

Form **990**Department of the Treasury
Internal Revenue Service**Return of Organization Exempt From Income Tax**

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

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

OMB No 1545-0047

2007-08**Open to Public Inspection**

A For the 2007 calendar year, or tax year beginning July 1 , 2007, and ending June 30 , 20 08	
B Check if applicable: <input type="checkbox"/> Address change <input type="checkbox"/> Name change <input type="checkbox"/> Initial return <input type="checkbox"/> Termination <input type="checkbox"/> Amended return <input type="checkbox"/> Application pending	C Name of organization McNeilly Center for Children Number and street (or P O box if mail is not delivered to street address) Room/suite 400 Meridian Street City or town, state or country, and ZIP + 4 Nashville, TN 37207-5922
	D Employer identification number 62 0479366
	E Telephone number (615) 255-2549
	F Accounting method. <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual <input type="checkbox"/> Other (specify) ▶
	H and I are not applicable to section 527 organizations H(a) Is this a group return for affiliates? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No H(b) If "Yes," enter number of affiliates ▶ H(c) Are all affiliates included? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (If "No," attach a list. See instructions.) H(d) Is this a separate return filed by an organization covered by a group ruling? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No I Group Exemption Number ▶
G Website: ▶	
J Organization type (check only one) ▶ <input checked="" type="checkbox"/> 501(c) (3) ◀ (insert no) <input type="checkbox"/> 4947(a)(1) or <input type="checkbox"/> 527	
K Check here ▶ <input type="checkbox"/> if the organization is not a 509(a)(3) supporting organization and its gross receipts are normally not more than \$25,000. A return is not required, but if the organization chooses to file a return, be sure to file a complete return.	
L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 ▶ 3769196	
M Check ▶ <input type="checkbox"/> if the organization is not required to attach Sch B (Form 990, 990-EZ, or 990-PF)	

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

Revenue	1	Contributions, gifts, grants, and similar amounts received:			
	a	Contributions to donor advised funds	1a	00	
	b	Direct public support (not included on line 1a)	1b	286194	
	c	Indirect public support (not included on line 1a)	1c	452576	
	d	Government contributions (grants) (not included on line 1a)	1d	317892	
	e	Total (add lines 1a through 1d) (cash \$ 1053662 noncash \$ 3000)	1e	1056662	
	2	Program service revenue including government fees and contracts (from Part VII, line 93)	2	2596504	
	3	Membership dues and assessments	3	00	
	4	Interest on savings and temporary cash investments	4	1478	
	5	Dividends and interest from securities	5	51901	
	6a	Gross rents	6a		
	b	Less rental expenses	6b		
c	Net rental income or (loss). Subtract line 6b from line 6a	6c			
7	Other investment income (describe ▶)	7			
Expenses	8a	Gross amount from sales of assets other than inventory	(A) Securities	(B) Other	
	b	Less cost or other basis and sales expenses	8a		
	c	Gain or (loss) (attach schedule)	8b		
	d	Net gain or (loss). Combine line 8c, columns (A) and (B)	8c		
	9	Special events and activities (attach schedule) If any amount is from gaming, check here ▶ <input type="checkbox"/>			
	a	Gross revenue (not including \$ of contributions reported on line 1b)	9a	61908	
	b	Less: direct expenses other than fundraising expenses	9b	48186	
	c	Net income or (loss) from special events. Subtract line 9b from line 9a	9c	13722	
	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	00	
	11	Other revenue (from Part VII, line 103)	11	743	
12	Total revenue. Add lines 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11	12	3721010		
Net Assets	13	Program services (from line 44, column (B))	13	3512744	
	14	Management and general (from line 44, column (C))	14	237809	
	15	Fundraising (from line 44, column (D))	15	109769	
	16	Payments to affiliates (attach schedule)	16	0	
	17	Total expenses. Add lines 16 and 44, column (A)	17	3860322	
	18	Excess or (deficit) for the year. Subtract line 17 from line 12	18	-139312	
	19	Net assets or fund balances at beginning of year (from line 13, column (A))	19	1822534	
	20	Other changes in net assets or fund balances (attach explanation)	20	-87802	
	21	Net assets or fund balances at end of year. Combine lines 18, 19, and 20	21	1595420	

For Privacy Act and Paperwork Reduction Act Notice, see the separate instructions. Cat No 11282Y

Form 990 (2007)

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Part II Statement of Functional Expenses

All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others. (See the instructions.)

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.		(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22a	Grants paid from donor advised funds (attach schedule) (cash \$ _____ noncash \$ _____) If this amount includes foreign grants, check here <input type="checkbox"/>	22a 00	00		
22b	Other grants and allocations (attach schedule) (cash \$ 00 noncash \$ 00) If this amount includes foreign grants, check here <input type="checkbox"/>	22b 00	00		
23	Specific assistance to individuals (attach schedule)	23 00	00		
24	Benefits paid to or for members (attach schedule)	24 00	00		
25a	Compensation of current officers, directors, key employees, etc. listed in Part V-A	25a 108337	00	108337	00
b	Compensation of former officers, directors, key employees, etc. listed in Part V-B	25b 00	00	00	00
c	Compensation and other distributions, not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	25c 00	00	00	00
26	Salaries and wages of employees not included on lines 25a, b, and c	26 2342379	2182382	71186	88811
27	Pension plan contributions not included on lines 25a, b, and c	27 79235	74282	3260	1693
28	Employee benefits not included on lines 25a - 27	28 213454	209734	1151	2569
29	Payroll taxes	29 186921	167196	12950	6775
30	Professional fundraising fees	30 00	00	00	00
31	Accounting fees	31 15892	00	15892	00
32	Legal fees	32 1500	00	1500	00
33	Supplies	33 137381	136347	537	497
34	Telephone	34 13731	11894	1320	517
35	Postage and shipping	35 652	78	533	41
36	Occupancy	36 232831	216568	8682	7581
37	Equipment rental and maintenance	37 41168	39661	798	709
38	Printing and publications	38 2878	2627	76	175
39	Travel	39 11007	9887	1004	116
40	Conferences, conventions, and meetings	40 10984	9755	1044	185
41	Interest	41 00	00	00	00
42	Depreciation, depletion, etc. (attach schedule)	42 84079	79965	4114	00
43	Other expenses not covered above (itemize):				
a	Employee/Client Assistance	43a 30144	29594	450	100
b	Food Costs	43b 306623	306623	00	00
c	Field Trips/Enrichments	43c 21163	21163	00	00
d	Bad Debt	43d 10000	10000	00	00
e	Employee's Continuing Education	43e 4589	4589	00	00
f	Dues	43f 904	399	505	00
g	Bank Charges/Fees	43g 4470	00	4470	00
44	Total functional expenses. Add lines 22a through 43g. (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	44 3860322	3512744	237809	109769

Joint Costs. Check ☐ if you are following SOP 98-2.

Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? ☐ Yes ☒ No

If "Yes," enter (i) the aggregate amount of these joint costs \$ _____; (ii) the amount allocated to Program services \$ _____; (iii) the amount allocated to Management and general \$ _____; and (iv) the amount allocated to Fundraising \$ _____

Part III Statement of Program Service Accomplishments (See the instructions.)

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? ► **Childcare**

All organizations must describe their exempt purpose achievements in a clear and concise manner. State the number of clients served, publications issued, etc. Discuss achievements that are not measurable (Section 501(c)(3) and (4) organizations and 4947(a)(1) nonexempt charitable trusts must also enter the amount of grants and allocations to others)

Program Service Expenses
(Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts, but optional for others)

a To provide high quality child care for children 6 weeks to 12 years of age that is affordable to low income families, which includes income-based scholarships, Parenting Education and support, Preschool Literacy Program and both Pre-K and HeadStart programs.

933 children served - 531 in a nationally accredited Early Education program

402 children in after-school and summer care

(Grants and allocations \$) If this amount includes foreign grants, check here ► ☐

3512744

b

(Grants and allocations \$) If this amount includes foreign grants, check here ► ☐

c

(Grants and allocations \$) If this amount includes foreign grants, check here ► ☐

d

(Grants and allocations \$) If this amount includes foreign grants, check here ► ☐

e Other program services (attach schedule)

(Grants and allocations \$) If this amount includes foreign grants, check here ► ☐

f Total of Program Service Expenses (should equal line 44, column (B), Program services) . . . ►

3512744

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

		(A) Beginning of year		(B) End of year
Assets	45 Cash—non-interest-bearing	62035	45	5685
	46 Savings and temporary cash investments	181710	46	96882
	47a Accounts receivable	47a 216675		
	b Less: allowance for doubtful accounts	47b 3928	184258	47c 212747
	48a Pledges receivable	48a 00		
	b Less: allowance for doubtful accounts	48b 00	00	48c 00
	49 Grants receivable		00	49 00
	50a Receivables from current and former officers, directors, trustees, and key employees (attach schedule)		00	50a 00
	b Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) (attach schedule)		00	50b 00
	51a Other notes and loans receivable (attach schedule)	51a 00		
	b Less: allowance for doubtful accounts	51b 00	00	51c 00
	52 Inventories for sale or use		00	52 00
	53 Prepaid expenses and deferred charges		30620	53 26971
	54a Investments—publicly-traded securities <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV		652332	54a 539128
	b Investments—other securities (attach schedule) <input type="checkbox"/> Cost <input type="checkbox"/> FMV			54b
	55a Investments—land, buildings, and equipment: basis	55a 00		
	b Less: accumulated depreciation (attach schedule)	55b 00	00	55c 00
	56 Investments—other (attach schedule)		00	56 00
	57a Land, buildings, and equipment: basis	57a 1911934		
b Less: accumulated depreciation (attach schedule)	57b 958620	998766	57c 953314	
58 Other assets, including program-related investments (describe ►)		00	58 00	
59 Total assets (must equal line 74) Add lines 45 through 58		2109721	59 1834727	
Liabilities	60 Accounts payable and accrued expenses	206730	60	226434
	61 Grants payable	00	61	00
	62 Deferred revenue	80457	62	12873
	63 Loans from officers, directors, trustees, and key employees (attach schedule)	00	63	00
	64a Tax-exempt bond liabilities (attach schedule)	00	64a	00
	b Mortgages and other notes payable (attach schedule)	00	64b	00
	65 Other liabilities (describe ►)	00	65	00
66 Total liabilities. Add lines 60 through 65		287187	66 239307	
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	1731434	67	1025879
	68 Temporarily restricted	91100	68	569541
	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 and column (B) must equal line 21)	1822534	73	1595420
	74 Total liabilities and net assets/fund balances. Add lines 66 and 73	2109721	74	1834727

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

Instructions.			a	N/A
a	Total revenue, gains, and other support per audited financial statements			
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	
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	N/A

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

a	Total expenses and losses per audited financial statements		a	N/A
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	
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	N/A

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.)

[illegible]

Part V-A Current Officers, Directors, Trustees, and Key Employees <i>(continued)</i>		Yes	No
75a Enter the total number of officers, directors, and trustees permitted to vote on organization business at board meetings 19			
b Are any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, related to each other through family or business relationships? If "Yes," attach a statement that identifies the individuals and explains the relationship(s) .	75b		✓
c Do any officers, directors, trustees, or key employees listed in Form 990, Part V-A, or highest compensated employees listed in Schedule A, Part I, or highest compensated professional and other independent contractors listed in Schedule A, Part II-A or II-B, receive compensation from any other organizations, whether tax exempt or taxable, that are related to the organization? See the instructions for the definition of "related organization." ▶ If "Yes," attach a statement that includes the information described in the instructions.	75c		✓
d Does the organization have a written conflict of interest policy?	75d		✓

Part V-B Former Officers, Directors, Trustees, and Key Employees That Received Compensation or Other 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.)

(A) Name and address	(B) Loans and Advances	(C) Compensation (if not paid, enter -0-)	(D) Contributions to employee benefit plans & deferred compensation plans	(E) Expense account and other allowances

Part VI Other Information <i>(See the instructions.)</i>		Yes	No
76 Did the organization make a change in its activities or methods of conducting activities? If "Yes," attach a detailed statement of each change	76		✓
77 Were any changes made in the organizing or governing documents but not reported to the IRS? . If "Yes," attach a conformed copy of the changes.	77	✓	
78a Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	78a		✓
b If "Yes," has it filed a tax return on Form 990-T for this year?	78b		✓
79 Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement	79		✓
80a Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization?	80a		✓
b If "Yes," enter the name of the organization ▶ _____ and check whether it is <input type="checkbox"/> exempt or <input type="checkbox"/> nonexempt			
81a Enter direct and indirect political expenditures (See line 81 instructions) 81a			
b Did the organization file Form 1120-POL for this year?	81b		✓

Part VI Other Information (continued)		Yes	No
82a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?		✓
b	If "Yes," you may indicate the value of these items here. Do not include this amount as revenue in Part I or as an expense in Part II. (See instructions in Part III)	82b	
83a	Did the organization comply with the public inspection requirements for returns and exemption applications?	✓	
b	Did the organization comply with the disclosure requirements relating to <i>quid pro quo</i> contributions?	✓	
84a	Did the organization solicit any contributions or gifts that were not tax deductible?		✓
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	84b	✓
85a	501(c)(4), (5), or (6). Were substantially all dues nondeductible by members?	85a	✓
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	85b	✓
c	Dues, assessments, and similar amounts from members	85c	
d	Section 162(e) lobbying and political expenditures	85d	
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85e	
f	Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f	
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	85g	✓
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85h	✓
86	501(c)(7) orgs. Enter: a Initiation fees and capital contributions included on line 12	86a	
b	Gross receipts, included on line 12, for public use of club facilities	86b	
87	501(c)(12) orgs. Enter: a Gross income from members or shareholders	87a	
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	87b	
88a	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	88a	✓
b	At any time during the year, did the organization, directly or indirectly, own a controlled entity within the meaning of section 512(b)(13)? If "Yes," complete Part XI	88b	✓
89a	501(c)(3) organizations. Enter. Amount of tax imposed on the organization during the year under: section 4911 ; section 4912 ; section 4955		
b	501(c)(3) and 501(c)(4) orgs. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction	89b	✓
c	Enter. Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958		
d	Enter. Amount of tax on line 89c, above, reimbursed by the organization		
e	All organizations. At any time during the tax year, was the organization a party to a prohibited tax shelter transaction?	89e	✓
f	All organizations. Did the organization acquire a direct or indirect interest in any applicable insurance contract?	89f	✓
g	For supporting organizations and sponsoring organizations maintaining donor advised funds. Did the supporting organization, or a fund maintained by a sponsoring organization, have excess business holdings at any time during the year?	89g	✓
90a	List the states with which a copy of this return is filed	Tennessee	
b	Number of employees employed in the pay period that includes March 12, 2007 (See instructions)	90b	107
91a	The books are in care of	Melba Marcum	
	Located at	400 Meridian Street, Nashville, TN	
	Telephone no.	(615) 255-2549	
	ZIP + 4	37207-5922	
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	91b	✓
	See the instructions for exceptions and filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts		

Part VI Other Information (continued)

Yes No

c At any time during the calendar year, did the organization maintain an office outside of the United States? **91c** ☐ Yes ☒ No
 If "Yes," enter the name of the foreign country: _____

92 Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041—Check here ☐ **92**
 and enter the amount of tax-exempt interest received or accrued during the tax year: _____

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 Child care Fees					790294
b Metro Nashville Government					41993
c HeadStart (MDHA)					258474
d TN Department of Human Services					1505743
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments			14	1478	
96 Dividends and interest from securities			14	51901	
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events			1	13722	
102 Gross profit or (loss) from sales of inventory					
103 Other revenue: a TN Worker's Comp surplus			1	473	
b Salvation Army-reim damage to McNeilly items			1	270	
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))				67844	2596504
105 Total (add line 104, columns (B), (D), and (E))					2664348

Note: Line 105 plus line 1e, 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)
93a	Fees collected from clients for childcare to enable center to operate
93b	Fees provided to offer a State Pre-K program within the center-enriching the child's educational experience & S/A summer camp
93c	Fees provided to operate a HeadStart program within the center-enriching the child's educational experience
93d	Fees directly paying all or a portion of the client's childcare thus making the service affordable

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

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

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).

Part XI Information Regarding Transfers To and From Controlled Entities. Complete only if the organization is a controlling organization as defined in section 512(b)(13).

106 Did the reporting organization **make** any transfers to a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity.

Yes	No
	✓

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a				
b				
c				
Totals				

107 Did the reporting organization **receive** any transfers from a controlled entity as defined in section 512(b)(13) of the Code? If "Yes," complete the schedule below for each controlled entity.

Yes	No
	✓

	(A) Name, address, of each controlled entity	(B) Employer Identification Number	(C) Description of transfer	(D) Amount of transfer
a				
b				
c				
Totals				

108 Did the organization have a binding written contract in effect on August 17, 2006, covering the interest, rents, royalties, and annuities described in question 107 above?

Yes	No
	✓

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Please Sign Here

Signature of officer: Melba Marcum Date: 7-24-08

Type or print name and title: Melba Marcum, Executive Director

Paid Preparer's Use Only

Preparer's signature: _____ Date: _____ Check if self-employed: ☐ Preparer's SSN or PTIN (See Gen. Inst. X): _____

Firm's name (or yours if self-employed), address, and ZIP + 4: _____ EIN: _____ Phone no: () _____

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

2007

Name of the organization

McNeilly Center for Children

Employer identification number

62 : 0479366

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

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
Joanne Chase 2230 Nashboro Blvd, Nashville, TN 37217	Program Director-40	59252	6672	0
Claynita Harris 8405 Old Harding Pike, Nashville, TN 37221	Business Manager- 40	70308	4164	0
Total number of other employees paid over \$50,000 ▶		2		

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

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
Total number of others receiving over \$50,000 for professional services ▶		0

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 page 2 of the instructions.)

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
Total number of other contractors receiving over \$50,000 for other services ▶		0

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

Yes No

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

1 ✓

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 ✓

b Lending of money or other extension of credit?

2b ✓

c Furnishing of goods, services, or facilities?

2c ✓

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

2d ✓

See Part V-A (990)

e Transfer of any part of its income or assets?

2e ✓

- 3a** Did the organization make grants for scholarships, fellowships, student loans, etc.? (If "Yes," attach an explanation of how the organization determines that recipients qualify to receive payments)

3a ✓

b Did the organization have a section 403(b) annuity plan for its employees?

3b ✓

c Did the organization receive or hold an easement for conservation purposes, including easements to preserve open space, the environment, historic land areas or historic structures? If "Yes," attach a detailed statement

3c ✓

d Did the organization provide credit counseling, debt management, credit repair, or debt negotiation services?

3d ✓

- 4a** Did the organization maintain any donor advised funds? If "Yes," complete lines 4b through 4g. If "No," complete lines 4f and 4g

4a ✓

b Did the organization make any taxable distributions under section 4966?

4b ✓

c Did the organization make a distribution to a donor, donor advisor, or related person?

4c ✓

d Enter the total number of donor advised funds owned at the end of the tax year ▶

0

e Enter the aggregate value of assets held in all donor advised funds owned at the end of the tax year ▶

0

f Enter the total number of separate funds or accounts owned at the end of the tax year (excluding donor advised funds included on line 4d) where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts ▶

0

g Enter the aggregate value of assets held in all funds or accounts included on line 4f at the end of the tax year ▶

0

Part IV Reason for Non-Private Foundation Status (See pages 4 through 8 of the instructions.)I certify that 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 otherwise meets the requirements of section 509(a)(3). Check the box that describes the type of supporting organization:
- ☐ Type I ☐ Type II ☐ Type III-Functionally Integrated ☐ Type III-Other

Provide the following information about the supported organizations. (See page 8 of the instructions.)

(a) Name(s) of supported organization(s)	(b) Employer identification number (EIN)	(c) Type of organization (described in lines 5 through 12 above or IRC section)	(d) Is the supported organization listed in the supporting organization's governing documents?		(e) Amount of support
			Yes	No	
Total					▶

- 14 ☐ An organization organized and operated to test for public safety. Section 509(a)(4). (See page 8 of the instructions.)

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

Calendar year (or fiscal year beginning in)	(a) 2006	(b) 2005	(c) 2004	(d) 2003	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	936596	817498	791435	702550	3248079
16 Membership fees received	0	0	0	0	0
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	2598414	2570734	2295120	2063340	9527608
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, income from similar sources, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	83544	38277	34017	72401	228239
19 Net income from unrelated business activities not included in line 18	0	0	0	0	0
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf	0	0	0	0	0
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	0	0	0	0	0
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets	0	0	0	0	0
23 Total of lines 15 through 22	3618554	3426509	3120572	2838291	13003926
24 Line 23 minus line 17	1020140	855775	825452	774951	3476318
25 Enter 1% of line 23	36186	34265	31206	28383	
26 Organizations described on lines 10 or 11:					
a Enter 2% of amount in column (e), line 24					26a 69526
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 2003 through 2006 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts					26b 154288
c Total support for section 509(a)(1) test: Enter line 24, column (e)					26c 3476318
d Add. Amounts from column (e) for lines:					
18 228239 19 0					
22 0 26b 154288					26d 382527
e Public support (line 26c minus line 26d total)					26e 3093791
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					26f 88.99 %
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:					
(2006) (2005) (2004) (2003)					
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:					
(2006) (2005) (2004) (2003)					
c Add. Amounts from column (e) for lines:					
15 16					
17 20 21					27c
d Add Line 27a total and line 27b total					27d
e Public support (line 27c total minus line 27d total)					27e
f Total support for section 509(a)(2) test: Enter amount from line 23, column (e)					27f
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))					27g %
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))					27h %
28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2003 through 2006, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15					

Part V Private School Questionnaire (See page 9 of the instructions.)
(To be completed ONLY by schools that checked the box on line 6 in Part IV)

	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?	32a	
b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	32b	
c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32c	
d Copies of all material used by the organization or on its behalf to solicit contributions?	32d	
If you answered "No" to any of the above, please explain (If you need more space, attach a separate statement)		

33 Does the organization discriminate by race in any way with respect to.		
a Students' rights or privileges?	33a	
b Admissions policies?	33b	
c Employment of faculty or administrative staff?	33c	
d Scholarships or other financial assistance?	33d	
e Educational policies?	33e	
f Use of facilities?	33f	
g Athletic programs?	33g	
h Other extracurricular activities?	33h	
If you answered "Yes" to any of the above, please explain (If you need more space, attach a separate statement)		

34a Does the organization receive any financial aid or assistance from a governmental agency?	34a	
b Has the organization's right to such aid ever been revoked or suspended?	34b	
If you answered "Yes" to either 34a or b, please explain using an attached statement		

35 Does the organization certify that it has complied with the applicable requirements of sections 4.01 through 4.05 of Rev Proc 75-50, 1975-2 C B 587, covering racial nondiscrimination? If "No," attach an explanation	35	

Part VI-A Lobbying Expenditures by Electing Public Charities (See page 11 of the instructions.)
(To be completed **ONLY** by an eligible organization that filed Form 5768)

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

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

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

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below.
See the instructions for lines 45 through 50 on page 13 of the instructions.)

Calendar year (or fiscal year beginning in) ▶	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2007	(b) 2006	(c) 2005	(d) 2004	(e) Total
45	Lobbying nontaxable amount				
46	Lobbying ceiling amount (150% of line 45(e))				
47	Total lobbying expenditures				
48	Grassroots nontaxable amount				
49	Grassroots ceiling amount (150% of line 48(e))				
50	Grassroots lobbying expenditures				

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See page 14 of the instructions.)

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

- 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

Yes	No	Amount

Part VII Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations (See page 14 of the instructions.)

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

a Transfers from the reporting organization to a noncharitable exempt organization of

(i) Cash

(ii) Other assets

b Other transactions

(i) Sales or exchanges of assets with a noncharitable exempt organization

(ii) Purchases of assets from a noncharitable exempt organization

(iii) Rental of facilities, equipment, or other assets

(iv) Reimbursement arrangements

(v) Loans or loan guarantees

(vi) Performance of services or membership or fundraising solicitations

c Sharing of facilities, equipment, mailing lists, other assets, or paid employees

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

	Yes	No
51a(i)		✓
a(ii)		✓
b(i)		✓
b(ii)		✓
b(iii)		✓
b(iv)		✓
b(v)		✓
b(vi)		✓
c		✓

[illegible]

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

b If "Yes," complete the following schedule:

[illegible]

**McNeilly Center for Children
Meridian Street
Nashville, TN 37207
62-0479366**

July 1, 2007-June 30, 2008 Tax Year

Part 1- #1

b. Gifts/Grants(In-Kind \$3000)	286194
c.	452576
d.	<u>317892</u>
	1056662

Part 1 - #9

	Revenue	Expenses	Net
Support A Child Campaign	20800	349	20451
McNeilly in May Event	<u>41108</u>	<u>47837</u>	<u>-6729</u>
	61908	48186	13722

Part I-#20

Unrealized loss on endowment carried at market value at end of fiscal year	-87802
--	--------

Part IV - #54 - Endowment

	End Yr Mkt Value
Regions Bank- Money Market Fund	38718.49
Royce Fund #266	31699.14
#710-Pioneer Mid Cap	37761.55
#755-Pioneer Short Term Income	85398.07
#701-Pioneer Fund Class Y	75517.07
#748-Pioneer Oak Ridge Lg Cap Growth	83234.08
#702-Pioneer Value Fund Calss Y	49149.85
#720-Pioneer International Equity Fund	22475.34
#774-Pioneer Gov. Income Fund	53126.23
	<u>62048.43</u>
	539128.25

McNeilly Center For Children
400 Meridian Street
Nashville, TN 37207

ID#62-0479366

FORM 990- Part II-#42 & Part IV-#57

July 1, 2007-June 30, 2008

Description	Year	Acct #	Cost	Life Method	Prior Depreciation	Current Depreciation	Discard Adj	Accrued 6/30/2007
Land			65588 61					
Bldg B	1995	1875	479339 83	40/SL	145799 26	11983 50		157,782 76
Bldg B-Improvements	Varied	1876	51930 14	Var/SL	26300 53	5756 47		32057
Bldg A	1968	1825	280986 47	40/SL	211735 65	6892.11		218627 76
Bldg A- Improvements	Varied	1826	187589 69	Var/SL	135477.72	13881 25		149358.97
NCC Bldg	Varied	1835	311297 54	40/SL	65485 06	7782 44		73267 5
NCC Bldg Improve	Varied	1836	59484 95	Var/SL	21667.4	3630 48	323 69 *	25621 57
Playground RenoParking	Varied	1860	246053.93	15/SL	95899.76	15566 1		111465 86
NCC Equipment	Varied	1859	19365 53	Var/SL	11278 32	3636 62		14914 94
NCC Furniture/Fixtures	Varied	1863	16629 00	Var/SL	13849.75	346.71		14196.46
Educational Equip	Varied	1858	32342.41	Var/SL	22949.69	5791.41	-5137.95	23603.15
Educational Equip-SA	Varied	1857	4769 00	Var/SL	6516	0	-1747	4769
Educational Equip-Infant		1856	5741 59	Var/SL	2839 37	1428 61		4267 98
Office Equipment	Varied	#1862	46558 08	Var/SL	36054.67	3577 16	536 83 *	40168.66
Kitchen/Laundry Equip	Varied	1864	40552 68	Var/SL	29991 98	2010 27		32002 25
Bus	2000	1841	42120	Var/SL	42120 00			42120
Playground Equip	Varied	1855	21584 78	Var/SL	13461 31	934 95		14396 26
			1911934.23			83218.08	-6024.43	958620.12
					881426.47			

*07 Discarded items deprec adl

**McNeilly Center for Children
Board of Directors Meeting
Minutes—January 22, 2008**

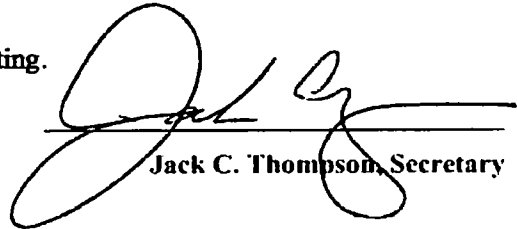
The meeting was called to order at 6:00 p.m. on January 22, 2008 by Casey King, Chairman. A quorum of Directors was present. See attached attendance sheet for those present at the meeting.

The following terms were discussed and actions taken at the meeting.

1. **Approval of the Minutes:** The minutes from the October 23, 2007 Board Meeting (as revised) and the November 27, 2007 Board Meeting were distributed. **The Board unanimously approved said minutes.**
2. **Financials:** Casey King reported the December financials. Casey noted that Turner grant expected in December was not received, representing the shortfall in projected grants illustrated in the financial report. There is still a possibility the grant will be awarded at a later date. Donations for the month were approximately \$18,000 above projections thanks to \$20,000 donation from Melba Marcum noted actual spending by was actually closer to \$25,000, all part of Christmas gifting. The \$20,000 is expensed out in the financials. Casey noted that the DHS Certificate funds for December were below projections, but offset to a large extent by increased Program Fees.
3. **Endowment:** Al Waldrop and Bob Hannon presented proposed forms of endowment for McNeilly, and presented Board with the McNeilly Endowment Fund Procedures and Guidelines that will control McNeilly's endowment fund to be held at Regions Bank. Al proposed a possible split system of endowment, including the Regions account and/or a Community Foundation account. Al suggested an amount of approximately \$100,000 for an unrestricted "rainy day fund" be set aside separately from any restricted endowment funds. Bob described in detail the terms of Community Foundation endowment, noting the rates of return, restrictions, and value added benefits of participation with the Community Foundation. It was requested that the Community Foundation be invited to make a formal presentation at the March Board Meeting. Al and Bob informed the Board that approximately \$619,000 has been identified for possible contribution to one or more McNeilly endowment funds, at the option of the Board. **The Board unanimously approved adoption of the McNeilly Endowment Fund Procedures and Guidelines and the establishment of an endowment account at Regions Bank, and to initially transfer 10 percent of funds currently identified for possible contribution to endowment account(s) into the Regions fund.**
4. **Development:** Melba Marcum discussed grants and deadlines for submitting grant proposals, and reviewed current status of grants and applications. Olivia Nash discussed corporate giving developments. Emily Cook presented the Development Committee's thoughts on giving outside of prescribed corporate giving levels, and the need to identify discrete projects needing funding so as to provide potential donors with specific options for designated giving. Olivia also discussed Guess Who's Coming to Dinner program.
5. **McNeilly in May:** Bob Hannon relayed developments of 2008 McNeilly in May event. We have hired the Buntin advertising firm to advertise event. Bob presented table sales campaign and need for Director's help in selling same. Bob also discussed silent auction and need for donated items.
6. **Program Report:** Melba Marcum spoke about the NAEYC accreditation recently received by McNeilly, and the higher quality and higher standards now required to obtain such accreditation.

NCC is about to go through its own separate NAEYC accreditation process. Melba also stated that McNeilly is now a Junior League program, which presents additional funding, donation, volunteering and exposure opportunities. Finally, Melba remarked that the VITA tax center program will again take place at NCC.

7. Bylaws: Bob Hannon presented the Third Amended and Restated Bylaws for approval by the Board. **The Board unanimously approved adoption of the revised Bylaws.**
8. Board and Guest Breakfast: Next breakfast to be held March 12, 2008. The January 24 luncheon has been canceled.
9. Next Meeting: March 25, 2008, HCA.
10. Adjournment: Casey King adjourned the Board Meeting.



Jack C. Thompson, Secretary

**January 22, 2008
Board Attendance**

Casey King

Jack Thompson

Bob Hannon

Scott Hylbert

Frank Drowota

Linda Mattson

Emily Cook

Jake Kraemer

Daniel Boulton

Brad Blevins

Al Waldrop

Jessica Douglass

Tom Harwell

Melba Marcum

Olivia Nash

THIRD AMENDED AND RESTATED
BY-LAWS
OF
MCNEILLY CENTER FOR CHILDREN
January 22, 2008

ARTICLE I

NAME, OFFICES AND PURPOSES

1. **Name.** The name of this organization shall be the McNEILLY CENTER FOR CHILDREN, a private, nonprofit corporation (the "Corporation").
2. **Offices.** The principal office of the Corporation shall be located at 400 Meridian Street, Nashville, TN 37027.
3. **Purposes.** The Corporation shall provide affordable, quality child care for children, ages 6 weeks to 12 years, whose parents are working, in job training or school. Parenting education and social services are provided for the families of enrolled children. Additionally, the Corporation may engage in any such additional lawful business as may be approved by the Corporation in accordance herewith.

ARTICLE II

MEMBERSHIP

The Corporation shall have no members. The affairs of the Corporation shall be managed by its Board of Directors (sometimes referred to herein as the "Board").

ARTICLE III

BOARD OF DIRECTORS

1. **Appointment and Terms.** Each director shall be appointed by the Chairman for a term of three (3) years. Terms of office for all directors shall run from July 1 of the calendar year of appointment through June 30 three years thereafter. Directors are eligible for reappointment at the discretion of the Chairman; provided, that in no event shall a director be appointed for more than four (4) consecutive terms; provided further, that if and when a director serves the maximum number of consecutive terms, he or she must step down from office for at least one (1) year before becoming eligible for reappointment.
2. **Number.** The number of directors shall be no less than ten (10) and no more than thirty (30).

3. Meetings. The annual meeting of the Board shall be held each year between April 1 and June 30, on such date and at such location as shall be determined by the Chairman, at which time the Board shall elect the officers of the Corporation, approve the budget for the upcoming fiscal year (such approval constituting authorization of all expenditures specifically described therein) and conduct other such business as described herein or as may be determined by the Chairman or the Board. Regular meetings shall be held at least every ninety (90) days, on such dates and at such locations as shall be determined by the Chairman. Special meetings may be called at any time by the Chairman, the Executive Director or any three (3) directors. The time and place of any such special meetings shall be determined by the individual(s) who call(s) the meeting.

4. Notice of Directors' Meetings. Notice of the annual and all regular Board meetings shall be provided at least two (2) days in advance by the Secretary (or any individual appointed by the Secretary to provide such notice) via telephone, facsimile, mail or e-mail. Notice of any special Board meeting shall be provided at least two (2) days in advance by the individual(s) calling the meeting via telephone, facsimile, mail or e-mail.

5. Quorum and Vote. The presence of a majority of the directors shall constitute a quorum for the transaction of business. A meeting may be adjourned despite the absence of a quorum, and notice of an adjourned meeting is not necessary if the time and place to which the meeting is adjourned are fixed at the meeting at which the adjournment is taken, and if the period of adjournment does not exceed one month in any one adjournment. A number of affirmative votes in excess of negative votes at a meeting at which a quorum is present shall be the act of the Board, unless the vote of a greater number is required by its Restated Charter, these bylaws, or the laws of the State of Tennessee.

6. Action by Consent. Except as otherwise set forth in these bylaws, whenever the directors are required or permitted to take any action by vote, the action may be taken without a meeting by written consent. Such written consent shall (a) set forth the action so taken, (b) be signed by all persons entitled to vote on that action, (c) indicate each director's vote or abstention, as the case may be, and (iv) be delivered to the corporation for inclusion in the corporate records.

7. Resignation. A director may resign at any time by delivering a written notice to the Board of Directors or the Chairman. A resignation is effective upon delivery unless the notice specifies a later effective date.

8. Removal.

a. Removal by the Chairman. After three (3) unexcused absences in one (1) year from annual, regular or special meetings of the Board, or meetings of a Board committee, a director may be removed by the Chairman. For an absence to be considered excused, a director must notify the Chairman or Secretary (or applicable committee chair) by telephone, facsimile or e-mail prior to the meeting. Absences caused by illness, death of a relative, work or family conflict, or other factors considered appropriate by the Chairman shall be considered excused absences.

b. Removal by the Board. A director may be removed at any time, with or without cause, by a majority of the Board. Written notice that a vote for removal of a director will be taken at a meeting of the Board must be provided to each director, by facsimile or otherwise, at least two (2) days prior to the meeting.

ARTICLE IV

OFFICERS OF THE BOARD OF DIRECTORS

1. Number. The Board shall have a Chairman, Vice-Chairman, Treasurer, Secretary, and any other officer that the Board from time to time shall deem necessary.

2. Nomination, Election and Term. The Board shall elect the officers at its annual meeting. Nominations for officers may be submitted by any director to the Secretary up to two (2) days prior to the annual meeting. Elections shall be by written ballot unless only one individual is nominated for an office, in which case a voice vote will suffice. All officers shall serve for two (2) year terms, which shall run from July 1 through June 30. Each officer shall serve until the expiration of the term for which he or she is elected and thereafter until his or her successor has been elected and qualified.

3. Duties. All officers shall have that authority and perform those duties in the management of the Corporation which are normally incident to their offices and as the Board from time to time may provide, including without limitation those set forth below:

a. Chairman. The Chairman shall be the senior officer of the Board and shall preside at all meetings of the Board and the Executive Committee. The Chairman shall serve as an ex-officio member of all committees. He or she may sign any checks, deeds, mortgages, bonds, contracts, or other instruments which the Board has authorized to be executed. The Chairman shall have authority to spend, for the benefit of the Corporation, the following amounts in addition to what has previously been approved within the annual budget and without the authorization of the Board or the Executive Committee: (i) up to Ten Thousand Dollars (\$10,000.00), per instance; and (ii) up to Fifty Thousand Dollars (\$50,000.00), in the aggregate, during any single fiscal year; provided that the Chairman shall report all such expenditures to the Board at its next meeting.

b. Vice-Chairman. The Vice-Chairman shall perform all of the duties of the Chairman in the event of the Chairman's absence or inability to act, or in the event of a vacancy in that office. The Vice-Chairman shall be authorized to sign checks on behalf of the Corporation.

c. Secretary. The Secretary shall keep the minutes and the attendance record of the meetings of the Executive Committee and the Board; shall be responsible for the sending of all notices in accordance with the provisions of these bylaws or as required by law; shall compile an annual report at the end of each fiscal year during his or her term; and shall be custodian of the corporate records. The Secretary shall have the authority to appoint such individuals to assist in performance of his or her duties as he or she may deem appropriate.

d. Treasurer. The Treasurer shall be responsible for all funds, securities, and other property of the Corporation; shall prepare the proposed annual budget and present such budget for approval to the Board at its annual meeting; shall be authorized to sign checks; shall preside at all meetings of the Investment Committee; shall provide a financial report at all annual and regular meetings of the Board; and shall assist the Secretary in preparing the annual report. The Treasurer shall have authority to spend, for the benefit of the Corporation, the following amounts in addition to what has previously been approved within the annual budget and without the authorization of the Board or

the Executive Committee: (i) up to Five Thousand Dollars (\$5,000.00), per instance; and (ii) up to Twenty Five Thousand Dollars (\$25,000.00), in the aggregate, during any single fiscal year; provided that the Treasurer shall report all such expenditures to the Board at its next meeting.

4. Resignation. An officer may resign at any time by delivering a written notice to the Board. A resignation is effective upon delivery unless the notice specifies a later effective date.

5. Removal.

a. Removal by the Chairman. The Chairman does not have authority to unilaterally remove an officer of the Board.

b. Removal by the Board. An officer of the Board may be removed at any time, with or without cause, by a majority of the Board. Written notice that a vote for removal of an officer will be taken at a meeting of the Board must be provided to each director, by facsimile or otherwise, at least two (2) days prior to the meeting.

ARTICLE V

OFFICERS OF THE CORPORATION

1. Number. The Corporation shall have an Executive Director and any other officer as the Board from time to time shall deem necessary.

2. Employment. Each officer of the Corporation shall be hired by the Board as an employee at will of the Corporation. The Executive Committee, or such group as may be determined by the Board, shall be responsible for proposing to the Board candidates for officers of the Corporation.

3. Executive Director. The Executive Director shall direct the program and affairs of the Corporation on a daily basis within the limits of policy established by the Board; shall hire such employees as the Board shall deem necessary; shall direct and be responsible for the work of such employees; shall, unless otherwise limited by action of the Board, have the power to remove all employees; shall assist the Treasurer in preparing the proposed annual budget; and shall provide a program report at each regular and annual Board meeting. The Executive Director shall have authority to spend, for the benefit of the Corporation, the following amounts in addition to what has previously been approved within the annual budget and without the authorization of the Board or the Executive Committee: (i) up to Ten Thousand Dollars (\$10,000.00), per instance; and (ii) up to Fifty Thousand Dollars (\$50,000.00), in the aggregate, during any single fiscal year; provided that the Executive Director shall report all such expenditures to the Board at its next meeting.

4. Removal.

a. Removal by the Chairman. The chairman does not have authority to unilaterally remove an officer of the Corporation.

b. Removal by the Board. An officer of the Corporation may be removed at any time, with or without cause, by a majority of the Board. Written notice that a vote for removal of an officer will be taken at a meeting of the Board must be provided to each director, by facsimile or otherwise, at least two (2) days prior to the meeting.

ARTICLE VI

COMMITTEES

1. Powers. The Board may designate committees, consisting of one or more persons, and may delegate to any such committee or committees any and all authority that the Board deems desirable. The Chairman shall appoint the members of all committees, except as set forth in this Article VI.

2. Action by Committees. Paragraphs 4, 5 and 6 of Article III hereof, dealing with notice, quorum requirements and voting and action by consent, and Articles IX hereof, dealing with waiver of notice, shall apply to committees as well as to the Board as a whole. Meetings of committees may be conducted via teleconference.

3. Standing Committees. Through adoption of these bylaws, the Board hereby approves the creation of the following standing committees.

a. Executive Committee. The Executive Committee shall consist of the Chairman, the Vice-Chairman, the Secretary, and the Treasurer. The Chairman shall have the authority to break any voting deadlock of the Executive Committee. The Executive Director shall be an ex-officio member of the Committee. The Executive Committee, as determined by the Chairman, shall meet, via teleconference or otherwise, at least every forty-five (45) days. The Executive Committee shall manage the affairs of the Corporation between meetings of the Board; shall be responsible for the oversight and management of the affairs and property of the Corporation; shall oversee long-range planning (including without limitation analysis of growth and merger opportunities), recruitment of directors, nominating officers of corporation, human resource issues (including without limitation personnel decisions), public relations and programming; and shall report at each meeting of the Board all business transacted by the Committee. The Executive Committee shall have authority to spend, for the benefit of the Corporation, the following amounts in addition to what has previously been approved within the annual budget and without the authorization of the Board: (i) up to two percent (2%) of the Corporation's previous fiscal year revenues, per instance; and (ii) up to Two Hundred Fifty Thousand Dollars (\$250,000.00), in the aggregate, during any single fiscal year; provided that the Chairman shall report all such expenditures to the Board at its next meeting.

b. Endowment Committee. The Endowment Committee shall consist of not more than three (3) Directors who shall be appointed by the Chairman for terms of one (1) year. The Endowment Committee shall manage the McNeilly Endowment Fund in accordance with the McNeilly Endowment Fund Procedures and Guidelines approved by the Board on September ____, 2007, as such may be amended from time to time in accordance with the terms thereof.

ARTICLE VII

INDEMNIFICATION OF DIRECTORS

To the fullest extent permitted by the Tennessee Nonprofit Corporation Act, as the same may be amended from time to time, every director and every officer of the Corporation shall be indemnified by the Association against all expenses and liabilities, including attorneys fees, reasonably incurred by, or

imposed upon him or her, in connection with any proceeding to which he or she may be a party, or in which he or she may become involved, by reason of his or her being, or having been, a director or officer of the Corporation, or any settlement thereof, whether or not he or she is a director or officer at the time such expenses are incurred, except in such cases wherein the director or officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his or her duties; provided that, in the event of a settlement, the indemnification herein shall apply only when the Board approves by majority such settlement and reimbursement as being in the best interest of the Corporation. The foregoing right of indemnification shall be in addition to, and not exclusive of, all other rights to which such director or officer may be entitled. Notwithstanding the above, a director's liability shall not be limited for (a) any breach of the director's duty of loyalty to the Corporation; (b) acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law; or (c) any actions covered by Section 48-58-304 of the Tennessee Code Annotated.

ARTICLE VIII

FISCAL YEAR

The fiscal year of the corporation shall begin on the first day of July and end on the last day of June in each year.

ARTICLE IX

WAIVER OF NOTICE

Whenever any notice is required to be given under applicable law or under the provisions of the articles of incorporation or these bylaws, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE X

DISSOLUTION; DISTRIBUTION OF ASSETS

The Corporation may not wind up and dissolve without the approval of seventy-five percent (75%) of the Board and so long as each director is provided with written notice at least two (2) days prior to the meeting, by facsimile or otherwise, setting forth the intention to vote upon the dissolution of the Corporation at such meeting. In the event such action is taken, the Executive Committee shall be charged with overseeing the distribution of the Corporation's assets to like minded nonprofit child care organization(s) with operations in Davidson County, Tennessee.

ARTICLE XI

AMENDMENT OF BYLAWS

These bylaws may be amended, supplemented or repealed at any annual, regular or special meeting by a majority of the directors, so long as each director is provided with written notice at least two (2) days prior to the meeting, by facsimile or otherwise, setting forth the intention to amend, supplement or repeal the bylaws at such meeting. Each such notice shall be accompanied by a copy or summary of the amendment.

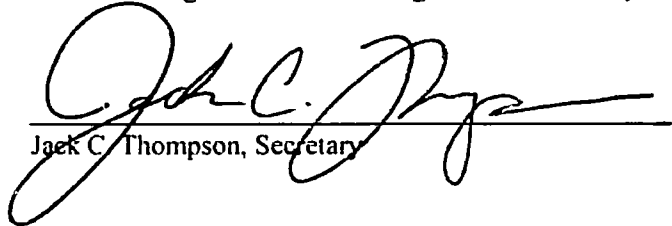
ARTICLE XII

RULES OF ORDER

The rules contained in Roberts Rules of Order, Revised shall govern the organization in all cases to which they are applicable, and in which they are not inconsistent with the bylaws of the organization.

CERTIFICATION

These bylaws were adopted by the Board at its organizational meeting on the 22nd day of January, 2008.



Jack C. Thompson, Secretary

McNeilly Center for Children
Board of Directors
2007/2008

Executive Board Directors

<p>Casey King, Chairman Vector Management</p> <p>2811 Belcourt Avenue Nashville, TN 37212 W: 615-330-1252 F: 615-292-1504 E: casey@vectormgmt.com</p>	<p>Emily Cook, Vice Chairman Healthways 904 Estes Road Nashville, TN 37215 H: 615-783-1510 W: 615-665-7632 E: emily.cook@healthways.com</p>
<p>Henri Etta Burton, Treasurer BSA Manager Renasant Bank 1816 Hayes Street Nashville, TN 37203</p> <p>W: 615-565-8660 H: 615-750-2479 C: 615-306-8196 F: 615-263-8196 E: HBurton@renasant.com</p>	<p>Jack C. Thompson, Secretary Boult Cummings Conners & Berry, PLC Roundabout Plaza 1600 Division Street, Suite 700 Nashville, TN 37203</p> <p>W: 615-252-4633 F: 615-252-4705 C: 615-243-7604 E: jthompson@boultcummings.com</p>
<p>Melba Marcum, Executive Director McNeilly Center for Children 400 Meridian Street Nashville, TN 37207</p> <p>W: 615-244-6473 F: 615-244-8998 C: 615-972-7365 E: melba.marcum@mcneillycenter.org</p>	

McNeilly Center for Children
Board of Directors
2007/2008

Directors

<p>Brad Blevins Blevins Inc. 421 Hart Lane Nashville, TN 37216</p> <p>W: 615-742-7060 F: 615- 228-1301 C: 615-504-7154 E: bblevins@blevinsinc.com</p>	<p>Daniel J. Boulton Global Motorsports Inc. 6030 Neighborly Ave. Nashville, TN 37209</p> <p>P: 615-828-8561 E: danieljboulton@hotmail.com</p>
<p>Amy Cass The Buntin Group 1001 Hawkins Street Nashville, TN 37203</p> <p>W: 615-244-5720 F: 615-244-6511 H: 615-673-9661 E: acass@buntinggroup.com</p>	<p>Jessica Douglass 3000 Hillsboro Pike #145 Nashville, TN 37215</p> <p>C: 615-400-7446 W: 615-895-9838 E: j_douglass@comcast.net</p>
<p>Frank R. Drowota, M.D. 1318 White Oak Lane Murfreesboro, TN 37130</p> <p>W: 615-867-8050 H: 615-217-6362 E: frankdrowota@yahoo.com</p>	<p>Morris Goggins Wells Fargo Home Mortgage 5203 Maryland Way Suite 102</p> <p>W: 615-365-0545 F: 615-365-0545 E: morris.a.goggins@wellsfargo.com</p>

McNeilly Center for Children
Board of Directors
2007/2008

Directors

<p>Tom Harwell, Past Chairman Eakin Partners 1600 Division Street Suite 1600 Nashville, TN 37203</p> <p>W: 615-250-1800 F: 615-250-1805 E: tharwell@eakinpartners.com</p>	<p>Robert Hannon, Past Chairman Boult, Cummings, Conners & Berry, PLC Roundabout Plaza, 1600 Division Street Suite 700 Nashville, TN 37203</p> <p>W: 615-252-2372 F: 615-252-6372 C: 615-525-6123 E: rhannon@boultcummings.com</p>
<p>Everton Heron Global Innovations 315 Tenth Ave. North Suite 122 W: 615-557-4062 C: 615-557-4062 E: eheron@ginnovations.us</p>	<p>Scott Hylbert Nashville Scene & Nfocus Magazine Village Voice Media 210 12th Ave. South, Suite 100 Nashville, TN 37203</p> <p>W: 615-744-3397 C: 615-714-7841 E: shylbert@nashvillescene.com</p>
<p>Linda Mattson, Past Chairman 1418 Stratton Avenue Nashville, TN 37206</p> <p>C: 615-828-0006 H: 615-226-8277 E: mattsonl@bellsouth.net</p>	<p>Ed Richardson HCA Physician Services Department Three Maryland Farms, Suite 250 Brentwood, TN 37027</p> <p>W: 615-309-2106 F: 866-856-8123 E: edward.richardson@hcahealthcare.com</p>

McNeilly Center for Children
Board of Directors
2007/2008

Directors

<p>Mary Katherine Simmons ASCAP</p> <p>1816 Lombardy Avenue Nashville, TN 37215</p> <p>W: 615-742-5077 C: 615-501-9164 E: mksimmons@ascap.com</p>	<p>Al Waldrop Northwestern Mutual Financial Network 1600 Division St. Suite 400 Nashville, TN 37203</p> <p>W: 615-742-8710 F: 615-742-8711 C: 615-715-6480 E: al.waldrop@nmfn.com</p>
<p>Katrina S. Worlund, Past Chairman American Healthways 3841 Green Hills Village Drive Nashville, TN 37215</p> <p>W: 615-565-5851 1-800-327-3822 F: 615-665-7697 E: katrina.worlund@healthways.com</p>	