100.00	\$100.00
GiveSmart credit card fees(thru 12/2/20)	\$2,000.00	\$1,549.41
Misc CC fee		
<b>Totals</b>	<b>\$5,975.50</b>	<b>\$5,524.91</b>

<b>Misc.</b>	
<b>Totals</b>	<b>\$0.00</b>

<b>Misc.</b>	
<b>Totals</b>	<b>\$0.00</b>



# Best in the West 2020

## Income

	Estimated	Actual
<b>Total income</b>	<b>\$181,238.00</b>	<b>\$181,238.00</b>

### Miscellaneous Income

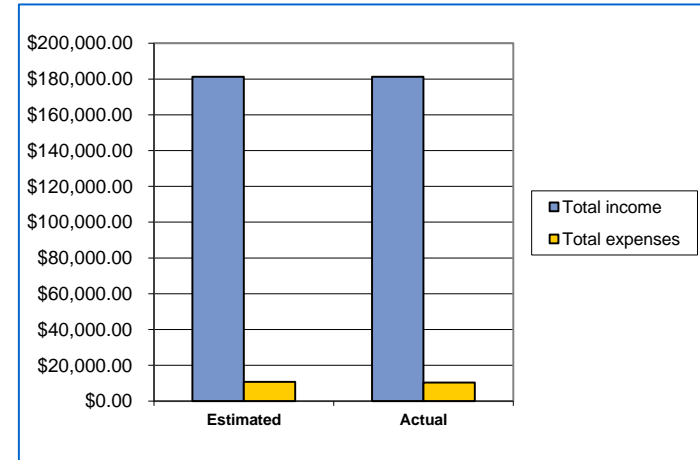
	Estimated	Actual	Estimated	Actual
			\$0.00	Estimated
			\$0.00	\$0.00
		\$0.00	\$0.00	\$0.00
			<b>\$0.00</b>	<b>\$0.00</b>

Sponsors/Donations/Auction	Estimated	Actual		
Sponsorships	\$48,000.00	\$48,000.00	Sponsorships	\$48,000.00
Instant Items	\$1,040.00	\$1,040.00	Instant Items	\$1,040.00
Donations	\$19,654.00	\$19,654.00	Donations	\$19,654.00
Live Auction	\$55,350.00	\$55,350.00	Live Auction	\$55,350.00
Bid Board	\$14,140.00	\$14,140.00	Bid Board	\$14,140.00
Silent	\$24,224.00	\$24,224.00	Silent	\$24,224.00
Raffle	\$17,380.00	\$17,380.00	Raffle	\$17,380.00
Hay (THS Grad Booster Club)	\$450.00	\$450.00	Hay (THS Grad Booster Club)	\$450.00
Hogs	\$1,000.00	\$1,000.00	Hogs	\$1,000.00
	\$0.00	\$0.00		\$0.00
	\$0.00	\$0.00		\$0.00
			<b>\$0.00</b>	<b>\$181,238.00</b>

## Best in the West 2020

### Profit - Loss Summary

	Estimated	Actual	Expenses -vs- Income
Total income	\$181,238.00	\$181,238.00	
Total expenses	\$10,770.50	\$10,319.91	
<b>Total profit (or loss)</b>	<b>\$170,467.50</b>	<b>\$170,918.09</b>	<b>5.7%</b>





## 2021 Calendar of Board Meetings & Special Events

January 25	Board Meeting	6:00 pm Meeting
March 22	Board Meeting	6:00 pm Meeting
<i>April 26</i>	<i>Annual Awards Dinner</i>	<i>6:00 pm – 9:00 pm</i>
May 24	Annual Board Meeting	6:00 pm Meeting
<i>June 21</i>	<i>Golf Classic</i>	<i>10:00 am Registration, 5:00 pm Dinner/Auction</i>
July 26	Board Meeting	6:00 pm Meeting
September 27	Board Meeting	6:00 pm Meeting
<i>November 20</i>	<i>Best in the West</i>	<i>6:00 pm, BBQ Dinner, Dance, Auctions</i>
December 13	Board Meeting	6:00 pm Meeting