

Return of Organization Exempt From Income Tax

OMB No 1545-0047

2005

Department of the Treasury
Internal Revenue ServiceUnder section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code
(except black lung benefit trust or private foundation)Open to Public
Inspection

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

A For the 2005 calendar year, or tax year beginning Jul 1, 2005, and ending Jun 30, 2006

B Check if applicable

- ☒ Address change
☐ Name change
☐ Initial return
☐ Final return
☐ Amended return
☐ Application pending

Please use
IRS label
or print
or type.
See
specific
instruc-
tions.

C Name of organization

The Arc of Tennessee, Inc.

Number and street (or P O box if mail is not delivered to street addr) Room/suite

151 Athens Way

100

City, town or country

Nashville

State ZIP code + 4

TN 37228

D Employer Identification Number

62-0639154

E Telephone number

(615) 248-5878

F Accounting method

☐ Cash ☒ Accrual☐ Other (specify)Section 501(c)(3) organizations and 4947(a)(1) nonexempt
charitable trusts must attach a completed Schedule A
(Form 990 or 990-EZ).

H and I are not applicable to section 527 organizations

H (a) Is this a group return for affiliates? ☐ Yes ☒ No

H (b) If 'Yes,' enter number of affiliates

H (c) Are all affiliates included? ☐ Yes ☐ No

(If 'No,' attach a list See instructions)

H (d) Is this a separate return filed by an
organization covered by a group ruling? ☐ Yes ☒ No

I Group Exemption Number

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

G Web site: N/A

J Organization type
(check only one)☒ 501(c) 3 (insert no) ☐ 4947(a)(1) or ☐ 527K Check here ☐ if the organization's gross receipts are normally not more than
\$25,000. The organization need not file a return with the IRS, but if the organization
chooses to file a return, be sure to file a complete return. Some states require a
complete return.

L Gross receipts Add lines 6b, 8b, 9b, and 10b to line 12 2,288,527.

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances (See Instructions)

1 Contributions, gifts, grants, and similar amounts received.

a Direct public support

1a 112,560.

b Indirect public support

1b

c Government contributions (grants)

1c 2,149,373.

d Total (add lines 1a through 1c) (cash \$ 2,261,933. noncash \$)

1d 2,261,933.

2 Program service revenue including government fees and contracts (from Part VII, line 93)

2 6,000.

3 Membership dues and assessments

3 15,412.

4 Interest on savings and temporary cash investments

4 1,238.

5 Dividends and interest from securities

5

6a Gross rents

6a 3,944.

b Less rental expenses

6b

c Net rental income or (loss) (subtract line 6b from line 6a)

6c 3,944.

7 Other investment income (describe)

7

8a Gross amount from sales of assets other
than inventory

(A) Securities

(B) Other

8a

b Less cost or other basis and sales expenses

8b

c Gain or (loss) (attach schedule)

8c

d Net gain or (loss) (combine line 8c, columns (A) and (B))

8d

9 Special events and activities (attach schedule) If any amount is from gaming, check here ☐a Gross revenue (not including \$ of contributions
reported on line 1a)

9a

b Less: direct expenses other than fundraising expenses

9b

c Net income or (loss) from special events (subtract line 9b from line 9a)

9c

10a Gross sales of inventory, less returns and allowances

10a

b Less cost of goods sold

10b

c Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)

10c

11 Other revenue (from Part VII, line 103)

11

12 Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)

12 2,288,527.

13 Program services (from line 44, column (B))

13 2,006,465.

14 Management and general (from line 44, column (C))

14 243,907.

15 Fundraising (from line 44, column (D))

15 0.

16 Payments to affiliates (attach schedule)

16

17 Total expenses (add lines 16 and 44, column (A))

17 2,250,372.

18 Excess or (deficit) for the year (subtract line 17 from line 12)

18 38,155.

19 Net assets or fund balances at beginning of year (from line 73, column (A))

19 211,776.

20 Other changes in net assets or fund balances (attach explanation)

20

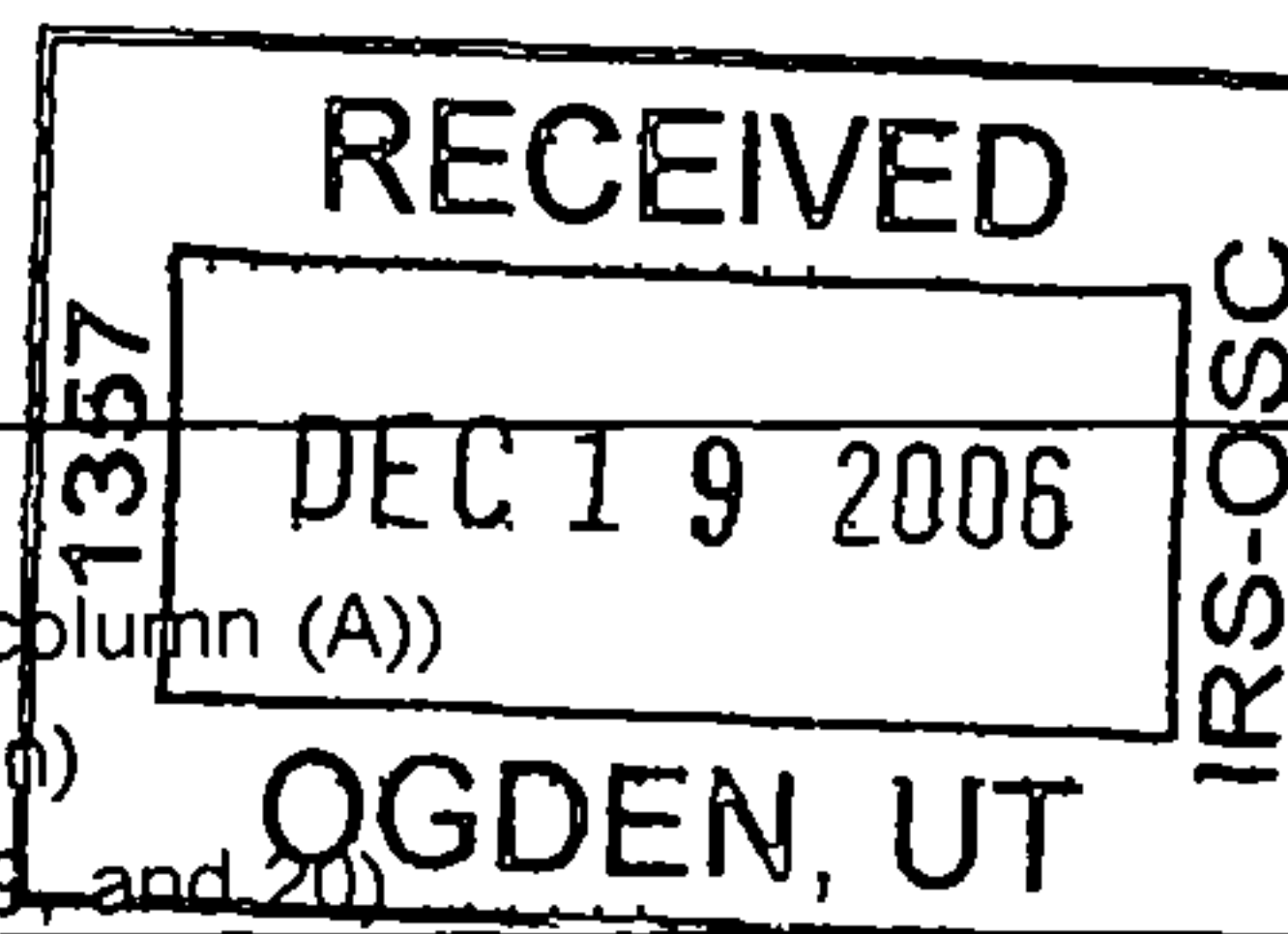
21 Net assets or fund balances at end of year (combine lines 18, 19, and 20)

21 249,931.

BAA For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions.

TEEA0101 02/03/06 Form 990 (2005)

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Part II Statement of Functional Expenses All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others.

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22 Grants and allocations (att sch) (cash \$ _____ non-cash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	22				
23 Specific assistance to individuals (att sch)	23				
24 Benefits paid to or for members (att sch)	24				
25 Compensation of officers, directors, etc	25	81,697.	52,899.	28,798.	0.
26 Other salaries and wages	26	604,549.	536,229.	68,320.	0.
27 Pension plan contributions	27	34,312.	29,456.	4,856.	0.
28 Other employee benefits	28	77,326.	61,596.	15,730.	0.
29 Payroll taxes	29	52,497.	45,068.	7,429.	0.
30 Professional fundraising fees	30				
31 Accounting fees	31	11,550.	0.	11,550.	0.
32 Legal fees	32				
33 Supplies	33	30,114.	22,865.	7,249.	0.
34 Telephone	34	24,540.	18,371.	6,169.	0.
35 Postage and shipping	35	13,135.	10,320.	2,815.	0.
36 Occupancy	36	58,476.	27,335.	31,141.	0.
37 Equipment rental and maintenance	37	36,214.	26,847.	9,367.	0.
38 Printing and publications	38	3,382.	2,950.	432.	0.
39 Travel	39	183,858.	180,761.	3,097.	0.
40 Conferences, conventions, and meetings	40	21,810.	21,163.	647.	0.
41 Interest	41				
42 Depreciation, depletion, etc (attach schedule)	42	6,793.	0.	6,793.	0.
43 Other expenses not covered above (itemize).					
a <u>Miscellaneous</u>	43a	7,016.	0.	7,016.	0.
b <u>Professional fees</u>	43b	157,242.	150,884.	6,358.	0.
c <u>Affiliation fees</u>	43c	7,875.	0.	7,875.	0.
d <u>Contracted services</u>	43d	640,855.	640,411.	444.	0.
e <u>Insurance</u>	43e	3,809.	0.	3,809.	0.
f <u>Memberships</u>	43f	999.	0.	999.	0.
g <u>See Other Expenses Stmt</u>	43g	192,323.	179,310.	13,013.	0.
44 Total functional expenses. Add lines 22 through 43 (Organizations completing columns (B) - (D), carry these totals to lines 13 - 15)	44	2,250,372.	2,006,465.	243,907.	0.

Joint Costs. Check ☐ if you are following SOP 98-2Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? ☐ Yes ☒ No

If 'Yes,' enter (i) the aggregate amount of these joint costs \$ _____, (ii) the amount allocated to Program services

\$ _____; (iii) the amount allocated to Management and general \$ _____, and (iv) the amount allocated

to Fundraising \$ _____.

BAA

Form 990 (2005)

Part III Statement of Program Service Accomplishments

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

What is the organization's primary exempt purpose? ▶ <u>To promote the general wellbeing of all citizens with mental re</u> All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable. (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others.)	Program Service Expenses (Required for 501(c)(3) and (4) organizations and 4947(a)(1) trusts, but optional for others.)
a <u>To promote the objective of community capacity building by</u> <u>providing public awareness through the Legislative Monitor.</u> ----- ----- ----- (Grants and allocations \$ <u>39,826.</u>) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	<u>46,175.</u>
b <u>To promote advocacy, education and public awareness.</u> ----- ----- ----- (Grants and allocations \$ <u>386,341.</u>) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	<u>335,949.</u>
c <u>To promote support collaboration between families of students</u> <u>receiving special education services, public school teachers,</u> <u>and LEAs.</u> ----- ----- (Grants and allocations \$ <u>82,803.</u>) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	<u>105,928.</u>
d <u>To promote WorkFORCE continuation</u> ----- ----- ----- (Grants and allocations \$ <u>675,997.</u>) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	<u>664,883.</u>
e Other program services <u>See attached</u> (Grants and allocations \$ <u>964,406.</u>) If this amount includes foreign grants, check here ▶ <input type="checkbox"/>	<u>853,530.</u>
f Total of Program Service Expenses (should equal line 44, column (B), Program services) ▶	<u>2,006,465.</u>

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Form 990 (2005)

Part IV Balance Sheets (See Instructions)**Note:** Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.

		(A) Beginning of year		(B) End of year
ASSETS	45 Cash – non-interest-bearing	-74,977.	45	-65,848.
	46 Savings and temporary cash investments	81,610.	46	147,582.
	47a Accounts receivable	20,260.		
	b Less allowance for doubtful accounts		47c	20,260.
	48a Pledges receivable			
	b Less allowance for doubtful accounts		48c	
	49 Grants receivable	271,081.	49	274,824.
	50 Receivables from officers, directors, trustees, and key employees (attach schedule)		50	
	51a Other notes & loans receivable (attach sch)			
	b Less allowance for doubtful accounts		51c	
	52 Inventories for sale or use		52	
	53 Prepaid expenses and deferred charges	10,305.	53	9,969.
	54 Investments – securities (attach schedule) <input type="checkbox"/> Cost <input type="checkbox"/> FMV		54	
	55a Investments – land, buildings, & equipment basis			
	b Less accumulated depreciation (attach schedule)		55c	
56 Investments – other (attach schedule)		56		
57a Land, buildings, and equipment basis	123,340.			
b Less accumulated depreciation (attach schedule)	100,668.	57c	22,672.	
58 Other assets (describe <input type="checkbox"/>)		58		
59 Total assets (must equal line 74). Add lines 45 through 58	330,800.	59	409,459.	
LIABILITIES	60 Accounts payable and accrued expenses	71,011.	60	135,399.
	61 Grants payable		61	
	62 Deferred revenue	327.	62	
	63 Loans from officers, directors, trustees, and key employees (attach schedule)		63	
	64a Tax-exempt bond liabilities (attach schedule)		64a	
	b Mortgages and other notes payable (attach schedule)	15,000.	64b	
	65 Other liabilities (describe <input type="checkbox"/> Funds held as custodian)	32,686.	65	24,129.
	66 Total liabilities. Add lines 60 through 65	119,024.	66	159,528.
NET ASSETS OR FUND BALANCES	Organizations that follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74			
	67 Unrestricted	174,792.	67	213,007.
	68 Temporarily restricted	36,984.	68	36,924.
	69 Permanently restricted		69	
	Organizations that do not follow SFAS 117, check here <input type="checkbox"/> and complete lines 70 through 74.			
	70 Capital stock, trust principal, or current funds		70	
	71 Paid-in or capital surplus, or land, building, and equipment fund		71	
	72 Retained earnings, endowment, accumulated income, or other funds		72	
	73 Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72, column (A) must equal line 19; column (B) must equal line 21)	211,776.	73	249,931.
	74 Total liabilities and net assets/fund balances. Add lines 66 and 73	330,800.	74	409,459.

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Form 990 (2005)

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

a	Total revenue, gains, and other support per audited financial statements	a	2,288,527.
b	Amounts included on line a but not on Part I, line 12		
	1 Net unrealized gains on investments	b1	
	2 Donated services and use of facilities	b2	
	3 Recoveries of prior year grants	b3	
	4 Other (specify) _____	b4	
	Add lines b1 through b4	b	
c	Subtract line b from line a	c	2,288,527.
d	Amounts included on Part I, line 12, but not on line a :		
	1 Investment expenses not included on Part I, line 6b	d1	
	2 Other (specify) _____	d2	
	Add lines d1 and d2	d	
e	Total revenue (Part I, line 12) Add lines c and d	e	2,288,527.

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

a	Total expenses and losses per audited financial statements	a	2,250,372.
b	Amounts included on line a but not on Part I, line 17		
	1 Donated services and use of facilities	b1	
	2 Prior year adjustments reported on Part I, line 20	b2	
	3 Losses reported on Part I, line 20	b3	
	4 Other (specify) _____	b4	
	Add lines b1 through b4	b	
c	Subtract line b from line a	c	2,250,372.
d	Amounts included on Part I, line 17, but not on line a :		
	1 Investment expenses not included on Part I, line 6b	d1	
	2 Other (specify) _____	d2	
	Add lines d1 and d2	d	
e	Total expenses (Part I, line 17) Add lines c and d	e	2,250,372.

Part V-A Current Officers, Directors, Trustees, and Key Employees (List each person who was an officer, director, trustee, or key employee at any time during the year even if they were not compensated.) (See the instructions.)

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans and deferred compensation plans	(E) Expense account and other allowances
Walter Rogers Nashville, Tn	Executive Director 40	81,697.	4,085.	0.
Vonda Berry Fayetteville, Tn	Board Member 1	0.	0.	0.
Glenda Bond Crossville, Tn	Board Member 1	0.	0.	0.
Claudia Avila Antioch, Tn	Board Member 1	0.	0.	0.
Richard Burke Hixson, Tn	Board Member 1	0.	0.	0.
See List of Officers, Etc Statement				

Yes	No
-----	----

75b

75c

75d

d Does the organization have a written conflict of interest policy?

Benefits (If any former officer, director, trustee, or key employee received compensation or other benefits (described below) during the year, list that person below and enter the amount of compensation or other benefits in the appropriate column. See the instructions.)

[illegible]

	Yes	No
--	-----	----

76

77

78a

78b

79

80 a

81 a 0.

b Did the organization file **Form 1120-POL** for this year?

81 b

Part VI Other Information (continued)

		Yes	No
82 a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?		X
82 b	If 'Yes,' you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II (See instructions in Part III.)		
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	X	
83 b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	X	
84 a	Did the organization solicit any contributions or gifts that were not tax deductible?		X
84 b	If 'Yes,' did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?		
85 a	501(c)(4), (5), or (6) organizations Were substantially all dues nondeductible by members?		
85 b	Did the organization make only in-house lobbying expenditures of \$2,000 or less?		
If 'Yes' was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year.			
85 c	Dues, assessments, and similar amounts from members		
85 d	Section 162(e) lobbying and political expenditures		
85 e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices		
85 f	Taxable amount of lobbying and political expenditures (line 85d less 85e)		
85 g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?		
85 h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?		
86 a	501(c)(7) organizations Enter: a Initiation fees and capital contributions included on line 12		
86 b	b Gross receipts, included on line 12, for public use of club facilities		
87 a	501(c)(12) organizations. Enter: a Gross income from members or shareholders		
87 b	b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)		
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? If 'Yes,' complete Part IX		X
89 a	501(c)(3) organizations Enter. Amount of tax imposed on the organization during the year under section 4911 <u>0.</u> , section 4912 <u>0.</u> , section 4955 <u>0.</u>		
89 b	501(c)(3) and 501(c)(4) organizations Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If 'Yes,' attach a statement explaining each transaction		X
	c Enter. Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958 <u>0.</u>		
	d Enter. Amount of tax on line 89c, above, reimbursed by the organization <u>0.</u>		
90 a	List the states with which a copy of this return is filed <u>Tennessee</u>		
90 b	Number of employees employed in the pay period that includes March 12, 2005 (See instructions.)		10
91 a	The books are in care of <u>Nicole Davidson</u> Telephone number <u>(615) 248-5878</u> Located at <u>151 Athens Way Suite 100 Nashville, Tennessee</u> ZIP + 4 <u>37228</u>		
91 b	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)? If 'Yes,' enter the name of the foreign country _____		X
91 c	See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Statements c At any time during the calendar year, did the organization maintain an office outside of the United States? If 'Yes,' enter the name of the foreign country _____		X
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041 – Check here <input type="checkbox"/> and enter the amount of tax-exempt interest received or accrued during the tax year <u>92</u>		

BAA

Form 990 (2005)

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

Note: Enter gross amounts unless otherwise indicated

	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue:					
a Meetings and conferences					6,000.
b					
c					
d					
e					
f Medicare/Medicaid payments					
g Fees & contracts from government agencies					
94 Membership dues and assessments					15,412.
95 Interest on savings & temporary cash invmnts			14	1,238.	
96 Dividends & interest from securities					
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property			16	3,944.	
98 Net rental income or (loss) from pers prop					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory					
103 Other revenue: a					
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))				5,182.	21,412.
105 Total (add line 104, columns (B), (D), and (E))					26,594.

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

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See the instructions.)

Line No.	Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes)
93 (a)	Meetings and conferences to provide information to members
94	To develop unity in chapters, to furnish information to the public for public awareness, and to offer education and training sessions.

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See the instructions.) N/A

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
	%			
	%			
	%			
	%			

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

a Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?

☐ Yes ☒ No

b Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?

☐ Yes ☒ No

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

Please Sign Here	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.			
	Signature of officer	Date		
	Walter F. Rogers			
	WALTER F. ROGERS, EXECUTIVE DIRECTOR			

Paid Preparer's Use Only	Preparer's signature	Date	Check if self-employed <input checked="" type="checkbox"/>	Preparer's SSN or PTIN (See General Instruction W)
	Nancy C. Crabtree, CPA	11/30/06		
	Firm's name (or yours if self-employed), address, and ZIP + 4	EIN	Phone no	
	Nancy C. Crabtree CPA 6150 Jocelyn Hollow Road Nashville TN 37205			

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

**Organization Exempt Under
Section 501(c)(3)**

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

Supplementary Information — (See separate instructions.)

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

OMB No 1545-0047

2005

Name of the organization

The Arc of Tennessee, Inc.

Employer identification number

62-0639154

Part I

Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees

(See instructions. List each one. If there are none, enter 'None'.)

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans and deferred compensation	(e) Expense account and other allowances
Steve Jacobs Nashville, Tn	Assistant Exec. Director 40	62,303.	3,115.	0.
Total number of other employees paid over \$50,000 ►		None		

Part II – A

Compensation of the Five Highest Paid Independent Contractors for Professional Services

(See instructions. List each one (whether individuals or firms). If there are none, enter 'None'.)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
Film House Inc. 810 Dominican Drive Nashville, Tn 37228	Film production	84,936.
Total number of others receiving over \$50,000 for professional services ►		None

Part II – B

Compensation of the Five Highest Paid Independent Contractors for Other Services

(List each contractor who performed services other than professional services, whether individuals or firms. If there are none, enter 'None'. See instructions.)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
University of Tennessee Knoxville, Tennessee 37996	WorkFORCE collaboration	231,500.
Workforce Connections P.O. Box 51650 Knoxville, Tn 37950	WorkFORCE collaboration	114,207.
Southeast Tennessee Development District 535 Chestnut St. Suite 300 Chattanooga, Tn 37405	WorkFORCE collaboration	96,863.
Alliance Business & Training 386 Hwy. 91 Elizabethton, Tn 37644	WorkFORCE collaboration	71,823.
South Central Tennessee Workforce Alliance #8 Courthouse Square Columbia, Tn 38401	WorkFORCE collaboration	67,659.
Total number of other contractors receiving over \$50,000 for other services ►		1

BAA For Paperwork Reduction Act Notice, see the Instructions for Form 990 and Form 990-EZ.

Schedule A (Form 990 or 990-EZ) 2005

Part III Statements About Activities (See instructions.)

Yes No

- 1 During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If 'Yes,' enter the total expenses paid or incurred in connection with the lobbying activities **\$ 12,690.**
(Must equal amounts on line 38, Part VI-A, or line i of Part VI-B.)

1

X

Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking 'Yes' must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities.

- 2 During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is 'Yes,' attach a detailed statement explaining the transactions.)

a Sale, exchange, or leasing of property?

2a

X

b Lending of money or other extension of credit?

2b

X

c Furnishing of goods, services, or facilities?

2c

X

d Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)?

2d

X

e Transfer of any part of its income or assets?

2e

X

- 3a Do you make grants for scholarships, fellowships, student loans, etc? (If 'Yes,' attach an explanation of how you determine that recipients qualify to receive payments.)

3a

X

b Do you have a section 403(b) annuity plan for your employees?

3b

X

c During the year, did the organization receive a contribution of qualified real property interest under section 170(h)?

3c

X

- 4a Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds?

4a

X

b Do you provide credit counseling, debt management, credit repair, or debt negotiation services?

4b

X

Part IV Reason for Non-Private Foundation Status (See instructions.)

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

- 5 ☐ A church, convention of churches, or association of churches. Section 170(b)(1)(A)(i).
- 6 ☐ A school. Section 170(b)(1)(A)(ii). (Also complete Part V.)
- 7 ☐ A hospital or a cooperative hospital service organization. Section 170(b)(1)(A)(iii).
- 8 ☐ A Federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v).
- 9 ☐ A medical research organization operated in conjunction with a hospital. Section 170(b)(1)(A)(iii). Enter the hospital's name, city, and state: _____
- 10 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit. Section 170(b)(1)(A)(iv). (Also complete the **Support Schedule** in Part IV-A.)
- 11a ☐ An organization that normally receives a substantial part of its support from a governmental unit or from the general public. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 11b ☐ A community trust. Section 170(b)(1)(A)(vi). (Also complete the **Support Schedule** in Part IV-A.)
- 12 ☒ An organization that normally receives (1) more than 33-1/3% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc., functions — subject to certain exceptions, and (2) no more than 33-1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975. See section 509(a)(2). (Also complete the **Support Schedule** in Part IV-A.)
- 13 ☐ An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in (1) lines 5 through 12 above, or (2) section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2). Check the box that describes the type of supporting organization: ☐ Type 1 ☐ Type 2 ☐ Type 3

Provide the following information about the supported organizations (See instructions.)

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

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

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

Calendar year (or-fiscal year beginning in)	(a) 2004	(b) 2003	(c) 2002	(d) 2001	(e) Total
15 Gifts, grants, and contributions received (Do not include unusual grants. See line 28)	1,752,236.	989,805.	719,139.	627,495.	4,088,675.
16 Membership fees received	15,557.	14,482.	15,345.	50,085.	95,469.
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc., purpose		16,970.	23,097.	29,999.	70,066.
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	745.	683.	949.	1,606.	3,983.
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge					
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets	9,924.	10,492.			20,416.
23 Total of lines 15 through 22	1,778,462.	1,032,432.	758,530.	709,185.	4,278,609.
24 Line 23 minus line 17	1,778,462.	1,015,462.	735,433.	679,186.	4,208,543.
25 Enter 1% of line 23	17,785.	10,324.	7,585.	7,092.	

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

b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 2001 through 2004 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts

c Total support for section 509(a)(1) test: Enter line 24, column (e)

d Add Amounts from column (e) for lines: 18 _____ 19 _____
22 _____ 26b _____

e Public support (line 26c minus line 26d total)

f Public support percentage (line 26e (numerator) divided by line 26c (denominator))

26a	
26b	
26c	
26d	
26e	
26f	%

27 Organizations described on line 12:

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

(2004) _____ 0. (2003) _____ 0. (2002) _____ 0. (2001) _____ 0.

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

(2004) _____ 0. (2003) _____ 0. (2002) _____ 0. (2001) _____ 0.

c Add Amounts from column (e) for lines: 15 4,088,675. 16 95,469.

17 70,066. 20 _____ 21 _____

d Add Line 27a total _____ 0. and line 27b total _____ 0.

e Public support (line 27c total minus line 27d total)

f Total support for section 509(a)(2) test: Enter amount from line 23, column (e) 27f 4,278,609.

g Public support percentage (line 27e (numerator) divided by line 27f (denominator))

h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))

27c	4,254,210.
27d	0.
27e	4,254,210.
27g	99.43 %
27h	0.09 %

28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2001 through 2004, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15.

Part V**Private School Questionnaire** (See instructions)
(To be completed ONLY by schools that checked the box on line 6 in Part IV)

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

Part VI-A Lobbying Expenditures by Electing Public Charities (See instructions)
(To be completed **ONLY** by an eligible organization that filed Form 5768)Check ☒ **a** if the organization belongs to an affiliated group Check ☐ **b** if you checked 'a' and 'limited control' provisions apply

Limits on Lobbying Expenditures (The term 'expenditures' means amounts paid or incurred)		(a) Affiliated group totals	(b) To be completed for ALL electing organizations
36	Total lobbying expenditures to influence public opinion (grassroots lobbying)	36	0.
37	Total lobbying expenditures to influence a legislative body (direct lobbying)	37	12,690.
38	Total lobbying expenditures (add lines 36 and 37)	38	12,690.
39	Other exempt purpose expenditures	39	2,237,682.
40	Total exempt purpose expenditures (add lines 38 and 39)	40	2,250,372.
41	Lobbying nontaxable amount Enter the amount from the following table -- <div style="display: flex; justify-content: space-between;"> <div> If the amount on line 40 is -- Not over \$500,000 Over \$500,000 but not over \$1,000,000 Over \$1,000,000 but not over \$1,500,000 Over \$1,500,000 but not over \$17,000,000 Over \$17,000,000 </div> <div> The lobbying nontaxable amount is -- 20% of the amount on line 40 \$100,000 plus 15% of the excess over \$500,000 \$175,000 plus 10% of the excess over \$1,000,000 \$225,000 plus 5% of the excess over \$1,500,000 \$1,000,000 </div> </div>	41	262,519.
42	Grassroots nontaxable amount (enter 25% of line 41)	42	65,630.
43	Subtract line 42 from line 36 Enter -0- if line 42 is more than line 36	43	0.
44	Subtract line 41 from line 38. Enter -0- if line 41 is more than line 38	44	0.

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

4 -Year Averaging Period Under Section 501(h)(Some organizations that made a section 501(h) election do not have to complete all of the five columns below.
See the instructions for lines 45 through 50)

Lobbying Expenditures During 4 -Year Averaging Period					
Calendar year (or fiscal year beginning in) ▶	(a) 2005	(b) 2004	(c) 2003	(d) 2002	(e) Total
45 Lobbying nontaxable amount	262,519.	237,858.	173,819.	139,291.	813,487.
46 Lobbying ceiling amount (150% of line 45(e))					1,220,231.
47 Total lobbying expenditures	12,690.	7,352.	914.	2,040.	22,996.
48 Grassroots non-taxable amount	65,630.	59,465.	43,455.	34,823.	203,373.
49 Grassroots ceiling amount (150% of line 48(e))					305,060.
50 Grassroots lobbying expenditures	0.	0.	0.	0.	0.

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See instructions)

N/A

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:

Yes	No	Amount

a Volunteers

b Paid staff or management (Include compensation in expenses reported on lines c through h.)

c Media advertisements

d Mailings to members, legislators, or the public

e Publications, or published or broadcast statements

f Grants to other organizations for lobbying purposes

g Direct contact with legislators, their staffs, government officials, or a legislative body

h Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means

i Total lobbying expenditures (add lines c through h.)

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

Miscellaneous Statement

Form 990-Part III-Statement of Program Services	Grants Received	Program Service Expe
<u>To provide leadership and assistance to the</u>		
<u>Direct Support Professionals of Tennessee</u>	166,955.	151,994.
<u>To provide disability workshops for persons with</u>		
<u>disabilities and their families</u>	153,085.	134,508.
<u>To provide advocacy from Institutional Provider</u>		
<u>to Personal Assistance Services</u>	332,200.	287,700.
<u>Administration of Real Choice Systems Change grant</u>	302,166.	269,328.
<u>To promote Megaconference for disability issues</u>	10,000.	10,000.
Total	<u>964,406.</u>	<u>853,530.</u>

Form 990, Page 2, Part II, Line 43

Other Expenses Stmt

	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
Other expenses not covered above (itemize):				
Donations	323.	0.	323.	0.
Lobbying	12,690.	0.	12,690.	0.
Personal assistance direct serv	83,698.	83,698.	0.	0.
Stipends	95,612.	95,612.	0.	0.
Total	<u>192,323.</u>	<u>179,310.</u>	<u>13,013.</u>	<u>0.</u>

Form 990, Page 5, Part V-A

List of Officers, Etc. Statement

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans and deferred compensation	(E) Expense account and other allowances
Bud Butler Brentwood, Tn	Treasurer 5	0.	0.	0.
Pat Butler Brentwood, Tn	Board Member 1	0.	0.	0.
Ron Butler Nashville, Tn	Past President 1	0.	0.	0.
Dixie Chambers Prospect, Tn	Board Member 1	0.	0.	0.
Jennifer Dixon Huntsville, Tn	Board Member 1	0.	0.	0.
John Eaton Tullahoma, Tn	Board Member 1	0.	0.	0.
Robin Elbe Telford, Tn	Board Member 1	0.	0.	0.
Carol Greenwald Memphis, Tn	President 5	0.	0.	0.
Brad Hall Morristown, Tn	Board Member 1	0.	0.	0.
Don Jackson Westpoint, Tn	Board Member 1	0.	0.	0.
Susan Jones Decatur, Tn	Board Member 1	0.	0.	0.

Form 990, Page 5, Part V-A
List of Officers, Etc. Statement

Continued

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans and deferred compensation	(E) Expense account and other allowances
Mary Jordan Johnson City, Tn	Board Member 1	0.	0.	0.
Cheryl Coleman Nashville, Tn	Board Member 1	0.	0.	0.
Dot Lewis Tazewell, Tn	Board Member 1	0.	0.	0.
Carolyn Long Paris, Tn	Board Member 1	0.	0.	0.
Sue Lovelace Centerville, Tn	Board Member 1	0.	0.	0.
Gina Lynette Knoxville, Tn	Secretary 5	0.	0.	0.
Louise McKown Oak Ridge, Tn	Board Member 1	0.	0.	0.
Elise McMillan Nashville, Tn	Board Member 1	0.	0.	0.
Mark Medley Knoxville, Tn	Board Member 1	0.	0.	0.
Del Ray Nichols Blountville, Tn	Board Member 1	0.	0.	0.
Madeline Nichols Blountville, Tn	Regional VP 3	0.	0.	0.
Doria Panvini Nashville, Tn	Board Member 1	0.	0.	0.
Dennis Pickard Franklin, Tn	Board Member 1	0.	0.	0.
Katie Powers Dickson, Tn.	Regional V.P. 3	0.	0.	0.
Donald Redden Dickson, Tn	Board Member 1	0.	0.	0.
Ruth Roberts Memphis, Tn	Regional VP 3	0.	0.	0.

Form 990, Page 5, Part V-A

Continued

List of Officers, Etc. Statement

(A) Name and address	(B) Title and average hours per week devoted to position	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans and deferred compensation	(E) Expense account and other allowances
LaDelle Smith Lewisburg, Tn	Board Member 1	0.	0.	0.
Kenny Tedford Knoxville, Tn	Board Member 1	0.	0.	0.
Jeanne Thomas Greenville, Tn	Board Member 1	0.	0.	0.
Teresa Turnbo LaVergne, Tn	Board Member 1	0.	0.	0.
Joanne Wilson Clarksville, Tn	Board Member 1	0.	0.	0.
Marsha Wilson Antioch, Tn	Vice-President 5	0.	0.	0.
Carol Westlake Nashville, Tn	Board Member 1	0.	0.	0.
Geneth Wolfer Apison, Tn	Board Member 1	0.	0.	0.
Debbie Decker Middleton, Tn	Board Member 1	0.	0.	0.
Gatha Logan Chattanooga, Tn	Board Member 1	0.	0.	0.
Margaret Masimore Brentwood, Tn	Board Member 1	0.	0.	0.
Beverly Mathews Memphis, Tn	Board Member 1	0.	0.	0.
Danyetta Najoli Ashland City, Tn.	Board Member 1	0.	0.	0.
Luke Randall Smyrna, Tn	Board Member 1	0.	0.	0.
Vicki Reed Union City, Tn	Board Member 1	0.	0.	0.
Holly Lu Conant Rees Nashville, Tn	Board Member 1	0.	0.	0.

**Application for Extension of Time to File an
Exempt Organization Return**

OMB No 1545 1709

► File a separate application for each return

- If you are filing for an **Automatic 3-Month Extension**, complete only **Part I** and check this box ☒
- If you are filing for an **Additional (not automatic) 3-Month Extension**, complete only **Part II** (on page 2 of this form)

Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868**Part I Automatic 3-Month Extension of Time** — Only submit original (no copies needed)**Form 990-T corporations** requesting an automatic 6-month extension — check this box and complete Part I only ☐*All other corporations (including Form 990-C filers) must use Form 7004 to request an extension of time to file income tax returns. Partnerships, REMICs and trusts must use Form 8736 to request an extension of time to file Form 1065, 1066, or 1041***Electronic Filing (e-file).** Form 8868 can be filed electronically if you want a 3-month automatic extension of time to file one of the returns noted below (6-months for corporate Form 990-T filers). However, you cannot file it electronically if you want the additional (not automatic) 3-month extension, instead you must submit the fully completed signed page 2 (Part II) of Form 8868. For more details on the electronic filing of this form, visit www.irs.gov/efile

Type or print File by the due date for filing your return. See instructions.	Name of Exempt Organization		Employer identification number	
	The Arc of Tennessee, Inc.		62-0639154	
	Number, street, and room or suite number. If a P O box, see instructions			
	151 Athens Way, #100			
	City, town or post office. For a foreign address, see instructions		state	ZIP code
	Nashville		TN	37228

Check type of return to be filed (file a separate application for each return).

<input checked="" type="checkbox"/> Form 990	<input type="checkbox"/> Form 990-T (corporation)	<input type="checkbox"/> Form 4720
<input type="checkbox"/> Form 990-BL	<input type="checkbox"/> Form 990-T (section 401(a) or 408(a) trust)	<input type="checkbox"/> Form 5227
<input type="checkbox"/> Form 990-EZ	<input type="checkbox"/> Form 990-T (trust other than above)	<input type="checkbox"/> Form 6069
<input type="checkbox"/> Form 990-PF	<input type="checkbox"/> Form 1041-A	<input type="checkbox"/> Form 8870

- The books are in the care of ► Nicole Davidson

Telephone No. ► (615) 248-5878 FAX No. ► _____

- If the organization does **not** have an office or place of business in the United States, check this box ☐
- If this is for a **Group Return**, enter the organization's four digit Group Exemption Number (GEN) _____. If this is for the **whole** group, check this box ☐. If it is for part of the group, check this box ☐ and attach a list with the names and EINs of all members the extension will cover

1 I request an automatic 3-month (6-months for a **Form 990-T corporation**) extension of time until Feb 15, 20 07, to file the exempt organization return for the organization named above. The extension is for the organization's return for

- ☐ calendar year 20__ or
- ☒ tax year beginning Jul 1, 20 05, and ending Jun 30, 20 06.

2 If this tax year is for less than 12 months, check reason ☐ Initial return ☐ Final return ☐ Change in accounting period3a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions \$ 0.b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit \$ 0.c **Balance Due.** Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions \$ 0.**Caution.** If you are going to make an electronic fund withdrawal with this Form 8868, see Form 8453-EO and Form 8879-EO for payment instructions**BAA For Privacy Act and Paperwork Reduction Act Notice, see instructions.**Form **8868** (Rev 12-2004)