

Return of Organization Exempt From Income Tax

OMB No 1545-0047

2006

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

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.

A For the 2006 calendar year, or tax year beginning , 2006, and ending , 20

B Check if applicable

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

06526

187

019

09

122

200612 031630000 29 1B
ART GUILD AT FAIRFIELD GLADE
2 NANCY K HAMM
PO BOX 1833
CROSSVILLE TN 38558-1833

D Employer identification number

201436572

E Telephone number

(931) 456-4446

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).

G Website: ▶ WWW.ARTGUILDFAIRFIELDGLADE.NET

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

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 ▶ N/A

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

L Gross receipts: Add lines 6b, 8b, 9b, and 10b to line 12 ▶ 62,948

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

1	Contributions, gifts, grants, and similar amounts received:			
a	Contributions to donor advised funds	1a	---	
b	Direct public support (not included on line 1a)	1b	34,392	
c	Indirect public support (not included on line 1a)	1c	---	
d	Government contributions (grants) (not included on line 1a)	1d	---	
e	Total (add lines 1a through 1d) (cash \$ _____ noncash \$ _____)	1e	34,392	
2	Program service revenue including government fees and contracts (from Part VII, line 93)	2	6,951	
3	Membership dues and assessments	3	4,840	
4	Interest on savings and temporary cash investments	4	1,937	
5	Dividends and interest from securities	5	---	
6a	Gross rents	6a	---	
b	Less: rental expenses	6b	---	
c	Net rental income or (loss). Subtract line 6b from line 6a	6c	---	
7	Other investment income (describe ▶ _____)	7	---	
8a	Gross amount from sales of assets other than inventory	(A) Securities	8a	---
b	Less: cost or other basis and sales expenses	(B) Other	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 <input type="checkbox"/>			
a	Gross revenue (not including \$ 9,913 of contributions reported on line 1b)	9a	14,838	
b	Less: direct expenses other than fundraising expenses	9b	7,698	
c	Net income or (loss) from special events. Subtract line 9b from line 9a	9c	7,130	
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 1e, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11	12	55,250	
13	Program services (from line 44, column (B))	13	4,106	
14	Management and general (from line 44, column (C))	14	3,214	
15	Fundraising (from line 44, column (D))	15	3,301	
16	Payments to affiliates (attach schedule)	16	---	
17	Total expenses. Add lines 13 and 14, column (A)	17	10,621	
18	Excess or (deficit) for the year. Subtract line 17 from line 12	18	44,629	
19	Net assets or fund balances at beginning of year (from line 73, column (A))	19	130,833	
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	175,462	

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"/>	- 0 -	- 0 -		
22b	Other grants and allocations (attach schedule) (cash \$ <u>1,400</u> noncash \$ <u>-0-</u>) If this amount includes foreign grants, check here <input type="checkbox"/>	1,400	1,400		
23	Specific assistance to individuals (attach schedule)	- 0 -	- 0 -		
24	Benefits paid to or for members (attach schedule)	- 0 -	- 0 -		
25a	Compensation of current officers, directors, key employees, etc. listed in Part V-A (attach schedule)	- 0 -	- 0 -	- 0 -	- 0 -
b	Compensation of former officers, directors, key employees, etc. listed in Part V-B (attach schedule)	- 0 -	- 0 -	- 0 -	- 0 -
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) (attach schedule)	- 0 -	- 0 -	- 0 -	- 0 -
26	Salaries and wages of employees not included on lines 25a, b, and c	- 0 -	- 0 -	- 0 -	- 0 -
27	Pension plan contributions not included on lines 25a, b, and c	- 0 -	- 0 -	- 0 -	- 0 -
28	Employee benefits not included on lines 25a - 27	- 0 -	- 0 -	- 0 -	- 0 -
29	Payroll taxes	- 0 -	- 0 -	- 0 -	- 0 -
30	Professional fundraising fees	- 0 -	- 0 -	- 0 -	- 0 -
31	Accounting fees	- 0 -	- 0 -	- 0 -	- 0 -
32	Legal fees	- 0 -	- 0 -	- 0 -	- 0 -
33	Supplies	5,205	408	2,135	2,662
34	Telephone	69	- 0 -	69	- 0 -
35	Postage and shipping	586	211	- 0 -	375
36	Occupancy	1,476	1,329	99	48
37	Equipment rental and maintenance	- 0 -	- 0 -	- 0 -	- 0 -
38	Printing and publications	414	198	- 0 -	216
39	Travel	- 0 -	- 0 -	- 0 -	- 0 -
40	Conferences, conventions, and meetings	- 0 -	- 0 -	- 0 -	- 0 -
41	Interest	- 0 -	- 0 -	- 0 -	- 0 -
42	Depreciation, depletion, etc. (attach schedule)	- 0 -	- 0 -	- 0 -	- 0 -
43	Other expenses not covered above (itemize):				
a	ADVERTISING	525	- 0 -	525	- 0 -
b	CHRISTMAS LUNCHEON	162	162	- 0 -	- 0 -
c	DONATIONS	100	- 0 -	100	- 0 -
d	DUES & SUBSCRIPTIONS	161	- 0 -	161	- 0 -
e	LIBRARY BOOKS	99	99	- 0 -	- 0 -
f	TRIPS	299	299	- 0 -	- 0 -
g	PROPERTY TAX	125	- 0 -	125	- 0 -
44	Total functional expenses. Add lines 22a through 43g. (Organizations completing columns (B)-(D), carry these totals to lines 13-15)	10,621	4,106	3,214	3,301

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? ► <u>ADVANCEMENT OF THE ARTS</u>	Program Service Expenses (Required for 501(c)(3) and (4) orgs., and 4947(a)(1) trusts, but optional for others.)
<p>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.)</p> <p>a <u>SCHOLARSHIPS ARE AWARDED EACH YEAR AND ART INSTRUCTION IS PROVIDED AT THE FOURTH GRADE LEVEL IN NINE ELEMENTARY SCHOOLS WITHIN CUMBERLAND COUNTY (WELL OVER 2,500 STUDENT CONTACTS IN 2006).</u></p> <p>(Grants and allocations \$ <u>1,400</u>) If this amount includes foreign grants, check here ► <input type="checkbox"/></p>	<p><u>1,445</u></p>
<p>b <u>TO FURTHER OUR GOAL OF ADVANCING ART THROUGH VISUAL DISPLAY, THREE ART SHOWS WERE PRESENTED IN 2006 AND A GALLERY WAS MAINTAINED FOR EXHIBITING ORIGINAL WORKS OF MEMBER ARTISTS. ESTIMATED NUMBER OF VISITORS TO THESE DISPLAYS - 3,000+</u></p> <p>(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/></p>	<p><u>919</u></p>
<p>c <u>CLASSES AND WORKSHOPS IN VARIOUS MEDIA ARE OFFERED THROUGHOUT THE YEAR. IN 2006, 51 CLASSES WERE HELD WITH 150 HOURS OF INSTRUCTION FOR 326 STUDENTS.</u></p> <p>(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/></p>	<p><u>877</u></p>
<p>d <u>TRIPS TO ART-RELATED ATTRACTIONS OUTSIDE OF OUR IMMEDIATE AREA ARE SPONSORED FOR MEMBERS AND GUESTS. ONE TRIP WAS TAKEN IN 2006 WITH 24 PERSONS PARTICIPATING</u></p> <p>(Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/></p>	<p><u>299</u></p>
<p>e Other program services (attach schedule) (Grants and allocations \$) If this amount includes foreign grants, check here ► <input type="checkbox"/></p>	<p><u>566</u></p>
<p>f Total of Program Service Expenses (should equal line 44, column (B), Program services). . . . ►</p>	<p><u>4,106</u></p>

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	11,713	45 6,395
	46 Savings and temporary cash investments	89,120	46 124,067
	47a Accounts receivable	47a --	47c --
	b Less: allowance for doubtful accounts	47b --	47c --
	48a Pledges receivable	48a --	48c --
	b Less: allowance for doubtful accounts	48b --	48c --
	49 Grants receivable	--	49 --
	50a Receivables from current and former officers, directors, trustees, and key employees (attach schedule)	--	50a --
	b Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) (attach schedule)	--	50b --
	51a Other notes and loans receivable (attach schedule)	51a --	51c --
	b Less: allowance for doubtful accounts	51b --	51c --
	52 Inventories for sale or use	--	52 --
	53 Prepaid expenses and deferred charges	--	53 --
	54a Investments—publicly-traded securities <input type="checkbox"/> Cost <input type="checkbox"/> FMV	--	54a --
	b Investments—other securities (attach schedule) <input type="checkbox"/> Cost <input type="checkbox"/> FMV	--	54b --
	55a Investments—land, buildings, and equipment: basis	55a --	55c --
	b Less: accumulated depreciation (attach schedule)	55b --	55c --
	56 Investments—other (attach schedule)	--	56 --
	57a Land, buildings, and equipment: basis	57a 30,000	57c 30,000
	b Less: accumulated depreciation (attach schedule)	57b --	57c 30,000
58 Other assets, including program-related investments (describe ► ARCHITECT PLANS)	--	58 15,000	
59 Total assets (must equal line 74). Add lines 45 through 58	130,833	59 175,462	
Liabilities	60 Accounts payable and accrued expenses	--	60 --
	61 Grants payable	--	61 --
	62 Deferred revenue	--	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)	--	64b --
	65 Other liabilities (describe ►)	--	65 --
	66 Total liabilities. Add lines 60 through 65	--	66 --
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74.		
	67 Unrestricted		67
	68 Temporarily restricted		68
	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	100,833	70 130,462
	71 Paid-in or capital surplus, or land, building, and equipment fund	30,000	71 45,000
	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)	130,833	73 175,462
	74 Total liabilities and net assets/fund balances. Add lines 66 and 73	130,833	74 175,462

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

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

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	

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 & deferred compensation plans	(E) Expense account and other allowances
NANCY HAMM, 143 CANTERBURY DR. FAIRFIELD GLADE, TN 38558	PRESIDENT 20 HRS/WK	-0-	-0-	-0-
SUE VANDEWALKER, 161 MEADOWVIEW DR. FAIRFIELD GLADE, TN 38558	1ST VICE-PRESIDENT 3 HRS/WK	-0-	-0-	-0-
GLORIA MCCracken, 144 MARKHAM LN. FAIRFIELD GLADE, TN 38558	2ND VICE-PRESIDENT 1 HR/WK	-0-	-0-	-0-
KAREN SHAW, 109 BRIGHTON LN. FAIRFIELD GLADE, TN 38558	SECRETARY 2 HRS/WK	-0-	-0-	-0-
CAROL PAPO, 181 SNEAD DR. FAIRFIELD GLADE, TN 38558	TREASURER & TRUSTEE 8 HRS/WK	-0-	-0-	-0-
J.H. GRAHAM III, P.O. Box 1176 CROSSVILLE, TN 38557	TRUSTEE 3 HRS/YEAR	-0-	-0-	-0-
BROCK HILL, 2 NORTH MAIN ST. CROSSVILLE, TN 38555	TRUSTEE 3 HRS/YEAR	-0-	-0-	-0-
BILLY LOGGINS, c/o P.O. DRAWER 749 CROSSVILLE, TN 38557	TRUSTEE 3 HRS/YEAR	-0-	-0-	-0-
DR. PATTY RAGSDALE, 51 FOX HOLLOW LN. CROSSVILLE, TN 38571	TRUSTEE 3 HRS/YEAR	-0-	-0-	-0-
CARMIN LYNCH, 19 CREIGMONT LN. FAIRFIELD GLADE, TN 38558	TRUSTEE 3 HRS/YEAR	-0-	-0-	-0-

Part V-A **Current Officers, Directors, Trustees, and Key Employees** *(continued)*

Yes	No
-----	----

- 75a** Enter the total number of officers, directors, and trustees permitted to vote on organization business at board meetings 5

- 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) . . .

- 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.

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

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.)

[illegible]**Part VI** **Other Information** *(See the instructions.)*

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

- 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.

- 78a** Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?

- b** If "Yes," has it filed a tax return on **Form 990-T** for this year?

- 79** Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement

- 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?

- b** If "Yes," enter the name of the organization ► _____

and check whether it is ☐ exempt or ☐ nonexempt

- 81a** Enter direct and indirect political expenditures. (See line 81 instructions.)

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

Yes	No
-----	----

Form **990** (2006)

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 ☐
 and enter the amount of tax-exempt interest received or accrued during the tax year **▶** | **92** |

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 CLASS & WORKSHOP FEES					3,100
b ART SHOW FEES & COMMISSIONS					3,007
c TRIPS & MISCELLANEOUS					844
d					
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies					
94 Membership dues and assessments					4,840
95 Interest on savings and temporary cash investments			14	1,937	
96 Dividends and interest from securities					
97 Net rental income or (loss) from real estate:					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory					
101 Net income or (loss) from special events			1	7,130	
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))				9,067	11,791
105 Total (add line 104, columns (B), (D), and (E))					20,858

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	CLASSES & WORKSHOPS ARE ONE OF OUR PRIMARY MEANS OF PROMOTING ART
93b	ART SHOWS & DISPLAY OF MEMBERS WORK PROMOTE ART APPRECIATION
93c	TRIPS TO ART-RELATED ATTRACTIONS FURTHER OUR GOAL OF PROMOTING ART APPRECIATION
94	MEMBERS RECEIVE A MONTHLY NEWSLETTER AND DISCOUNTED CLASS RATES

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
N/A	%			
	%			
	%			
	%			

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

**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 Carol E. Papo

Date 4/23/07

Type or print name and title CAROL E. PAPO, TREASURER

**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

2006

Name of the organization

THE ART GUILD AT FAIRFIELD GLADE

Employer identification number

201436572

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees
(See page 2 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
<i>NONE</i>				

Total number of other employees paid over \$50,000 . . . ►

- 0 -

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
<i>NONE</i>		

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
<i>NONE</i>		

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 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** 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

X

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

3b

X

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

X

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

3d

X

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

4a

X

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

4b

X

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

4c

X

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 7 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 7 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 7 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) 2005	(b) 2004	(c) 2003	(d) 2002	(e) Total
15 Gifts, grants, and contributions received. (Do not include unusual grants. See line 28.)	81,050	22,845	9,023	4,970	117,888
16 Membership fees received	5,110	4,765	4,210	3,345	17,430
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	14,702	16,383	17,059	14,685	62,829
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	613	157	182	65	1,017
19 Net income from unrelated business activities not included in line 18.	- - -	- - -	- - -	- - -	- - -
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf	- - -	- - -	- - -	- - -	- - -
21 The value of services or facilities furnished to the organization by a governmental unit without charge. Do not include the value of services or facilities generally furnished to the public without charge.	- - -	- - -	- - -	- - -	- - -
22 Other income. Attach a schedule. Do not include gain or (loss) from sale of capital assets	- - -	- - -	- - -	- - -	- - -
23 Total of lines 15 through 22	101,475	44,150	30,474	23,065	199,164
24 Line 23 minus line 17	86,773	27,767	13,415	8,380	136,335
25 Enter 1% of line 23	1,015	442	305	231	

26 Organizations described on lines 10 or 11:	a Enter 2% of amount in column (e), line 24	26a
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 2002 through 2005 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts		26b
c Total support for section 509(a)(1) test: Enter line 24, column (e)		26c
d Add: Amounts from column (e) for lines:	18 _____ 19 _____ 22 _____ 26b _____	26d
e Public support (line 26c minus line 26d total)		26e
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))		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:

(2005) - - - (2004) - - - (2003) - - - (2002) - - -

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:

(2005) - - - (2004) - - - (2003) - - - (2002) - - -

c Add: Amounts from column (e) for lines:	15 117,888	16 17,430		
	17 62,829	20 - - -	21 - - -	
d Add: Line 27a total	- - -	and line 27b total	- - -	
e Public support (line 27c total minus line 27d total)				27e 198,147
f Total support for section 509(a)(2) test. Enter amount from line 23, column (e)			27f 199,164	
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))				27g 99 %
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))				27h 1 %

28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 2002 through 2005, 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:	32a	
a Records indicating the racial composition of the student body, faculty, and administrative staff?	32b	
b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?	32c	
c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?	32d	
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.) ----- -----		
33 Does the organization discriminate by race in any way with respect to:	33a	
a Students' rights or privileges?	33b	
b Admissions policies?	33c	
c Employment of faculty or administrative staff?	33d	
d Scholarships or other financial assistance?	33e	
e Educational policies?	33f	
f Use of facilities?	33g	
g Athletic programs?	33h	
h Other extracurricular activities? 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? 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 page 10 of the instructions.)
(To be completed **ONLY** by an eligible organization that filed Form 5768)Check **a** ☐ if the organization belongs to an affiliated group. Check **b** ☐ if you checked "a" and "limited control" provisions apply.**Limits on Lobbying Expenditures**

(The term "expenditures" means amounts paid or incurred.)

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

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

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

Calendar year (or fiscal year beginning in) ►	Lobbying Expenditures During 4-Year Averaging Period				
	(a) 2006	(b) 2005	(c) 2004	(d) 2003	(e) Total
45 Lobbying nontaxable amount					
46 Lobbying ceiling amount (150% of line 45(e))					
47 Total lobbying expenditures					
48 Grassroots nontaxable amount					
49 Grassroots ceiling amount (150% of line 48(e))					
50 Grassroots lobbying expenditures					

Part VI-B Lobbying Activity by Nonelecting Public Charities *N/A*
(For reporting only by organizations that did not complete Part VI-A) (See page 13 of the instructions.)

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

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

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

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

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

(i) Cash

(ii) Other assets

(ii) Purchases of assets from a noncharitable exempt organization

(iv) Reimbursement arrangements

(vi) Performance of services or membership or fundraising solicitations

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:

[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]

Attachment for Schedule A (Form 990) (2006)

Part III, Line 3a Do you make grants for scholarships, fellowships, student loans, etc.?

Scholarships are awarded as a gift to high school seniors who wish to continue their education in an art-related field at a college or university. The availability of the scholarship is publicized through local newspapers and the high school art teacher. Home schooled students may also apply. Candidates are recommended to us by the high school art teacher. The scholarship committee interviews each candidate and reviews their portfolio during the selection process. We have no application form for scholarships but do ask each applicant to submit a statement giving personal data such as name address, and telephone number and outline their goals and proposed course of study. Scholarship payments are made directly to the school of the award winners choice.

Part I, Line 9 Special events and activities

Part II, Line 22 Grants and allocations

Part III, Line e Other program services

	Program Service Expenses
A newsletter is sent to all members on a monthly basis. This publication includes a schedule of upcoming classes, information regarding art shows to be held, scheduled trips, etc.	\$ 265
A library of over 500 books, magazines, and videos dealing with art appreciation and instruction is maintained for use of members.	\$ 139
A Christmas luncheon is held in December for members and their guests.	\$ 162
Total	\$ 566